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House of Representatives

The House met at 9 a.m. and was called to order by the Speaker pro tempore (Mrs. WILSON of New Mexico).

DESIGNATION OF SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
June 27, 2006.

I hereby appoint the Honorable HEATHER WILSON to act as Speaker pro tempore on this day.

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

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 31, 2006, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 25 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to not to exceed 5 minutes, but in no event shall debate extend beyond 9:50 a.m.

The Chair recognizes the gentleman from Texas (Mr. HINOJOSA) for 5 minutes.

IN DEFERENCE TO DR. BEN BERNANKE, CHAIRMAN OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE, AND MR. RICHARD W. FISHER, CEO AND PRESIDENT OF THE FEDERAL RESERVE BANK OF DALLAS

Mr. HINOJOSA. Madam Speaker, recently, I held my Fifth Regional Leaders Issues Conference in the Jefferson Building of the Library of Congress. Over 140 of my constituents attended the conference, including elected officials, presidents of universities, educators, heads of chambers of commerce, and many other community leaders in the 15th District of Texas.

On Tuesday, June 13, 2006, I was honored to have Dr. Ben Bernanke, Chairman of the Board of Governors of the Federal Reserve, give remarks to the conferees. He referenced data from the Survey of Consumers Finances, which is a triennial survey sponsored by the Federal Reserve Board.

The latest survey revealed some discouraging and alarming statistics: Households whose income placed them in the bottom fifth of the population were less likely than the average respondent to maintain a checking or savings account, and almost 25 percent of those families were unbanked compared to less than 10 percent of families in the other income levels.

According to the survey, reasons given for not having an account varied. Some respondents said they would not write enough checks to make having an account worthwhile; others were dissuaded by minimum balance requirements, or said that they did not have enough money to justify opening a bank account.

Chairman Bernanke noted that, in some cases, consumers lacked the knowledge about the services that banks offer, including deposit insurance, or even misunderstood the important role banks play in our economy. Chairman Bernanke went on to say that some of the general approaches to helping families of modest means build wealth and improve their economic well-being include community economic development, financial literacy, and other programs that encourage saving and investment.

As the cofounder and cochair of the Financial Economic Literacy Caucus, I was pleased by all the information he provided my constituents, and I am pleased with the efforts the Federal Reserve is undertaking to improve financial literacy rates across the United States. I want to take this opportunity to express my sincere appreciation for Chairman Bernanke taking time out of his very busy schedule to speak to my constituents.

It is my hope that the media will focus more attention on what the chairman and the Financial and Economic Literacy Caucus members have to say with regard to financial education and literacy, instead of focusing solely on Chairman Bernanke's comments on the direction of interest rates. I find it odd that the media and some legislators have yet to realize that there is a correlation between the country's poor financial literacy rates and the actions the Federal Reserve has to take from time to time.

Madam Speaker, I include for the RECORD the remarks Chairman Bernanke gave before my Fifth Regional Leaders Issues Conference.

REMARKS BY CHAIRMAN BEN S. BERNANKE, FEDERAL RESERVE BOARD, AT THE FIFTH REGIONAL ISSUES CONFERENCE OF THE FIFTEENTH CONGRESSIONAL DISTRICT OF TEXAS

INCREASING ECONOMIC OPPORTUNITY: CHALLENGES AND STRATEGIES

WASHINGTON, June 13, 2006.—I am pleased to be here to discuss some strategies for helping families, particularly lower-income families, improve their economic and financial well-being. Families today face a financial marketplace that is increasingly complex, with numerous products and service providers from which to choose. Today I will touch on several approaches for helping people of modest means take advantage of these financial opportunities while managing the risks and avoiding possible pitfalls.

TODAY'S FINANCIAL MARKETPLACE

Technological advances have dramatically transformed the provision of financial products and services in recent years. To cite just one example, the expanded use of computerized credit-scoring models, by reducing the costs of making loans and by increasing

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the range of assets that lenders can sell on the secondary market, has made possible the extension of credit to a larger group of borrowers. Indeed, we have seen an increasingly wide array of products being offered to consumers across a range of incomes, leading to what has been called the democratization of credit. Likewise, technological innovation has enhanced financial services, such as banking services, and increased the variety of financial products available to savers.

The range of providers in consumer financial markets has also increased, with the number of nonbank entities offering credit and other financial services having risen particularly quickly. For example, a recent study of alternative providers of financial services found the number of nonbank check-cashing establishments doubled in the United States between 1996 and 2001. Payday lending outlets, a source of credit that was almost non-existent a decade ago, now number more than 10,000. And data from the Survey of Consumers Finances, a triennial survey sponsored by the Federal Reserve Board, indicate that the share of households with a loan from a finance company increased from 13 percent in 1992 to 25 percent in 2004.

FINANCIAL CHALLENGES OF LOWER-INCOME FAMILIES

Despite the increased complexity of financial products and the wider availability of credit in many forms, U.S. households overall have been managing their personal finances well. On average, debt burdens appear to be at manageable levels, and delinquency rates on consumer loans and home mortgages have been low. Measured relative to disposable income, household net worth is at a fairly high level, although still below the peak reached earlier this decade.

Families with low to moderate incomes, however, face special financial challenges. These families generally have less of a cushion to absorb unanticipated expenses or to deal with adverse circumstances, such as the loss of employment or a serious health problem. Results from the Survey of Consumer Finances show that the median net worth for households in the lowest income quintile—those whose income placed them in the bottom fifth of the population—was only $7,500 in 2004, well below the median for all survey respondents of $93,000. The Survey data also indicate that households in the lowest quintile were significantly less likely than the average respondent to maintain a checking or savings account; almost 25 percent of those families were ''unbanked,'' compared to less than 10 percent of families in the other income quintiles. The reasons given for not having an account varied: Some respondents said they would not write enough checks to make having an account worthwhile, but others were dissuaded by minimum balance requirements or said that they did not have enough money to justify opening an account. In some cases, a lack of knowledge about the services that banks offer or even a distrust of banks is likely a factor.

The Survey also found that lower-income households are less able than others to manage their debts. A greater fraction of these households had debt-to-income ratios of 40 percent or more or had a payment past due at least sixty days. The data also reveal that only 40 percent of families in the lowest quintile own a home, compared with a homeownership rate of 69 percent among all families surveyed. Finally, the data on retirement account ownership show an even larger gap, with only 10 percent of lowest-quintile families holding a retirement account, whereas 50 percent of all families responding to the survey reported participation in some type of retirement savings plan.

How can these disparities be addressed? Some general approaches to helping families of modest means build assets and improve their economic well-being include community economic development, financial education, and programs that encourage saving and investment. In the remainder of my remarks, I will discuss each of these approaches briefly and offer some insights into their effectiveness based on research and experience.

COMMUNITY ECONOMIC DEVELOPMENT

In my time with the Federal Reserve, I have had a number of opportunities to meet with community economic development leaders—representatives of groups working to assist lower-income families become homeowners, start small businesses, better manage their finances, and save for the future. In fact, my first trip as a Federal Reserve Board member was to Brownsville, Texas, where I saw how a grassroots nonprofit organization is helping to build communities and to provide residents with the chance to build wealth through homeownership. The Community Development Corporation (CDC) of Brownsville works with multiple funding partners—governments at all levels, financial institutions, foundations, and corporations—to construct housing and to design innovative loan products that enable low-income families to qualify for mortgage credit. For example, because of the mix of funding sources, mortgage loans can be offered with features such as down-payment assistance or a below-market interest rate. The CDC of Brownsville also offers a program that allows prospective homeowners to acquire ''sweat equity'' in a property by working on construction teams to help build their own new home and those of other participating families.

As in the case of many community development organizations, the Brownsville CDC has also made financial education a critical element of its efforts to help lower-income residents improve their financial status. For example, participation in financial counseling or in an education program is typically required for a borrower to obtain a loan through the CDC or through one of its lending partners. However, the broader aim of these programs is to improve borrowers' prospects for longer-term success in maintaining their credit and handling their overall finances. Since 1994, through this combination of leveraged financing arrangements and borrower education, the CDC of Brownsville has helped make homeownership possible for more than 2,500 low-income families. I cite the Brownsville example because of the opportunity that I had to learn about their work (and I recently had a similar opportunity to see some impressive community development efforts in the Anacostia neighborhood of the District of Columbia). But this localized approach to community development and wealth-building is playing out in neighborhoods throughout the country, in most cases through strategies tailored to the distinct needs of the particular community.

FINANCIAL EDUCATION AND FINANCIAL LITERACY

Financial education has not only been integral to community development but has also begun to play a larger role in the broader consumer market. Clearly, to choose wisely from the wide variety of financial products and providers available, consumers must have at least basic financial knowledge. People who understand the financial aspects of purchasing a home or starting a business, or who appreciate the importance of saving for children's education or retirement, will almost certainly be economically better off than those without that vital information. Financial literacy can be acquired through many channels: in school, on the job, through community programs and counseling, or through self-education and experience.

Studies generally find that people receiving financial education or counseling have better financial outcomes. For example, research that analyzed data on nearly 40,000 mortgage loans targeted to lower-income borrowers found that families that received individual financial counseling were less likely later to become delinquent on their mortgage payments. Similarly, another study found that borrowers who sought and received assistance from a credit counseling agency improved their credit management, in particular, by reducing the number of credit accounts on which they carried positive balances, cutting overall debt, and reducing delinquency rates. More broadly, the research shows that financial knowledge is correlated with good financial outcomes; for example, individuals familiar with basic financial concepts and products have been found to be more likely to balance their checkbook every month, budget for savings, and hold investment accounts.

Studies that establish an association between financial knowledge and good financial outcomes are encouraging, but they do not necessarily prove that financial training and counseling are the causes of the better outcomes. It could be, for example, that counseling is associated with better financial outcomes because the consumers who choose to seek counseling are the ones who are already better informed or more motivated to make good financial decisions. In medicine and other fields, researchers gain a better understanding of what causes what by doing controlled studies, in which some subjects are randomly assigned a particular treatment while others do not receive it. To translate this idea to the analysis of the effects of financial counseling, the Federal Reserve Board's Division of Consumer and Community Affairs is collaborating with the Department of Defense to conduct a three-year study of the effects of financial education. This study will evaluate the impact of various educational programs on the financial decisions of soldiers and their families. It includes a treatment group of those receiving financial education, with the programs each family receives and when they receive it being determined randomly, and a control group of similar soldiers and their families who have not received this formal financial education. Because assignments of individuals to programs will be random, any observed changes in behavior can be more reliably attributed to the type and amount of counseling received. Among other things, the results of this study should help us better understand whether financial education leads to changes in behavior for participants in general or only for those at critical teaching moments, such as the period before making a major financial decision such as choosing a mortgage.

I would like to say just a few words about the Federal Reserve's broader role in promoting consumers' understanding of financial products and services. Beyond conducting surveys of consumers and doing research, we work in a number of ways to support consumers in their financial decision-making. For example, through our consumer protection rule-writing authority, the Federal Reserve sets requirements that specify the information that must be disclosed to consumers about the terms and fees associated with credit and deposit accounts. These disclosures provide consumers with the essential information they need to assess the costs and benefits of financial services and compare products among different providers. We are currently reviewing many of our disclosures and plan to use focus groups and

other methods to try to make these disclosures as clear and as user-friendly as possible.

The Federal Reserve System also works to promote financial education and financial literacy through various outreach and educational activities. We provide a great deal of substantive financial information, including interactive tools for economic education, on our education website www.federalreserveeducation.org. The website links to a wide variety of financial education resources at the local, regional, and national levels.

Additionally, the Federal Reserved Board collaborates with educational and community development organizations to support their efforts. Our national partners include the Jump$tart Coalition for Personal Financial Literacy, the Conference of Mayors' DollarWi$e Campaign, Operation HOPE, the American Savings Education Council, and America Saves, among others. At the regional level, the 12 Federal Reserve Banks work with organizations to support financial education and financial literacy. For example, the Federal Reserve Bank of Cleveland has worked with community financial educators to form regional networks that combine resources and share best practices. The Federal Reserve Bank of Chicago sponsors ''MoneySmart Week,'' partnering with banks, businesses, government agencies, schools, community organizations, and libraries to host activities designed to help consumers learn how to manage money. The Federal Reserve Banks of San Francisco and Minneapolis have worked with leaders in the Native American community to develop financial education materials. My recent testimony to Congress on financial literacy provided information on many other projects and programs. The Federal Reserve will continue to make financial education a priority.

STRATEGIES TO ENCOURAGE SAVING

Even if people know that they would be better off if they saved more or budgeted more wisely, we all know from personal experience that translating good intentions into action can be difficult. (Think about how hard it is to keep New Year's resolutions.) The field of behavioral economics, which studies economic and financial decisions from a psychological perspective, has cast new light on consumer behavior and led to recommendations about how to improve people's financial management. For example, studies of individual choices in 401(k) savings plans strongly suggest that workers do not pay adequate attention to their saving and investment decisions. Notably, despite the tax advantages of 401(k) contributions and, in some cases, a generous employer match, one-quarter of workers eligible for 401(k) plans do not participate. Studies have found, however, that if firms change the presentation of the plan from an ''opt-in'' choice to an ''opt-out'' choice, in which workers are automatically enrolled unless they actively choose to remain out of the plan, participation rates increase substantially. The impact of changing from ''opt-in'' to ''opt-out'' is particularly evident for younger and lower-income workers, who may have less financial expertise.

In addition, participants in savings plans evidently do not understand the various investment options that are offered. A survey by the investment management firm, The Vanguard Group, found that many plan participants cannot assess the risk inherent in different types of financial assets; for example, many did not appreciate that a diversified equity mutual fund is generally less risky than keeping most of one's wealth in the form of the employer's stock. Indeed, employees appear to invest heavily in their company's stock despite the fact that their income is already tied to the fortunes of their employer. More than one-quarter of 401(k) balances are held in company stock, and this high share arises not only from an employer match but from voluntary purchases as well.

These insights into consumer behavior have prompted some changes in the design of retirement plans and in education programs focused on saving for retirement. More employers now feature automatic enrollment in their 401(k) plans in an effort to boost participation. Also, some have set the default investment option to a diversified portfolio that is rebalanced automatically as the worker ages or have set contribution rates to rise automatically over time in line with salary increases.

However, although these changes in program design may boost saving and improve investment choices, they are not a substitute for continued financial education. Employers, including the Federal Reserve Board, offer financial education at the workplace to help their workers gain a better understanding of retirement savings options. Helping people appreciate the importance of saving and giving them the tools they need to translate that knowledge into action remain major challenges.

CONCLUSION

Let me close by observing that many factors influence consumer financial behavior. Financial education is clearly central to helping consumers make better decisions for themselves and their families, but policymakers, regulators, nonprofit organizations, and financial service providers must all help ensure that consumers have the tools and the information they need to make better decisions. Success can only come through collaborative efforts. I see much interest today in increased collaboration toward these objectives, both in Washington and around the country.

Thank you for the opportunity to speak with you today. I encourage you to continue working together to help provide increased economic opportunity in your communities, and I wish you the best of luck in your efforts.

Mr. HINOJOSA. I also want to take this opportunity to thank Richard W. Fisher, CEO and president of the Federal Reserve Bank of Dallas, for hosting me recently at the Federal Reserve Bank of Dallas. Richard W. Fisher assumed the office of president and CEO of the Federal Reserve Bank of Dallas on April 4, 2005. President Fisher serves as a member of the Federal Open Market Committee, the Federal Reserve's principal monetary policymaking group.

During my visit, President Fisher provided me with valuable economic information on the 15th District of Congress, as well as insight into the Dallas Bank's efforts to improve financial literacy. I want to commend President Fisher and the Federal Reserve Bank of Dallas for publishing an excellent brochure entitled, Building Wealth, a Beginner's Guide to Securing Your Financial Future, which is an introduction for individuals and families seeking to develop a plan for building personal wealth. It contains four sections: Learn the language; budget to save; save and invest; and take control of debt. The publication is available in both English and Spanish, and is available in print and it is available as an interactive version on the Dallas Fed's Web site. I encourage you to look it up.

The Dallas Fed is an active partner in several asset-building initiatives throughout its district, including the Texas Asset Building Coalition which promotes personal financial education, affordable homeownership opportunities, individual development accounts/matched savings programs, the earned income tax credit, and antipredatory lending measures.

Again, I want to thank Chairman Bernanke for speaking at my Regional Leaders Issues Conference and President Fisher for hosting me at the Federal Reserve Bank of Dallas.

Mr. HINOJOSA. Madam Speaker, recently, I held my Fifth Regional Leaders Issues Conference in the Jefferson Building of the Library of Congress. Over 140 of my constituents attended the conference, including: elected officials, presidents of universities, educators, heads of Chambers of Commerce and other community leaders in the 15th district of Texas. On Tuesday, June 13, 2006, I was honored to have Dr. Ben Bernanke, Chairman of the Board of Governors of the Federal Reserve, give remarks to the conferees. He referenced data from the Survey of Consumers Finances, which is a triennial survey sponsored by the Federal Reserve Board. The latest survey revealed some discouraging and alarming statistics: households whose income placed them in the bottom fifth of the population were less likely than the average respondent to maintain a checking or savings account; almost 25 percent of those families were ''unbanked,'' compared to less than 10 percent of families in the other income levels. According to the survey, reasons given for not having an account varied: Some respondents said they would not write enough checks to make having an account worthwhile, but others were dissuaded by minimum balance requirements or said that they did not have enough money to justify opening an account. Chairman Bernanke stated that, in some cases, a lack of knowledge about the services that banks offer including deposit insurance or even a misunderstanding of the important role banks play in our economy.

Chairman Bernanke went on to say that some of the general approaches to helping families of modest means build wealth and improve their economic well-being include community economic development, financial literacy, and other programs that encourage saving and investment. As co-founder and co-chair of the Financial and Economic Literacy Caucus, I was pleased by all the information he provided my constituents, and I am pleased with the efforts the Federal Reserve is undertaking to improve financial literacy rates across the United States. I want to take this opportunity to express my sincere appreciation for Chairman Bernanke taking time out of his very busy schedule to speak to my constituents. It is my hope that the media will focus more attention on what the Chairman and the Financial and Economic Literacy Caucus have to say with regard to financial education and literacy, instead of focusing solely on Chairman Bernanke's comments on the direction of interest rates. I find it odd that the media and some legislators have yet to realize that there is a correlation between the country's poor financial literacy rates and the actions the Federal Reserve has to take from time to time.

Madam Speaker, at this point, I ask unanimous consent to enter into the record the remarks Chairman Bernanke gave before my Fifth Regional Leaders Issues Conference.

I also want to take this opportunity to thank Richard W. Fisher, CEO and President of the Federal Reserve Bank of Dallas, for hosting me recently at the Federal Reserve Bank of Dallas. Richard W. Fisher assumed the office of president and CEO of the Federal Reserve Bank of Dallas on April 4, 2005. President Fisher serves as a member of the Federal Open Market Committee, the Federal Reserve's principal monetary policymaking group. He is former vice chairman of Kissinger McLarty Associates, a strategic advisory firm chaired by former Secretary of State Henry Kissinger. From 1997 to 2001, Fisher was deputy U.S. trade representative with the rank of ambassador. He oversaw the implementation of NAFTA, negotiations for the Free Trade Area of the Americas, and various agreements with Vietnam, Korea, Japan, Chile and Singapore. He was a senior member of the team that negotiated the bilateral accords for China's and Taiwan's accession to the World Trade Organization. Throughout his career, Fisher has served on numerous for-profit and not-for-profit boards. A first-generation American, Fisher is equally fluent in Spanish and English, having spent his formative years in Mexico. He attended the U.S. Naval Academy, graduated with honors from Harvard University in economics, read Latin American politics at Oxford and received an M.B.A. from Stanford University.

During my visit, President Fisher provided me with valuable economic information on the 15th district of Congress as well as insight into the Dallas Bank's efforts to improve financial literacy. I want to commend President Fisher and the Federal Reserve Bank of Dallas for publishing an excellent brochure entitled Building Wealth: A Beginner's Guide to Securing Your Financial Future, which is an introduction for individuals and families seeking to develop a plan for building personal wealth. It contains four sections: learn the language, budget to save, save and invest and take control of debt. The publication is available in both English and Spanish and is available in print and as an interactive version on the Dallas Fed's Web site. The Dallas Fed is an active partner in several asset-building initiatives throughout its district, including the Texas Asset Building Coalition, which promotes personal financial education, affordable homeownership opportunities, Individual Development Accounts/matched-savings programs, the Earned Income Tax Credit, and anti-predatory lending measures.

Again, I want to thank Chairman Bernanke for speaking at my Regional Leaders Issues Conference and President Fisher for hosting me at the Federal Reserve Bank of Dallas.

RECESS

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

Accordingly (at 9 o'clock and 8 minutes a.m.), the House stood in recess until 10 a.m.

□ 1000

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mrs. MILLER of Michigan) at 10 a.m.

PRAYER

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

''When I call; answer me, O God of justice, from anguish you release me; have mercy and hear me!''

Lord, at times our prayers, especially those said publicly, are bold sounding, almost like a military order summoning the ranks to take shape, a call to precision and movement.

At other times, our prayer is more like a whimper, muffled in the heart, struggling to find the right words, the cry of the most dependent in our midst.

Whenever or however we call out to you, O Lord, as individuals or as a Nation, hear us.

For we are in need of Your justice and Your mercy, both now and forever.

Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

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

Mr. KUCINICH 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.

IRAN'S GASOLINE IMPORTS

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

Mr. KIRK. Madam Speaker, 3 years ago, a Congressman, ROB ANDREWS, and I founded the Iran Working Group to explore all peaceful options with regard to the nuclear crisis.

Last June, we proposed a unique option, an international quarantine on the sale of gasoline to Iran. Despite its status as an OPEC oil producer, Iran depends on over 40 percent of its gasoline supply from abroad, and because the mullahs failed to modernize Iran's refineries, she has run short.

Iran's government knows of this critical weakness. They have reviewed the congressional resolution and calls for restricting gas sales to Iran.

To prepare their people, the Iranian government decided this week to cut in half their gasoline subsidy for foreign supplies, effectively eliminating almost 200,000 barrels a day from their national supply. This will trigger gasoline rationing in Tehran and will begin to tighten the squeeze on the government.

It shows that this is a very powerful lever to use in the peaceful resolution of this crisis and one that Iran's leaders already know would be effective.

TIME TO REAWAKEN IN OUR PEOPLE THE COURAGE OF THE FOUNDERS

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

Mr. KUCINICH. Madam Speaker, a reading from the book of James, Madison that is.

The fourth amendment to the Constitution of the United States: The right of the people to be secure in their persons, houses, papers and effects against unreasonable searches and seizures shall not be violated.

That amendment was passed in 1791. In 2006, the administration is getting the banking records of millions of Americans without a warrant. The government wants to know who you write checks to, who writes checks to you. They want to flag those transactions and investigate without a warrant legal, private conduct. Under the PATRIOT Act, they can monitor wire transfers, ATM and credit card transactions.

This year, as we celebrate the 230th anniversary of our Declaration of Independence, we find 150,000 troops in Iraq so the people there can have the very rights we are losing at home.

It is time to reawaken in our people the courage of the Founders, the spirit that founded a free Nation so that we can remain a free Nation. That struggle is not in Iraq. It is here in America.

REID-KENNEDY BILL IS NOT THE ANSWER

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

Ms. FOXX. Madam Speaker, House Republicans are committed to passing strong immigration reform legislation. Last December, we passed a bill that would, among other things, strengthen border security, crack down on those who knowingly hire illegal workers, empower local law enforcement to enforce our immigration laws, and allow for the swift deportation of illegal aliens. This is something that has to be done for our national security, and we cannot compromise on this.

I cannot for the life of me understand why Democrats are pushing to pass the Reid-Kennedy bill, which is a huge pat on the back for those who are breaking our laws. This bill would reward bad behavior by guaranteeing Social Security benefits for illegal aliens and enabling them to collect welfare benefits

paid for by American tax-paying citizens. In addition, the Reid-Kennedy bill would permit illegal aliens to pay in-State tuition at public universities, also funded by American taxpayers, and would require our country to consult with Mexico before constructing a wall to protect our own country.

Madam Speaker, the Reid-Kennedy bill is not the answer to our immigration problems, and I encourage my colleagues to oppose it.

MINIMUM WAGE/LIVABLE WAGE

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

Ms. SOLIS. Madam Speaker, the economic climate created by years of failed Republican policies is tough for many Americans to swallow. Millions of full-time workers in the Nation who are making the Federal minimum wage, $5.15, find that every other cost-of-living expense has gone up, from prescription drugs to housing to just about everything, food on our table.

The minimum wage has not increased for 10 years. The millions of Americans who would benefit from that increase know that it is impossible to make ends meet at the current salary that has not been raised since 1997. For example, we are struggling with the rising costs of oil and other expenses.

Madam Speaker, everyone in the country who works full time to support their family deserves to earn a livable wage.

Today, Democrats will demand a vote in this House to increase the minimum wage from $5.15 to $7.25. It is only fair. We hope that House Republicans, who have been more than willing to shower giant tax breaks to their wealthy friends, will finally realize that no American working full time deserves to live in poverty.

We hope that you will join with us today to increase the minimum wage.

PALESTINIAN UPHEAVAL

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

Mr. PITTS. Madam Speaker, the pictures running with recent news reports tell the story: The Palestinians are in upheaval. Earlier this month, hundreds of supporters of Palestinian leader Mahmoud Abbas and his Fatah faction stormed parliament buildings in Ramallah, setting parts of them ablaze. This was in response to earlier Hamas-led attacks on Fatah security forces in Gaza.

Madam Speaker, this escalating violence among rival Palestinian factions should teach the world a lesson. Elections alone do not make people democratic. The elections are important, but without the foundation of a civil society and certain values, they will not guarantee democratic freedom.

The Palestinian people must also embrace basic democratic values and principles: the rule of law; freedom of speech; due process protections; respect for honest, civil debate; religious liberties. The list goes on.

Continuing to choose extremism rather than fundamental civil reforms like these will only lead to further upheaval and hardship.

PROVIDING A CARING FAMILY FOR FOSTER CHILDREN

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

Mr. DAVIS of Illinois. Madam Speaker, I just returned from a briefing held by the Congressional Coalition on Adoption and their Caring Connections Program for children. I have never been more inspired, I have never been more motivated, and I have never been more stimulated than when I heard all of these young people who grew up in foster homes talking about their experiences and where they have come.

So I simply want to commend Senator LANDRIEU and Representative GINNY BROWN-WAITE for their leadership of this activity and others. We need to make sure that all of our children have warm, caring families in which to live.

STAFF SGT. ALBERTO SANCHEZ JR.—IMMIGRANT SOLDIER

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

Mr. POE. Madam Speaker, more than 30 years ago, Alberto and Olga Sanchez decided to leave the dusty border town of Renosa, Mexico, and immigrate to Texas with their small child, Alberto, Jr.

Alberto grew up in Houston and went to Milby High School. After high school, he wanted to go to college but decided to join the United States Army first. So he spent 9 years as a member of the United States Army.

He married his sweetheart, Yesenia; and their fifth wedding anniversary was to be next month.

But, Saturday, Staff Sergeant Alberto Sanchez, Jr., died while on combat patrol in Balad, Iraq. Caught in the path of an IED explosion, his wounds overcame him. He was 33 years of age.

He was assigned to the Army's 1st Battalion, 68th Armored Regiment, 3rd Heavy Brigade Combat Team of the 4th Infantry Division.

IEDs, improvised explosive devices, are nothing more than booby traps buried by cowardly, masked terrorists who lack the courage to face our troops.

Staff Sergeant Sanchez died while in service to his country. America joins his wife, his parents, his two siblings, along with a host of friends and family that mourn the loss of this American soldier. He is another example that freedom always costs and always will.

And that's just the way it is.

PLAN FOR WITHDRAWAL FROM IRAQ

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

Mr. MCDERMOTT. Madam Speaker, on Sunday, Iraq's prime minister unveiled a 24-point plan that included a timetable for U.S. withdrawal.

Last week, the U.S. military's top commander in Iraq briefed the President and top Republicans about a plan to significantly reduce the number of U.S. soldiers in Iraq.

For months, Democrats have been calling for a new direction, including a timetable to redeploy U.S. soldiers out of harm's way; and the American people have been saying it is time for a new direction that protects U.S. interests by protecting U.S. soldiers.

The Iraqi people, the American people and the U.S. commanders all say the same thing: It is time for a timetable. And the President still says the same thing: Stay the course.

Madam Speaker, the Democrats were wrong. The President's favorite phrase, stay the course, is not a slogan. It is a direct order for Republican Members of the Congress to deny their better judgment and disregard the concern of their American constituents and the top five military commanders.

The President must have some kind of October surprise in mind. The President is off course, and until there is a mid-term course correction, America will remain misled and misguided in Iraq, and U.S. soldiers will bear the brunt of the President's stubbornness.

OPPOSING BILINGUAL BALLOTS

(Ms. GINNY BROWN-WAITE of Florida asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. GINNY BROWN-WAITE of Florida. Madam Speaker, I rise today in support of reauthorizing the Voting Rights Act of 1965. However, I am greatly concerned about a provision that is in the bill for bilingual ballots. That language still remains in the bill.

Let me be clear. I support legal immigration and certainly celebrating one's heritage. However, the bilingual ballot provision has long kept new citizens from increasing their knowledge of our language and from fully integrating into our society.

Not only is it expensive to print ballots in a variety of different dialects and tongues, but it reinforces a fractious society.

I had planned to offer an amendment with my good friend and colleague, Congressman Steve King of Iowa, to strip this arcane and divisive language.

I ask my colleagues for support of this measure. You heard it here.

□ 1015

REPUBLICAN PRIORITIES ARE NOT WITH AMERICAN FAMILIES

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

Ms. LORETTA SANCHEZ of California. Madam Speaker, the disparity between the wealthiest Americans and the poorest continues to grow fostered by the failed economic policies of this Republican administration and Congress. Despite huge cost-of-living increases and gas prices, health care, and higher education, Americans who work full time at a minimum wage job have not received a pay raise in over 9 years.

While these hardworking Americans struggle to support their families on just $10,700 per year, Republicans in this body are fighting to give millionaires and huge corporations tax breaks. They have even taken their misguided priorities to a new level. After voting in committee to allow a modest increase in the minimum wage, now they don't want to bring it to the House for a vote.

Democrats plan to hold a vote on the minimum wage later today because we believe that expanding economic opportunity to 7 million Americans who have been ignored should be a priority. Republicans, please make this a priority.

DOMESTIC ENERGY DEVELOPMENT

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

Mr. GINGREY. Madam Speaker, as we head into the 4th of July holiday, millions of Americans will feel the pinch of high gasoline prices as they travel to see family and friends. We are watching gas prices climb higher and higher, and it has become readily apparent that America is too dependent on foreign crude oil.

Earlier this year, the House passed legislation to allow drilling in a tiny portion of the Arctic National Wildlife Refuge of this frozen tundra of Alaska's north slope. Despite the fact that oil from ANWR could supply my State of Georgia's energy needs for 54 years and that drilling would be conducted under the strictest environmental standards, many Democrats still oppose this legislation.

This week, we have another chance to support domestic energy production when we vote on legislation to use America's massive energy resources in the deep seas on the Outer Continental Shelf. The bipartisan legislation is one way we can start weaning America off our foreign oil dependency.

Madam Speaker, the American people are tired of paying high prices at the pump. They demand action, and this Republican majority is delivering. I ask my colleagues on both sides of the aisle to join me in supporting the development of domestic energy sources.

TRIBUTE TO ALBERTO V. SANCHEZ, JR.

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

Mr. GENE GREEN of Texas. Madam Speaker, I lost a constituent this last week in Iraq. Staff Sergeant Alberto V. Sanchez, Jr., had planned to celebrate his fifth wedding anniversary next month while on leave from Iraq. ''It takes a piece of my heart,'' his mother, Olga Sanchez, said in Houston, through tears. ''Nothing we can say or do will ever bring him back.''

Sanchez, 33, a Milby High School graduate, died Saturday from wounds he suffered when an improvised explosive device detonated near his vehicle in Balad, about 50 miles north of Baghdad.

Sanchez was assigned to the Army's 1st Battalion, 68th Armor Regiment, 3rd Heavy Brigade Combat Team, 4th Infantry out of Fort Carson. Alberto Sanchez chose the Army so he could earn money for college tuition, but the military became his career. He chose to be in the Army, and his mother, Olga Sanchez, said he always said, ''This is just a job. I've got to do what I've got to do.''

His parents, Alberto, Sr., and Olga Sanchez, moved to Houston from Reynosa, Mexico, when their son was an infant. The family is in disbelief, Mrs. Sanchez and the other adult children said. ''We never felt worried,'' his mother said. ''If he felt worried, he never showed it. Like I said, all the pictures we have of him, he always had a big smile.''

Madam Speaker, I ask for a moment of silence to celebrate this American hero, Alberto Sanchez, Jr.

CONDEMNING LEAKS OF NATIONAL SECURITY SECRETS

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

Ms. HARRIS. Madam Speaker, I rise today to express outrage and disgust over United States officials who continue to leak national security secrets during wartime.

Most recently, someone leaked information to the media regarding the SWIFT program, which tracks financial transactions of al Qaeda associates.

Someone in the United States Government is subverting the war on terror, thereby putting our troops at greater risk and, in essence, prolonging the war.

Americans have the right to know who this person is and what their intentions are. In the words of the New York Times, it is ''in the public's best interest to know.''

I have introduced a resolution expressing that U.S. officials who leak sensitive information of national security secrets should be vigorously investigated and, if need be, brought to justice. If after a thorough investigation these officials are found to be disloyal to our country, they should be tried for treasonous acts.

While al Qaeda and the terrorists may appreciate these leaks, Americans certainly do not.

SUCCESS WITH TROOPS ON THE BORDER

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

Mr. PRICE of Georgia. Madam Speaker, sending troops to control our borders has already proven to be successful. Instead of being buried on page eight, this should be front-page news. The press should know that the story is no longer about what is happening here in Congress, but what is happening at the border.

During the first 10 days of June, total detentions of illegal aliens declined by 21 percent compared to the same period a year ago. That is pretty good for just 55 National Guard troops who didn't arrive on the border until June 3.

While the National Guard is certainly not the final answer, their presence clearly demonstrates that added resources on the border is pivotal to controlling our illegal immigration emergency. Strong enforcement decreases the influx of illegal aliens. Promises of amnesty only encourage illegals to storm our borders in greater numbers.

Madam Speaker, our laws must be taken seriously by both those who would violate them and those charged with their enforcement. Thanks to our National Guard troops for their vital work in bringing order out of chaos.

FREEDOM ISN'T FREE

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

Mrs. BLACKBURN. Madam Speaker, you know, ''freedom isn't free'' is a saying that we hear a lot. Sometimes we think it is a little bit trite. But I will tell you, Madam Speaker, this weekend I have seen the embodiment of that phrase, as I have met in Iraq with some of our 101st Airborne troops and our National Guard men and women. They understand their mission, they are dedicated, and yes, indeed, they are getting the job done.

I have also seen the embodiment of that phrase this weekend as I have met with some of the Iraqi parliamentarians. I joined three of my colleagues there. We were led by Congresswoman KAY GRANGER, who did a masterful job in continuing to mentor some of the Iraqi women parliamentarians. We

have watched them struggle and put energy into their fight to achieve democracy, to achieve freedom, and to join us in saying, yes, indeed, we understand freedom isn't free. It does come with a price.

COMMENDING CENTURY-OLD BUSINESSES IN NORTH CAROLINA'S EIGHTH DISTRICT

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

Mr. HAYES. Madam Speaker, it is with great pleasure that I rise before you today to congratulate 13 distinguished businesses in North Carolina's Eighth District that have served their communities and their country for more than 100 years. Not only do these businesses provide valuable jobs in our community, but they also illustrate North Carolina's rich tradition of entrepreneurship and the importance of family-owned businesses.

I congratulate the following businesses for their many contributions: Norton Doors, Moose Drug Company, Eaton Corporation, Mt. Pleasant Hardware & Milling, Efird Marble and Granite, Dunn Manufacturing Company, Coffing Hoists, Woodmen of the World Insurance, Miller Lumber Company of Mt. Pleasant, Wall Safety Products, Pass & Seymour/Legrand, Tuscarora Yarns, Incorporated, and Bonsal American.

Small businesses like these remain pillars in our community because of their commitment to producing quality products and advancing award-winning customer service. I commend the owners and employees of these firms for their contribution to the American economy and their pledge to producing and selling quality and innovative products.

SAFETY AT INDIAN POINT NUCLEAR POWER PLANTS

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

Mrs. KELLY. Madam Speaker, I rise today to call on this House to pass legislation of major importance to my constituents in New York's Hudson Valley. The Indian Point nuclear power plants are located within 35 miles of New York City, making it the largest population in the country that lives within the vicinity of a nuclear power plant.

I visited the plants on January 30 with a nuclear safety engineer from the Union of Concerned Scientists. Afterward, I requested that the Nuclear Regulatory Commission authorize an independent safety assessment at Indian Point.

As I saw on my visit, there are many people working at Indian Point who are fully dedicated to ensuring a safe and secure plant. They deserve our sincere appreciation. But Indian Point is an aging plant with a history of problems, and an ISA is the best way to identify areas of weakness before they become serious issues.

My Hudson Valley colleagues and I have introduced legislation to call on the NRC to commit an ISA at Indian Point. Additional colleagues here in Congress have joined me in this. This would ensure the utmost safety at Indian Point for our surrounding communities.

The NRC needs to put the safety of the residents of New York's Hudson Valley first, and I urge the House to promptly consider and approve our legislation.

PROVIDING FOR CONSIDERATION OF H.R. 4973, FLOOD INSURANCE REFORM AND MODERNIZATION ACT OF 2006

Mr. SESSIONS. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 891 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 891

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 4973) to restore the financial solvency of the national flood insurance program, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Financial Services. After general debate the bill shall be considered for amendment under the five-minute rule. The bill shall be considered as read. Notwithstanding clause 11 of rule XVIII, no amendment to the bill shall be in order except those printed in the Committee on Rules accompanying this resolution. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

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

Mr. SESSIONS. Madam Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentlewoman from California, my friend, Congresswoman MATSUI, pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for purposes of debate only.

This structured rule provides 1 hour of general debate, equally divided and controlled by the chairman and ranking minority member of the Committee on Financial Services. It waives all points of order against consideration of the bill and makes in order only those amendments printed in the Rules Committee report accompanying the resolution.

It provides that the amendments printed in the report may be offered only in the order printed in the report and offered only by a Member designated in the report. They shall be considered as read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent. These amendments shall not be subject to amendment and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole.

Finally, the rule waives all points of order against the amendments printed in the report, and, as always, it provides the minority with one motion to recommit with or without instructions.

Madam Speaker, I rise today in support of this rule and the underlying legislation brought to the floor from the Financial Services Committee under the leadership of Coach MIKE OXLEY and Chairman RICHARD BAKER.

Yesterday evening, despite inclement weather, the Rules Committee met and took testimony from Members regarding their thoughts on how to improve this legislation. The committee determined that many of these amendments should be considered and made two-thirds of those amendments submitted to the committee in order, including seven Democrat and bipartisan amendments.

This legislation follows upon sensible reforms of the Flood Insurance Reform Act of 2004, which also sought to update and modernize the National Flood Insurance Program. Although this previous effort at reforming the program was well intended, a number of provisions included in the 2004 act have yet to be implemented.

Also, this earlier effort is currently incomplete because it was passed by Congress before Hurricanes Katrina and Rita devastated the gulf coast and, therefore, did not incorporate the lessons learned from these storms and how best to administer the NFIP.

The Flood Insurance Reform and Modernization Act makes a number of commonsense changes to current law. Among other things, it does the following: it requires the Comptroller General of the United States to study the effects of extending the mandatory flood insurance purchase requirements to all properties located in flood hazard areas and report back to Congress within 6 months on the findings.

□ 1030

It increases the fine levied against federally regulated lending institutions

for each failure to require mandatory flood insurance purchase requirements to $2,000 and increases the total cap on fines for institutions to $1 million.

It reiterates FEMA's responsibilities to implement provisions of the Flood Insurance Reform Act of 2004 and directs FEMA to continue to work with the insurance industry, State insurance regulators and other interested parties to implement the minimum training and education standards for all insurance agents who sell flood insurance policies, and mandates that FEMA submit a report to Congress on implementation of these provisions.

It directs FEMA to maintain and periodically publish an inventory of levees located in the United States so that these levees can be identified for National Flood Insurance Programs.

In addition to improving and reforming this program, this legislation also ensures that taxpayers are protected, including provisions to establish that nonresidential properties and nonprimary residences will be charged actuarial instead of subsidized rates.

It increases the NFIP's borrowing authority to $25 billion, but also a requirement that FEMA submit a report to Congress on how it intends to repay funds borrowed under this increased authority.

It requires a semiannual report by FEMA to Congress on the financial status of the National Flood Insurance Program.

It extends the current pilot program for mitigation of severe repetitive loss properties, which is set to expire September 30, 2009, to 2011.

Madam Speaker, I would like to commend Chairman OXLEY and Chairman BAKER for their hard work on this legislation. Listening to people, learning from the mistakes of the past and also from the impact of these devastating hurricanes has meant that we will continue our efforts to protect homeowners, taxpayers, while ensuring that a viable market for flood insurance continues to operate effectively and efficiently in the United States.

I urge my colleagues to support this rule and the underlying legislation.

Madam Speaker, I reserve the balance of my time.

Ms. MATSUI. Madam Speaker, I thank the gentleman from Texas for yielding me this time.

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

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

Ms. MATSUI. Madam Speaker, as the representative of a district in a floodplain, I understand the need for a healthy flood insurance program. My hometown of Sacramento is the most at-risk river city in the Nation. Whenever I talk about our efforts to improve Sacramento's level of flood protection, I also mention the importance of flood insurance. If you live behind a levee, you should have flood insurance.

I also recognize that to accomplish this we need a healthy and robust National Flood Insurance Program. That is why the legislation we debate today, the Flood Insurance Reform and Modernization Act, is so significant.

Through this legislation, we will meet our responsibilities. We will ensure coverage is available to those at risk, and we will educate those same individuals as to the benefits of flood insurance. This bill takes us in that positive direction.

In the aftermath of Hurricane Katrina, the deficiencies in the program were laid bare. What remained was a program $25 billion in debt with a questionable future. It is imperative that we rebuild the flood insurance program.

For many Americans, owning insurance that protects against a flood is more valuable than in case of a fire. That is because homes in a federally designated special flood hazard area are three times as likely to be destroyed by flood as a fire. This is the case for almost three-fourths of all homes in Sacramento. This is an important program that must be reformed to ensure its long-term stability and solvency.

The bill we are considering today makes reasonable reforms. It will lay the foundation for a stronger and improved flood insurance program. For that, I would like to thank Chairman OXLEY, subcommittee Chairman RICHARD BAKER and Ranking Member BARNEY FRANK for their work on this bill, as well as the minority staff of the Financial Services Committee, particularly Jeff Riley, for all their tireless work.

This bill takes important steps to modernize the flood insurance program. It raises maximum coverage limits to keep up with inflation. It provides new coverage for living expenses if you have to vacate your home, and it also provides optional coverage for basements and business interruption coverage for commercial properties.

These are all positive steps that will allow the program to continue to provide peace of mind to those impacted when a flood event occurs.

Moving forward, Congress is also making the flood insurance program sustainable in the long run. It tightens enforcement of purchase requirements and ends subsidies on vacation homes, second homes and businesses. These steps may not be popular, but the program needs this kind of tough medicine.

Additionally, it directs FEMA to provide Congress with information that will allow us to evaluate whether we should modify the program's mandatory purchase requirements. This is an issue that demands serious consideration, and I know that we will hear further debate on it once this bill reaches conference.

As I conclude, I would like to express my disappointment that an important amendment I offered was not adopted. It would have created an educational outreach grant program to ensure homeowners in high-risk flood areas retain their flood insurance. This grant program works.

Last year, the Sacramento Area Flood Control Agency, with a FEMA grant, conducted just such a campaign, SAFCA, and reached out to more than 45,000 NFIP policyholders in the American River floodplain with impressive results.

Of this group, 43 percent now carry preferred risk flood insurance. Preferred risk policies provide policy owners who are protected by a levee or other flood mitigation method with full flood insurance at a reduced price. Because of the lower price, the preferred risk policies have a higher level of policy retention.

To put the success in perspective, FEMA more than recouped its investment. SAFCA exceeded its target for policies, retained more than 20 times over, adding millions to the flood insurance program's bottom line.

Extending these grants to other flood plains will only strengthen the National Flood Insurance Program. I will continue to move this program idea forward; and I look forward to working with Chairman OXLEY, Chairman BAKER and Ranking Member FRANK on this grant program.

Ensuring the long-term stability and solvency of this nearly 40-year-old program is critical. The Flood Insurance Reform and Modernization Act is an excellent step in the right direction. As my grant program demonstrates, there is still more to do.

Having said that, this is a good bill and a much-needed start. I urge my colleagues to support the rule so that we can enact this important legislation.

Madam Speaker, I reserve the balance of my time.

Mr. SESSIONS. Madam Speaker, at this time, I yield such time as she chooses to consume to the gentlewoman from Florida (Ms. GINNY BROWN-WAITE).

Ms. GINNY BROWN-WAITE of Florida. Madam Speaker, I rise in support of the rule; and I want to thank Mr. SESSIONS, as well as Chairman OXLEY and Mr. BAKER and the ranking member of the Financial Services Committee, BARNEY FRANK, for working hard to bring this updating measure to us today.

Madam Speaker, when the Financial Services Committee debated this bill, an issue came to my attention that needed a remedy.

Many States like Florida that have far too many experiences with flooding have established a mediation process for residents who have flood claims. This process gives residents the opportunity to settle a claim dispute with FEMA without having to go to court. Florida has a 90 percent success rate with this process, which other States have actually begun emulating. This process brings quick results to homeowners, saves millions of dollars in court costs and is something that should be encouraged.

However, oftentimes representatives from FEMA refuse to show up, even though the mediation program is nonbinding. This is a travesty to residents who have already lost so much.

Accordingly, my colleague and I from Florida, Congresswoman DEBBIE WASSERMAN SCHULTZ, introduced an amendment that requires FEMA to participate in State mediation claims. Again, this process is nonbinding. If a resident is unhappy with the results of the proceedings, they may choose to file suit. But the language will ensure that residents have a choice, instead of FEMA making that choice for them by simply avoiding the process.

I urge all Members to give homeowners the opportunity to settle their claims quickly without a team of lawyers and mountains of legal fees. I urge your support for the rule and also the underlying bill so that homeowners living in flood-prone areas will have some certainty.

Ms. MATSUI. Madam Speaker, I yield 4 minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Madam Speaker, I rise in support of this rule and in the hopes that this rule will be a model that my colleagues will follow. It actually puts in order just about every amendment that ought to be put in order, and I hope that is a precedent.

The bill also represents, I think, the legislative process at its best. We began this a couple of years ago. The gentleman from Oregon (Mr. BLUMENAUER), who is still a Member, and the former Member from Nebraska (Mr. Bereuter) formed a very effective bipartisan coalition to take the floodplain program and to preserve its essence to provide assistance to Americans who could not get it from the private market without this government program.

Let me stress that this is a case where we are putting forward a Federal government program to meet a problem that will not be met by the private market. And for my friends who subscribe to the maxim of the former majority leader from Texas (Mr. Armey) that markets are smart and government is dumb, I guess he would think what we are doing today is dumb, but he is probably the only one in the country who does. Because we are now dealing with a market failure in the economic sense by having a government program, but it should be a sensible government program. It was not as sensible as it should be.

We began a process when the gentleman from Oregon and the gentleman from Nebraska came to us, and this was a collaborative effort between myself as the ranking member and the chairman of the committee, the gentleman from Ohio (Mr. OXLEY). We found one of those cases where you could improve a program from both the environmental and fiscal standpoints, and we have legislation today that takes an important program that meets a very pressing social need, the ability of people who live in flood plain areas to continue to live and to get insurance at a reasonable cost, and we make it better environmentally, less likely that there will be building in environmentally unwise areas and in unwise circumstances, and we make it less of a fiscal problem with the Federal Government.

Now, clearly, people recognize the problem. In the case of Katrina, we spent a great deal of money and got too little in return. There were some problems there from the standpoint of levee construction and a number of other things. We can't, in a bill like this, obviously, prevent disasters. What we can do is increase our ability to work with them.

So I am very proud of this bill. There is one amendment in particular, and a number of the amendments will get bipartisan support. Our colleague from Mississippi (Mr. TAYLOR), who lived through some of the worst of this personally, has a very important amendment. I strongly advocate for it. I wish he had gotten more than 10 minutes to discuss it. So I am going to talk a little bit about it now. We will talk some more about it in the general debate.

It deals with the problem that homeowners face when they are told that they will not get any compensation for damage if it was caused by water, when they are told that it was caused by water, when they have very good reason to think it was caused by wind.

There is this split. Wind damage is covered by private homeowner policies, water damage by flood damage, by the flood insurance program. There is very good reason to believe that people have not been treated fairly in this situation.

The gentleman from Mississippi, who has been one of the most tireless and energetic defenders of the rights of citizens in this program, has an amendment that would bring to bear the administrative resources to look into this issue. We cannot regulate State insurance, but we can, at the intersection of the Federal fund insurance program, the State insurance, bring to bear our investigative and other resources.

The gentleman from Mississippi's amendment is an essential piece of trying to treat people fairly in the past but, even more, preventing abuses in the future. So I strongly urge people to vote for it.

In general, we have a good bill. There are amendments from both parties that will improve it. There are some amendments that I will oppose on the whole. It is a legislative effort that will make an important program environmentally better and fiscally better and meet, as I said, a defect the private market on its own cannot meet.

Mr. SESSIONS. Madam Speaker, at this time, I would like to notify my colleague, Ms. MATSUI, that I do not have any additional speakers. I would welcome the opportunity to have her go through those speakers, have her close, then I will do the same after she is through.

Madam Speaker, I reserve the balance of my time.

□ 1045

Ms. MATSUI. Madam Speaker, I yield 5 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Madam Speaker, I appreciate the gentlewoman's courtesy in permitting me to speak on the rule, and I appreciate her interest in dealing with these sensitive issues, given the district that she represents. It was my privilege to have worked with her husband on some of these in the past, and I appreciate her following through, because it is critical to people in the greater Sacramento area.

As we have seen outside our window here in Washington, DC, it is critical to people around the country because flooding is not just something that occurs in storm-racked coastal areas or immediately adjacent to rivers. What we are finding is that there can be flash floods in deserts. We are seeing throughout a four-state region now the havoc that can be wreaked given torrential rain, having the ground soaked, having development that has taken away the natural absorptive capacity as wetlands disappear. This is an issue that everybody needs to be concerned about.

I appreciate the words of the gentleman from Massachusetts, the ranking member of the Financial Services Committee, who has been focusing in a laser-like fashion, on these issues, along with the Chair, Mr. OXLEY. We are seeing more progress that has been made in this area in the last 3 years, frankly, than we saw with the late Hale and Lindy Boggs, when the program was first set up. And it is important.

We are talking about areas now in the aftermath of Katrina where people understand, for the first time, the issues. The rule that has been offered up, one where we are going to have a number of amendments in order, which is going to permit an opportunity for us to deal with some serious legislation to try and teach one another about this issue, and to make it better over the long term.

One of the fundamental issues that is going to come up throughout the rules that are before us is who is going to be subsidized under this program. There are those who feel that, well, frankly, we shouldn't rigorously impose the flood insurance program. We shouldn't try to expand the net for people that are involved. We shouldn't make sure that people have flood insurance.

Well, frankly, I think history has shown in the last year that we do people no favors by not having an effective flood insurance program, by not helping people prepare; indeed, to the contrary. What we are doing is we are encouraging more people to be in harm's way. We are allowing some people to

avoid flood insurance, and we are shifting the burden on those who are responsible flood insurance policy-holders.

If we are able to avoid a single 10% unnecessary rate increase, this ripples across to save $150 to $200 million for 4 million policy-holders. It is a savings that is compounded over time. So it is $150 to $200 million each and every year.

Now, part of the problem of having people who should have flood insurance avoid that responsibility, and we are finding that there are almost a half million properties, vacation homes, second homes, commercial properties, that don't have flood insurance. What that does is that transfers the burden to those that do. It artificially inflates the rate that others pay inequitably.

In addition, it poses a problem because those people that don't have flood insurance that should, well, frankly, it tugs at our heart strings, and we come forward with aid to try and help people after the fact. We are spending billions of dollars that could have been avoided if we had been dealing with an effective flood insurance program, and if we would have implemented some of the initiatives that we brought forward for mitigation to prevent flood damage in the first place.

So, Madam Speaker, I appreciate the opportunity to be involved with the debate today. I join my colleague, Mr. FRANK, in thanking the Rules Committee for allowing a full and vigorous debate. I hope we see more. This shouldn't be the exception. I hope it becomes a pattern.

This is one of those issues that is not partisan. It is not geographical. It is not philosophical. It is one of the things that simply good government, hard legislating, will benefit from a full and vigorous debate on the floor of the House, and I look forward to being a part of it.

Ms. MATSUI. Madam Speaker, I have no additional speakers, and I will proceed to close.

Mr. SESSIONS. Madam Speaker, I have no further speakers. I reserve the balance of my time.

Ms. MATSUI. Madam Speaker, I yield myself the balance of my time.

Madam Speaker, this bill represents an incredible amount of collaboration between Chairman BAKER and Ranking Member FRANK.

This is a very important bill. It makes reasonable changes to the flood insurance program. It will lay the foundation for a stronger, improved flood insurance program. I urge my colleagues to support the rule so that we can enact this important legislation.

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

Mr. SESSIONS. Madam Speaker, as you have heard today on the floor, this rule is fair; it is balanced. It is not an exception; it is a rule. And I appreciate the kind comments that have been made by my colleagues on both sides of the aisle about underlying legislation which will help improve the national flood insurance program.

I want to thank Chairman RICHARD BAKER from Louisiana and Chairman MIKE OXLEY from Ohio for their strong leadership on behalf of this great bill.

Madam 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.

The SPEAKER pro tempore. Without objection, the Clerk will effect a technical correction in the engrossment of the resolution by inserting ''the report of'' after ''printed in'' on page 2, line 9.

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 5672, SCIENCE, STATE, JUSTICE, COMMERCE, AND RELATED AGENCIES APPROPRIATIONS ACT, 2007

Mr. GINGREY. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 890 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 890

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 5672) making appropriations for Science, the Departments of State, Justice, and Commerce, and related agencies for the fiscal year ending September 30, 2007, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. All points of order against provisions in the bill for failure to comply with clause 2 of rule XXI are waived except: beginning with the colon on page 15, line 18, through page 16, line 4; page 24, lines 17 and 18; and section 607. Where points of order are waived against part of a paragraph, points of order against language in another part of such paragraph may be made only against such other part and not against the entire paragraph. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. When the committee rises and reports the bill back to the House with a recommendation that the bill do pass, the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 2. Upon the adoption of this resolution it shall be in order, any rule of the House to the contrary notwithstanding, to consider concurrent resolutions providing for adjournment of the House and Senate during the month of July.

SEC. 3. House Resolution 878 is laid upon the table.

The SPEAKER pro tempore. The gentleman from Georgia (Mr. GINGREY) is recognized for 1 hour.

Mr. GINGREY. Madam Speaker, for the purpose of debate only, I yield 30 minutes to the gentlewoman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During consideration of this resolution, all time is yielded for the purpose of debate only.

Madam Speaker, H. Res. 890 is an open rule, and it provides 1 hour of general debate equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. This resolution waives all points of order against consideration of the bill and provides that under the rules of the House, the bill shall be read for amendment by paragraph. This resolution waives points of order against provisions in the bill for failure to comply with clause 2 of rule XXI, prohibiting unauthorized appropriations or legislative provisions in an appropriations bill, except as specified in the resolution.

It authorizes the Chair to accord priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD and provides one motion to recommit with or without instructions. This resolution provides that it shall be in order, any rule of the House to the contrary notwithstanding, to consider concurrent resolutions providing for adjournment of the House and Senate during the month of July and provides also that H. Res. 878 is laid on the table.

Madam Speaker, I rise today in support of House Resolution 890 and the underlying appropriations bill.

H.R. 5672 will fund many of the priorities of this Nation, combating terrorism and crime, strengthening our economy, fostering diplomatic relations and, finally, advancing scientific growth and innovation throughout this country. Each of these priorities is essential to ensure a stronger and a more secure America, and this bill increases funding over last year for almost each and every one of these priorities.

I should also add, to the credit of the committee, under the leadership of Chairman WOLF, that this bill also contains almost $200 million in savings for our taxpayers. I want to thank Chairman WOLF for his stewardship of this bill.

Madam Speaker, H.R. 5672 provides $22.1 billion for the Department of Justice. That is almost $724 million above last year, and it is $1 billion above the President's request.

This $22 billion includes $6 billion for the FBI, as they develop and execute better ways to combat terrorism and fight various forms of crime, from child exploitation to gang violence. This increased funding means improved information technology, better counterintelligence capabilities, and a greater number of highly trained human assets on the ground.

Additionally, because State and local law enforcement play a fundamental and a critical role in fighting crime, this bill includes $2.6 billion for their efforts. And that is an increase of $1.1 billion over the President's request.

H.R. 5672 also includes $558 million for the Edward Byrne Justice Assistance Grants program. That is $147 million over last year, fiscal year 2006.

□ 1100

And to fight this scourge of methamphetamines which sadly pervades so many of our communities, including those of my own, Georgia's 11th, this bill provides $1.75 billion for the Drug Enforcement Administration, the DEA.

Unquestionably, this bill demonstrates the commitment of this Congress, working with the President, to continually reassess and strengthen our security and our law enforcement priorities, ensuring that threats at home and abroad are identified and neutralized.

Madam Speaker, H.R. 5672 also provides $22.7 billion to fund our Nation's scientific priorities, with $16.7 billion for NASA as well as $6 billion for the National Science Foundation. Having practiced as an OB–GYN for almost 30 years, I cannot emphasize enough the importance of encouraging scientific advancement in saving lives and improving our quality of life. Scientific innovation also captivates the minds of our children and other generations to come as they dream to develop technologies that will change the world of tomorrow.

Madam Speaker, this bill also includes funding to further improve the world of today by providing $9.7 billion for the State Department. Of that, $1.7 billion goes to secure and replace our vulnerable embassies throughout the world.

H.R. 5672 includes $5.95 billion for the Department of Commerce, $900 million for the Securities and Exchange Commission, $294 million for the Federal Communications Commission, and $213 million for the Federal Trade Commission.

Madam Speaker, these dollars are essential to not only building a stronger economy but also ensuring a fair and a level playing field for everyone who participates in this economy.

Madam Speaker, last but not least, this bill also includes $643 million for the SBA, the Small Business Administration, which will support business loans to help entrepreneurs across our great Nation access critical start-up capital for new businesses. Without question, our economy is driven by small businesses and the entrepreneurs who are willing to take a chance and turn a dream into a reality.

In conclusion, this bill also makes provisions for three very important programs in the 11th Congressional District of Georgia. I want to mention these because they are so important.

The Inner Harbor EXCEL Program in Rockmart, Georgia, in Polk County, provides quality services for at-risk youth and offers a viable alternative to incarceration. It funds the Douglas County Zero to Three Program which helps the county's juvenile courts to better address the needs of neglected and maltreated infants and toddlers.

And, lastly, the National Association of Court Management, which aims to improve our courts and develop related educational programs.

I want to again thank Chairman WOLF for his support of these programs which are so very important to the people of northwest Georgia.

Madam Speaker, as we move forward with this debate, I want to encourage my colleagues to please support this rule and support the underlying bill as we stand together in support of funding our Nation's priorities.

Madam Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Madam 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. Madam Speaker, this morning, we are certainly on an important appropriations bill, but I would like to spend my time this morning talking about a portion of the bill that we were not able to get into the bill.

Last week, the American people watched as the majority led the charge against the estate tax. Republicans argued they were doing it for the benefit of small businesses and independent farmers. But the majority could not provide even one concrete example that supported their claim. No farm has been found, no small business has been found that had to go under because of the estate tax.

What the Republicans were really interested in was the 3/10ths of 1 percent of Americans who pay the tax, super-rich families, 18 of whom have spent a combined $490 million over the last 10 years in their quest to make the estate tax disappear. Today, I would ask my friends in the majority to compare that sum, $490 million just in lobbying costs, to the amount of money a full-time minimum wage earner makes in an entire year, which is $10,712.

The minimum wage has not been increased in 9 years. Because of inflation, it is effectively at its lowest level of purchasing power since 1955. And this majority wants to keep it that way.

In fact, last night, in the Rules Committee, the majority refused to allow an amendment to this bill that would have increased the minimum wage, so we won't have the chance to debate it here today.

Contrary to the claims of Republicans, minimum wage earners aren't just teenagers. Indeed, 46 percent of them are over the age of 25, and 35 percent are the sole wage earners for their families, many of them working two and three minimum wage jobs to put some food on table.

Despite what Republicans will say today, there is no empirical evidence to suggest that an increase in the minimum wage would either increase poverty or cost small-business jobs. In fact, the studies that are available show the opposite to be the case. Twenty States have higher minimum wage standards than are federally required. A Center for American Progress study found that, between 1998 and 2003, small business employment in those States grew at an average of 9.4 percent. In contrast, it grew at an average of only 6.6 percent everywhere else.

There is also no established connection between increases in the minimum wage and an increase in poverty, contrary to the rhetoric. Once again, the opposite is true. Obviously, when you increase salaries in a way that does not decrease employment opportunities, the increase in the minimum wage helps people to rise out of poverty and gives them more spending power.

Finally, consider that 81 percent of all the respondents in America to a January poll said raising the minimum wage was an important priority in their mind. If only 19 percent of Americans aren't thinking about it, that is overwhelming.

And so, Madam Speaker, my Republican friends find themselves in a bind. In their steadfast and determined opposition to even a moderate increase in the minimum wage, they cannot claim to be speaking for the American people. They can't claim to be speaking on behalf of the available evidence, either, because that evidence indicates that an increase in the minimum wage will help American workers and the economy, not hurt them.

Republicans can't really claim to be speaking for anyone, anyone except, that is, the small group of rich business groups who have dedicated a tremendous amount of time, energy and money to fighting a minimum wage increase. It should not come as a surprise, of course. Ultra-rich special interest groups were the reason that they worked so hard to overturn the estate tax last week, and we really shouldn't expect anything today that would be different.

Madam Speaker, what we are seeing is a democracy that has been broken, par for the course from the party that recently tabled the renewal of the Voting Rights Act. Our elected officials are supposed to base their decisions on the will of the people, but this leadership cares only about the will of a few rich businessmen.

We all know that our democracy was designed to keep this House responsive to the needs of the public, but history shows us that this leadership listens only to well-paid lobbyists and is willing to do almost anything to ensure their agenda is implemented. For years, they have repeatedly assaulted the process, abusing rules and the ethical standards of this Congress to get what they want, no matter the price.

When Democrats opposed a repeal of the estate tax last week, we did so because we believe those who have benefited the most from our society have an obligation to give the most back. This week, I think we saw that, with a great gift of Warren Buffett, one of our richest persons and citizens, to help the people at large, not just in America but throughout the world.

I ask my Republican colleagues, is that the American dream for you? Or is it one where people cannot get a raise in their minimum income to be able to take care of their families? Is working 40 hours a week for poverty wages the American dream for you? Or is it the belief that honest workers will be given an honest chance to build the life for themselves that they deserve?

We have not forgotten that dream on our side. We are going to continue to stand united behind Americans as they pursue it. We also stand for an open and honest democratic government that will demand it. And we will not rest until we have made this House the People's House once more, because the citizens of this great Nation deserve no less.

Madam Speaker, I reserve the balance of my time.

Mr. GINGREY. Madam Speaker, at this time, I want to yield as much time as he might consume to the distinguished chairman of the Rules Committee, the gentleman from California (Mr. DREIER).

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

Mr. DREIER. Madam Speaker, I want to thank my friend from Georgia for yielding and for his superb management of this very important appropriation bill that is coming forward. I also want to extend my appreciation to the gentleman from New York (Mr. SWEENEY) for the hard work that he has put into this very important measure. It is a bipartisan bill that I know enjoys broad support.

I know that the topic of discussion is the issue of increasing the minimum wage. I would like to say for the record, as I did in the Rules Committee last night, that I am a strong proponent of seeing the minimum wage increase. I want to see every American's opportunity increased, and I believe that the policies that we have put into place, not providing some sort of guarantee, I mean, States have minimum wage rates. My minimum wage rate in the State of California is substantially higher than the Federal minimum wage rate. There are some States that have a lower minimum wage, and I think it plays a role in the standard of living.

But I am one who has traditionally been concerned about the notion of mandating from the Federal level an increase in the minimum wage. I know that that is the issue that is going to be talked about time and time again. An argument is propounded by many that we somehow are more interested in the rich than we are in those who are trying to get onto the first rung of the economic ladder. Nothing could be further from the case. We believe very strongly in ensuring opportunity for every single American.

We want to make sure that there is opportunity out there, and there have been a wide range of empirical studies done, Madam Speaker, that show that if we look at the impact that it has on small businesses and on a wide range of other entities out there, it can be inflationary and, in fact, it can cost jobs.

Now, I know a lot of people try to dispute that and say that it hasn't happened, but I think that realizing we have a 4.6 percent unemployment rate, as has been said time and time again by the President and others, it is lower than the average for the last four decades, we have a strong, growing economy today and I would not want to take any action whatsoever that could potentially impinge on the economic growth that we are enjoying.

And we want to see everyone's wages increase. We want there to be greater opportunity for people to improve themselves. So, regardless of what arguments you might hear to the contrary, we are passionately committed to that. Some of us just have difficulty with having the Federal Government mandate it.

I want to congratulate the chairman of the subcommittee, Mr. WOLF, and JERRY LEWIS, who chairs the full committee, for this work product; and I want to talk about one particular issue that has been very important to me for the last 12 years.

Back in 1994, Madam Speaker, we established something known as SCAAP. That is kind of an intriguing acronym that is out there. It is known as the State Criminal Alien Assistance Program. The idea behind that is the fact that the Federal Government has the responsibility for the security of our Nation's borders. We all know that. We have had a raging debate that has gone on in this body and in the other body.

We are hoping very much that we are going to be able to come up with a measure that focuses first on border security, which is what we did in the House bill, but as we look at the things that were included in that measure, increasing border fencing, criminalizing those who would allow their property to be used for tunneling under the border, a wide range of things, we also have to recognize that there is a real problem that exists in this country today and that is there are many people here illegally who have committed crimes, and in light of the fact that they have committed these crimes, they have been incarcerated throughout the country.

In my county alone of Los Angeles, and I represent both Los Angeles and San Bernardino Counties, the great sheriff, Lee Baca, who was just reelected a few weeks ago, he is in Los Angeles County, and Sheriff Gary Penrod in San Bernardino County, they have come to me regularly and said that it costs millions and millions and millions of dollars for the incarceration, of criminal justice of people who are in this country illegally who have committed crimes. In fact, Sheriff Baca has told me repeatedly that it costs $150 million a year in Los Angeles County alone.

Now one of the things that we have done over the past 6 years, we have been able to provide roughly $1 billion to the State of California for the reimbursement. Again, we don't cover all the costs, but it is, I believe, important for us at the Federal level to step up to the plate and realize that security of our borders is a top priority, and if there are people who are in here illegally committing crimes and a cost is thrown onto the shoulders of State and local governments, we should provide this reimbursement.

□ 1115

Last year, I was privileged to work with our colleague, JIM KOLBE, and we coauthored an amendment that increased by $50 million the funding level for the State Criminal Alien Assistance Program to $405 million. What we have done this year, and I take my hat off to the distinguished members of the Appropriations Committee who have worked so hard on this, we have actually seen the committee itself come up with a level of $405 million. Again, that is not enough, Madam Speaker, but it is, I believe, a very important step to say to those who are taking on this responsibility at the State and local levels that they should be reimbursed.

We have to secure our borders. We have to do everything that we possibly can to bring an end to the problem of illegal immigration. As we continue to work on that, it is absolutely imperative that we do all that we can to make sure that the Federal Government takes its responsibility.

So this is an open rule that we have, and I believe it is very appropriate. It has funding for important measures.

Another issue that is very important to me is the fact that when it comes to space research, we have been able to improve the quality of life for people all over this country and around the world. One of the greatest centers of that operation happens to be the Jet Propulsion Laboratory, which is part of the California Institute of Technology. The Jet Propulsion Laboratory is in Pasadena.

I am proud to say the Jet Propulsion Laboratory is in La Canada-Flintridge. I jointly represent that area with our colleague ADAM SCHIFF. When I look at this bill, I am very pleased that recognition of the importance of that facility and the programs there is included in it.

So this is a good bill. I am strongly supportive of it and believe the rule will allow for a wide-ranging debate.

Madam Speaker, I thank my friend for yielding.

Ms. SLAUGHTER. Madam Speaker, I am pleased to yield 5 minutes to the

gentleman from Wisconsin (Mr. OBEY), the ranking member of the Appropriations Committee.

Mr. OBEY. Madam Speaker, I am urging every Member to vote ''no'' on the rule as a protest against the Rules Committee action in refusing to allow a minimum-wage increase amendment to be attached to this bill.

I know that there are some people that say it shouldn't be on this bill; but the fact is, Mr. HOYER and I and several others tried to have it attached to the Labor-Health-Education appropriations bill, and after we won, with the help of seven Republicans and 1 Democrat, the House Republican leadership decided to prevent that bill from coming to the floor of the House. So now we are trying to attach it to this bill.

I make no apology for that. The majority leader of the Senate attached 40 pages of unrelated language to the defense bill last year, language which insulated the pharmaceutical industry from lawsuits.

This issue is not about committee jurisdiction. This issue is about whose side are you on. For more than 9 years, we have seen no increase in the minimum wage. I take that problem personally, because after my parents were divorced, my mother worked for the minimum wage, and I can tell you how it feels to see a woman work 40 hours and come home with less than $40 in the check. It doesn't feel very good.

I can tell you how it feels to see you run out of money before you run out of days of the month, so at the end of every month, you have to take a household item, a table or a lamp or a radio, down to Etzkins' Pawn Shop to get a little money to get through the month. And the outrageous fact is that today, the minimum wage buys less than it did when my mother was earning it a number of years ago.

This Congress has an obligation to do something about that, but it hasn't. In the meantime, food prices have gone up by 20 percent, housing costs have gone up by 25 percent, medical expenses have gone up by 40 percent, and gas prices have doubled.

Last week, this institution voted to take no action to block a cost-of-living increase for Members of Congress. It takes a woman working at the minimum wage 4 months to earn the equivalent of that congressional COLA. Four months. What is the matter with people in this institution if they can justify a COLA increase for Members of Congress at the same time that they have been blocking a minimum-wage increase for 9 years? I find it outrageous.

I don't want to hear this baloney about, ''Oh, President Clinton warned that he would veto the minimum wage a few years ago.'' President Clinton was a strong proponent of the minimum-wage increase. He was forced to warn the Congress that he would find a bill fiscally irresponsible if the Congress took the minimum wage and attached it to over $200 billion in tax giveaways and tax cuts that were paid for totally with borrowed money.

So let's not have any nonsense on this floor about how President Clinton, after all, resisted the minimum wage. What President Clinton did was to resist the taking of the minimum wage hostage to the tax writing, borrow-to-pay-for-tax-cut schemes of the majority party.

So, Madam Speaker, this, to me, is a matter of elemental decency. It is a matter of equity. A Congress that does nothing to stand in the way of a cost-of-living increase for itself is a Congress that certainly ought to have the decency to pass a minimum-wage increase for the people we are talking about.

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

Madam Speaker, in regard to some of the minimum-wage arguments the gentleman from Wisconsin is making, I want to point out, and these are not my statistics, but these are accurate statistics, that one-third of minimum-wage workers are children of the head of a household. Over half, 52 percent, actually of minimum-wage workers are under 25 years old. Less than 1 percent of minimum-wage workers are in households with a total income of $20,000 or less.

The big concern, of course, Madam Speaker, in regard to minimum wage, and I am certainly not suggesting that that issue might not be considered by this Congress in a more appropriate setting than this appropriations bill, indeed it might, and indeed we may need to raise that minimum wage somewhat, but we have to be very, very careful that in the process we don't destroy some of these jobs.

The gentleman talked about a situation with his own mom, and there are plenty of people in those situations. But if we raise the minimum wage to too high a level, then they won't have any job at all to come home from.

Madam Speaker, I yield 4 minutes to the gentleman from New York (Mr. SWEENEY), a hardworking member of the Appropriations Committee.

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

Mr. SWEENEY. Madam Speaker, I thank the gentleman.

Madam Speaker, I rise today in support of the rule and the underlying legislation. Let me point out that I think Chairman WOLF and Ranking Member MOLLOHAN have done a spectacular job in very tight circumstances with this bill. Having been on the committee in the past, I am very proud of this work product.

As my friend from Georgia pointed out, this bill has a multiple of purposes, and one of them is to help fund the efforts of the State Department to establish diplomatic relations throughout the world.

Twenty years ago in West Berlin the La Belle Discotheque was bombed by the Libyan Government. Eighteen years ago, over Lockerbie, Scotland, Pan Am Flight 103 was shot down by the Libyan Government.

Madam Speaker, that was at the beginning of, the early part of, the war on terror and terrorism. Lockerbie had an incredible toll, 270 murdered victims, with 189 Americans part of that. La Belle had two GIs murdered in that bombing and 50 permanently injured American citizens.

In 2002, Libya agreed to pay compensation to the families of Lockerbie in order to avoid a criminal trial, avoid a criminal trial. In 2004, they agreed to pay $35 million to the victims of the La Belle Discotheque.

During the full Appropriations Committee markup, I passed an amendment, Madam Speaker, that prohibits the State Department from fully establishing diplomatic ties with Libya and accepting a Libyan ambassador until the Libyan Government makes full compensation payments to the victims of these two horrendous terrorist acts. You may ask why I did that and why that was appropriated in this bill. Well, it is about timing.

On May 15, the State Department proposed the removal of Libya from the list of state-sponsored terrorist nations. Congress has 45 days under the law to review that removal. That 45 days will be up this Thursday. I fear very much so, and that is why we incorporated it into this bill, that this is the last opportunity that this government has to do the right thing for the people, for American citizens who have been victimized by terrorist attacks.

Without the language that was put into the full appropriations markup and protected by the Rules Committee, this Congress, this government, might not be there to stand and do the right thing, which, unfortunately, over the last 20 years it has shown it has not been all that willing to do for the victims of these vicious attacks.

So I want to thank Chairman DREIER and the Rules Committee and I want to thank Chairman HYDE and Ranking Member LANTOS of the International Relations Committee for agreeing that it is important that we go forward and ensure that the full compensation, the reparations, if you will, to these families, is maintained.

Madam Speaker, in 2002, Libya agreed to pay compensation to the families, in order to avoid a criminal trial. While 80 percent of that agreement has been met, the remaining 20 percent was held back by Libya as long as they remained on the U.S. list of state sponsors of terrorism.

Libya has now been removed from that list, and must now follow through on its agreements. The State Department removed Libya from the list on May 15th. Congress has 45 days to review the removal of Libya. That 45-day window is up on Thursday. We need to send a strong signal to Libya that they must live up to their deal.

Some of my constituents experienced this act of terror very personally. Glendon and Margaret Rafferty, of Ticonderoga in my Congressional District, lost four family members—

their daughter Bonnie Leigh Williams, son-in-law Eric, and granddaughters Stephanie and Brittany. Joan and Tom Dater, of Pittstown in my Congressional District, lost their daughter, Gretchen.

Despite Libya's pending removal from the state sponsors of terror list, Libya publicly stated yesterday they are no longer obliged to pay the final installment of these reparations to the families. This is unacceptable.

I will point out to my colleagues, if they don't think it is serious, the Libyan Government indicated yesterday that they don't intend to meet the full obligations under this agreement, just as they have for 20 years stonewalled efforts by those families to reach some reward; and I don't know if we can call it a just reward, because it really isn't. Money is not going to replace their loved ones or their children murdered here, but at least some branch of this government is going to step up and say that it is wrong that that happened, that we not going to let it happen, and you don't just get a free pass back in once you have committed those kinds of horrendous, awful terrorist acts.

I want to thank Members on both sides of the aisle for joining with me on this. I want to let the families of these attacks know that we are with them.

Ms. SLAUGHTER. Madam Speaker, I yield myself 2 seconds simply to say that the workers who need it most, 57 percent of the benefits of the wage increase will go to families with working adults in the bottom 40 percent of the income scale. It is true that people are trying to raise families on the minimum wage.

Madam Speaker, I yield 3 minutes to the gentleman from West Virginia (Mr. MOLLOHAN).

Mr. MOLLOHAN. Madam Speaker, I thank the gentlewoman for yielding.

Madam Speaker, I regret that this rule does not make in order two amendments that were offered during full committee.

First, I offered an amendment that would provide $600 million additional money to this bill to protect our communities, invest in economic development, especially in rural areas, provide critical legal assistance to low-income families and respond to concerns by Members about the Federal investment in science and education funding. All of this, Madam Speaker, would have been accomplished by just nicking by about $1,657 the tax cut received by the wealthiest people in this country, those who make over $1 million a year.

Under this amendment, those who make over $1 million a year, instead of an average tax break of $114,172, under this amendment, which would have allowed us to put $600 million more into this bill for those worthy causes, they would have received an average of $112,515. All of that could have been paid for, and certainly they would not have been hurt at all.

Well, we had a good debate in full committee, an hour and a half long, touching on the budget policy of the past few administrations, the budget resolution that resulted in this bill's tight allocation and the tax cuts that I believe are evidence that the Bush administration is not serious about balancing this budget.

This discussion was important because it was a reminder of our different priorities. My amendment is a reflection of the Democratic priorities that, with more funding, could be reflected in this bill, and I regret that that amendment was not made in order today.

I also was concerned that the rule does not make in order an amendment that I was proud to cosponsor with Representatives HOYER and OBEY that would have raised the minimum wage, which has not been increased since 1997, from $5.15 to $7.25 by January 1, 2009.

□ 1130

The increase would occur in three increments, 70 cents each on January 1, 2007, 2008 and 2009. Such a small amount of money would have huge meaning to working families.

There are 7 million low-wage workers that would receive an increase in their hourly wage rate and increase their standard of living if the minimum wage were increased.

While I am pleased that the rule does provide protection for an ill-advised tax on commercial explosives which was proposed by President Bush, this rule does not protect this ill-advised tax the President's fiscal year 2007 budget contained for the second year in a row, a tax on the users of explosives. My State, due to its extraction industry, would bear the largest share of the burden associated with this tax. At an appropriate point in this bill, I intend to make a point of order against the tax.

Mr. GINGREY. Madam Speaker, I yield myself 30 seconds.

The gentleman is talking about how he would pay for his amendment that would cost $600 million. Madam Speaker, I think it is important that we point out that they always say how much of a tax break people making more than a million dollars, and they talk about a $114,000 tax break, and we are going to cut that down to $112,000, but they never say, the gentleman from West Virginia certainly did not say, how much these people with an adjusted gross income of over $1 million are actually paying in taxes every year. It is a huge number, and they do not want to share that with the fellow Members.

Madam Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Madam Speaker, I yield 2½ minutes to the gentleman from Massachusetts (Mr. OLVER).

Mr. OLVER. Madam Speaker, I rise today in opposition to this rule because it precludes the consideration of an increase in the minimum wage which has not been increased in 8 years.

In regard to the underlying bill, I do appreciate the work of the chairman and the ranking member in funding valuable programs within this year's utterly inadequate allocation. I am pleased that this bill contains funding for SBA's Microloan program.

For the past 3 years, the President has recommended eliminating this program, but this Congress has funded SBA Microloans every year since the program was established in 1992 by the first President Brush.

Last week, on a bipartisan basis, the Appropriations Committee restored funding for SBA's Microloan program for fiscal year 2007. These Microloans go to people with viable businesses who have limited credit history, limited collateral, and limited or no business experience. They go to low-income individuals, women and minority owners that have faced obstacles in securing capital, and they are a significant source of new jobs in rural areas.

Through the Microloan program, intermediaries have provided 23,500 loans totaling more than $282 million, averaging only $12,500 per loan, a small amount of funding each year. This program has created over 64,000 jobs during its existence. In my district, the Western Massachusetts Enterprise Fund has issued 92 loans, for a total of $1.5 million and created 180 jobs.

Businesses that use the Microloan program receive more than just financial backing. Lender intermediaries offer technical assistance and support to these small business owners as their companies develop. The assistance component of the program lasts throughout the life of the loan and ensures a high success rate.

Intermediaries like the Western Mass Enterprise Fund respond to the needs of owners at each step in the business growth.

As we all know, small businesses are the lifeblood of the American economy. The greatest job growth in the economy comes from the growth of successful small businesses.

With that, I again, Madam Speaker, urge, in spite of good features in the underlying bill, I urge a ''no'' vote on the rule.

Mr. GINGREY. Madam Speaker, at this time I have no additional requests for time, so I continue to reserve the balance of my time.

Ms. SLAUGHTER. Madam Speaker, I yield 4 minutes to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Madam Speaker, for the last 5 years Republicans have stood by as the compensation of chief executive officers of major corporations has soared. At the same time, the salaries of middle-class Americans have stood absolutely still.

The minimum wage has not been raised since 1997, almost a decade. In that time, Congress has voted to increase its own pay nine times. If this Congress can get a raise, the American people ought to be able to get a raise. Had it been merely adjusted just for inflation from its level in 1968, those earning minimum wage would be making $9.05 instead of $5.15. Instead, its

purchasing power remains at its lowest level in half a century.

Madam Speaker, millions of full-time minimum wage workers and their families live in poverty. Sixty percent of minimum wage workers are women. They are adults over 20 years old. On average, minimum wage workers contribute over half of their total family's income. Who can live, much less raise a family, on $10,700 a year?

It is not just the cost of milk and bread that has increased by 25 percent since it was last raised, Madam Speaker. Four-year public college tuition has increased 77 percent, health insurance 97 percent, gasoline 136 percent. Today, it takes a full day's pay for a minimum wage worker to pay for a single tank of gas.

Is there any clearer indication that the quality of life for those earning minimum wage in this country has decreased? Is there any more obvious sign that these families are headed in a downward spiral? The cost of everything is going up, while their wages are spiraling down.

For Democrats, this is a moral issue. We believe we should be raising the minimum wage, one of the best tools we have to keep families from falling off an economic cliff in this country. Even more than that, we believe something very elemental, that people who work full time in America should not be poor. We believe that their families should not be poor.

The fact is that despite the fact the economy grew 4.2 percent last year, its best statistical performance since 1999, very little of this growth is reaching many families. Indeed, over the past 5 years, productivity as measured by real GDP per hour worked has risen by about 14 percent, as the real wages of non-managerial workers have risen less than 2 percent. Who is getting the 12 percent?

So when people look at the statistics like that and wonder where is the rest of the money going, all they need to do is to look at their Congress emptying the Treasury by passing massive estate tax cuts for the likes of millionaires and billionaires.

Madam Speaker, by raising the minimum wage to $7.25, this Congress can say that hardworking families have a right to share in some of this economic growth, that this country is not about the survival of the fittest but about opportunity and opportunity for all.

Lastly, Madam Speaker, there is a direct corollary between small business growth and the minimum wage. I think the findings would surprise many of my colleagues on the other side of the aisle.

Between 1997 and 2003, small business employment grew more in States with a higher minimum wage, 9.4 percent, than in the Federal minimum wage States where it only grew 6.6 percent. That tells us that raising the minimum wage is not only a matter of economic security for families but for businesses and for our economy as well.

So, Madam Speaker, I will oppose this rule, because I believe the American people need to know where their Representatives in this Congress stand when it comes to the minimum wage. They need to know, are you for economic security for families or are you against it? Do you stand with America's families or do you stand against them? That is the choice before this Congress today. I oppose the rule.

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

Madam Speaker, in response to some of the comments the gentlewoman from Connecticut was making, and the gentleman from Wisconsin earlier said in his remarks that they wanted an opportunity, and was taking an opportunity on this bill, to discuss the minimum wage issue even though it was not the appropriate format, and I agree with that, I think that the discussion of this issue certainly would be more appropriate for the next appropriations bill that we will be considering, Labor-HHS. Or maybe it will come up even as a stand-alone measure. I do not know.

But it just seems to me that on this appropriation bill, Science, State, Justice and Commerce Appropriations Act, that this is not the right format to bring up the issue.

I do not question the gentleman's right or any of the Members on the other side of the aisle who have spoken during this rule time about the minimum wage issue. But this is not something that this is the last opportunity to get this done.

I want to say, Madam Speaker, too, in regard to this issue, listen to this, minimum wage hikes pit low-skilled adults against teenagers from higher income families. This was an article in a newspaper May 13, 2004.

Employers react to minimum wage hikes by replacing low-skilled adults with teenagers from high-income families who are drawn into the job market by better pay. Decades of research confirmed what President Roosevelt's Department of Labor found just 1 year after the minimum wage made its debut in 1938.

In a number of instances there have been reports that workers who have been receiving less than the minimum wage have been laid off and replaced by more efficient workers. Minimum wage hikes can destroy jobs and destroy them permanently. When jobs are destroyed by minimum wage hikes, those jobs often never come back.

Again, this is a newspaper article from May 13, 2004. Following minimum wage increases, employers often replace less skilled employees with machines or simply reduce the level of service to customers. Businesses automate their telephone reception. Fast food diners bus their own tables. Gas stations go self-service. Shoppers scan and bag their own groceries.

The point I am making, Madam Speaker, is that you have to be, and I know the gentleman from Wisconsin certainly understands these issues as well as anybody, but the concern is that you do not want to destroy jobs by raising the minimum wage to a level, that this in fact happens, as I quoted from some of these articles in past statistics.

I do not think that this side of the aisle is opposed to looking at this issue, and, again, whether it is on the Labor-HHS bill or whether it is on a stand-alone situation, but I do not think this is the appropriate time to have this debate.

Madam Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Madam Speaker, may I inquire how much time I have remaining?

The SPEAKER pro tempore. The gentlewoman has 10½ minutes remaining.

Ms. SLAUGHTER. Madam Speaker, I yield such time as he may consume to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Madam Speaker, the gentleman says that this is an inappropriate bill to which to attach the minimum wage. The majority party has routinely attached gigantic pieces of legislation to appropriation bills.

The Senate majority leader did that, as I just recited a few minutes ago, on an outrageous special interest provision insulating the drug companies from legal suit just a few months ago.

Let me tell you what is inappropriate. What is inappropriate is to have a bunch of guys wearing suits in this Chamber sit on their duffs for 9 years and not find a way to increase the minimum wage for the lowest paid workers in this country. That is what is inappropriate.

□ 1145

This is what is outrageous, and that is why the ranking of this Congress is less than 23 percent in the public opinion polls. I would like to find somebody in that 23 percent. I cannot believe there are 23 percent of the people who think this Congress has lived up to its obligations to middle-income workers and the middle class.

The fact is, you can either help raise the minimum wage or you can stand as an obstacle to it. So far, the Rules Committee has stood as an obstacle to it. The Republican leadership of this House has stood as an obstacle to it. When we did attach it to the most appropriate appropriations bill, your leadership blocked that bill from coming forward.

So give me a break. It is not that you do not think this is the appropriate vehicle. It says your party, by a 2-1 ratio, in this House is really against the minimum wage increase; and that is outrageous after you have just voted to give yourself a COLA.

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

I just want to make sure that the gentleman from Wisconsin knows that this Member voted against giving himself a COLA and has consistently done

that in the two terms that I have served.

Mr. OBEY. Madam Speaker, will the gentleman yield?

Mr. GINGREY. I yield to the gentleman from Wisconsin.

Mr. OBEY. Madam Speaker, I wish more Members would join him and me.

Mr. GINGREY. I thank the gentleman.

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

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

I have no further requests for time, and I will close with an urge to my colleagues to vote ''no'' on this rule as a protest against not being able to raise the minimum wage. The idea that if we were to raise that 50 cents would cause such inflationary spirals in this country is so laughable that I am surprised anybody would even try to contemplate such a thing, or that in order to have to pay somebody an extra dollar an hour you would go out and buy a many thousand dollar machine. I cannot imagine any businessperson in the country to be that incredibly dumb.

The fact of the matter is that we simply have got our foot on the necks of those people, and we cannot worry about them because the concerns of this Congress are for the rich and not for those who are struggling to make it.

Even if there are young people trying to pay their way through college, for heaven's sake, give them a better break. The college tuition costs have gone up higher than almost any other thing in the country. That is one of the reasons it always breaks my heart on the death rate and wounding rate in Iraq, because so many of the young and men and women who went into the Guard and Reserve did so in order to be able to get an education.

I think it is deplorable that this country cannot provide better education opportunities for its students without having them to put their lives on the line, but that is the circumstances we find ourselves in.

Mr. OBEY. Madam Speaker, will the gentlewoman yield?

Ms. SLAUGHTER. I yield to the gentleman from Wisconsin.

Mr. OBEY. Madam Speaker, I would simply like to point out small business employment between 1997 and 2003 grew at a faster rate in States with a higher minimum wage than it did in Federal minimum wage States, 9.4 percent versus 6.6 percent.

Ms. SLAUGHTER. The gentleman is correct, and I believe 43 States have had the wisdom to try to raise the minimum wage because we simply cannot get it done here.

It should not be the luck of the draw where you are living whether the minimum wage is going to be raised or not. It is a responsibility we have and a responsibility, frankly, most people are tired of watching us shirk.

With that, I urge a ''no'' vote on this rule because of the minimum wage.

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

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

Madam Speaker, in regard to minimum wage increases and the hope, the fact is that as minimum wage increases, hope for job seekers decrease. A Duke University economist found recently that for every 10 percent increase in mandated wages, the probability of job seekers finding a job decreased by nearly 3 percent, according to the Employment Policies Institute.

Other top researchers found similar results. This one, a Boston University study, noted that low-skilled adults in States that raise their minimum wage are often crowded out of the job market by teens and students.

Research from Michigan State University echoed this conclusion, finding that high-skilled teens are those who are perceived as desirable employees often displace low-skilled employees in a minimum wage job after a mandated wage hike.

Madam Speaker, I rise again in support of this rule and in recognition of the importance of this underlying bill.

H.R. 5672 funds the critical operations of our government from the diplomatic affairs of the State Department to the law enforcement activities of the Justice Department.

Additionally, it provides funds for the various watchdog agencies that ensure a free and fair economic playing field for businesses and consumers alike.

This bill has substantial funding for sciences, to make sure that America stays on the forefront of medical and technological innovation as we continue to reach for the stars, both literally and figuratively.

While some critics may call for more funding of this program or that program, they not only fail to realize the limited funds available in this Federal budget but also fail to fully appreciate the hard work of the subcommittee in balancing our funding needs with the need to respect the taxpayer dollar.

Madam Speaker, while this bill may not be perfect, no bill is, it is a good bill that sets priorities and it sets a solid vision for the future on multiple fronts.

So, in conclusion, I again want to thank subcommittee Chairman WOLF, Ranking Member MOLLOHAN, full committee Chairman LEWIS and for all of the hard work and the time that went into this bill before us today.

I want to encourage my colleagues on both sides of the aisle to support this rule and the underlying bill.

Mrs. MCCARTHY. Madam Speaker, I oppose the Rule, because it prevents an amendment offered by Representatives OBEY, HOYER and MOLLOHAN to phase in over two years an increase in the minimum wage from $5.15 to $7.25 an hour.

Madam Speaker, millions of hard working Americans are barely earning enough to support their families on the wages they are being paid. Some of these people are single mothers, and some are working several jobs just to make ends meet.

Madam Speaker, the proposal to raise the minimum wage is a modest one and it is phased in over time.

Department of Labor figures show that the minimum wage was at its most valuable in 1968, and since then its value has fluctuated, but it has never been lower than it is now.

In January 2006, it would have needed to be increased to $9.05 to equal the purchasing power of the statutory minimum wage in 1968.

There has been no raise in the minimum wage in almost ten years, and minimum wage increases over the years have not kept up with increased prices.

I have always, and will continue always to support a reasonable increase in the minimum wage, and since the Rule sought to prohibit an amendment to do this, I oppose this Rule.

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

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

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

Ms. SLAUGHTER. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

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

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

Record votes on postponed questions will be taken later today.

FREEDOM TO DISPLAY THE AMERICAN FLAG ACT OF 2005

Mr. BARTLETT of Maryland. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 42) to ensure that the right of an individual to display the flag of the United States on residential property not be abridged.

The Clerk read as follows:

H.R. 42

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Freedom to Display the American Flag Act of 2005''.

SEC. 2. DEFINITIONS.

For purposes of this Act—

(1) the term ''flag of the United States'' has the meaning given the term ''flag, standard, colors, or ensign'' under section 3 of title 4, United States Code;

(2) the terms ''condominium association'' and ''cooperative association'' have the

meanings given such terms under section 604 of Public Law 96–399 (15 U.S.C. 3603);

(3) the term ''residential real estate management association'' has the meaning given such term under section 528 of the Internal Revenue Code of 1986 (26 U.S.C. 528); and

(4) the term ''member''—

(A) as used with respect to a condominium association, means an owner of a condominium unit (as defined under section 604 of Public Law 96–399 (15 U.S.C. 3603)) within such association;

(B) as used with respect to a cooperative association, means a cooperative unit owner (as defined under section 604 of Public Law 96–399 (15 U.S.C. 3603)) within such association; and

(C) as used with respect to a residential real estate management association, means an owner of a residential property within a subdivision, development, or similar area subject to any policy or restriction adopted by such association.

SEC. 3. RIGHT TO DISPLAY THE FLAG OF THE UNITED STATES.

A condominium association, cooperative association, or residential real estate management association may not adopt or enforce any policy, or enter into any agreement, that would restrict or prevent a member of the association from displaying the flag of the United States on residential property within the association with respect to which such member has a separate ownership interest or a right to exclusive possession or use.

SEC. 4. LIMITATIONS.

Nothing in this Act shall be considered to permit any display or use that is inconsistent with—

(1) any provision of chapter 1 of title 4, United States Code, or any rule or custom pertaining to the proper display or use of the flag of the United States (as established pursuant to such chapter or any otherwise applicable provision of law); or

(2) any reasonable restriction pertaining to the time, place, or manner of displaying the flag of the United States necessary to protect a substantial interest of the condominium association, cooperative association, or residential real estate management association.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Maryland (Mr. BARTLETT) and the gentleman from Kansas (Mr. MOORE) each will control 20 minutes.

The Chair recognizes the gentleman from Maryland.

Mr. BARTLETT of Maryland. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I have a constituent and a friend, Hugh Warner, who runs American Flag Service. He sells a lot of flags, one of the biggest flag salespersons in the country; and Hugh several years ago pointed out to me a problem that some of his buyers had. These were purchasers who were members of a homeowner's association or a condominium association who, when they flew their flag, were admonished by the association that they could not fly a flag on their condo or on their townhouse or home. So, as a result of those problems that Mr. WARNER found several of his people had, as a result of some research that we did, we filed H.R. 42.

This is a very simple bill. We believe that it is a reasonable compromise between the rights of an association, homeowner's association, condominium association, to maintain the value of their properties and the rights of the individual to fly his country's flag.

We are not alone in being advised of this problem, because I have here in my hand newspaper reports from a number of newspapers that are reporting actions, there must be six or eight here, by States that were addressing this same problem; and they each one have passed bills that says that the homeowner's association may place reasonable limits on flying the flag, but they cannot prohibit the flying of the flag.

I will make these a part of the RECORD. We have here some letters from several organizations who are supporting this bill. The Veterans of Foreign Wars, the Jewish War Veterans of the United States of America, AMVETS, the Military Officers Association of America, and the Gold Star Wives of America are all in support of this bill.

It is a very simple bill. It simply says that a homeowner or condominium owner cannot be prohibited from flying the flag of his country. It also says that the association may place reasonable limits on the time and the manner of displaying the flag.

We think that this is a commonsense accommodation of the rights of the associations to maintain the value of their properties and the rights of Americans to fly the flag.

Mr. Speaker, it is hard for me to understand how a flag outside my condo could depreciate the value of my condo. I would just think that Americans flying flags should increase the value of whatever it flies on.

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
Washington, DC, June 26, 2006.

Hon. ROSCOE BARTLETT,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN BARTLETT: On behalf of the 2.4 million members of the Veterans of Foreign Wars of the United States, VFW, and our Auxiliaries, I wish to express our views on the preservation and proper display of our national flag.

The VFW views our national banner as a living symbol. Flags and flag education are a hallmark of our Citizenship Education program. We promote frequent display of the flag, especially on national holidays and days of remembrance. The flag should only be flown during daylight hours, unless illuminated. For a complete guide to the proper display of our national colors, please view our Web site: www.vfw.org.

In addition to proper national flag display guidelines maintained on our Web site, we believe that any display of the flag should keep with local traditions and norms. The bearer of the flag should consider the impact to the community and the flag. The flag should be the correct size for the method of display, thus keeping it from becoming an obstruction. The damage to the flag needs to be considered such as displaying a flag on a highway, which exposes the flag to stains and fabric rips.

Congressman Bartlett, I thank you for your addressing this issue. Your recognition of America's current and future veterans is very much appreciated by the Veterans of Foreign Wars. If any member of my staff or I may be of assistance, do not hesitate to contact me.

Sincerely,

DENNIS CULLINAN,
Director, National Legislative Service.

JEWISH WAR VETERANS OF THE
UNITED STATES OF AMERICA,
Washington, DC, June 19, 2006.

Congressman ROSCOE D. BARTLETT,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN BARTLETT: On behalf of the Jewish War Veterans of the USA, JWV, I am writing to offer our whole-hearted support for the passage of H.R. 42, ''Freedom to Display the American Flag Act of 2005.''

The members of the JWV, the oldest active veterans' organization in the country, have fought hard to defend the American flag and gladly support the right to display it proudly even in the face of resistance from condominium and other homeowners' associations.

Please count us among the supporters of the bill. We urge its swift passage.

Sincerely,

COL (Ret) HERB ROSENBLEETH,
National Executive Director.

AMVETS,
Lanham, MD, June 21, 2006.

Hon. ROSCOE BARTLETT,
House of Representatives,
Washington, DC.

DEAR REP. BARTLETT: On behalf of AMVETS, American Veterans, I write to endorse your bill, H.R. 42, the Freedom to Display the American Flag Act of 2005. I appreciate your leadership on this issue.

AMVETS strongly supports the right of every person to freely fly the U.S. Flag on their own residential property. I am shocked to learn that some housing associations have been discouraging or preventing homeowners from displaying the Flag. This is certainly not what America is all about. H.R. 42 would affirm an individual's right to fly the Flag on their own property, regardless of any association rules.

The Flag is the symbol of our great Nation. It belongs to all of us and it waves as the ultimate expression of freedom. It represents liberty, equal opportunity, tolerance, and goodwill for those who share our aspirations. Everyone should have the right to display the Flag wherever and whenever they choose, especially on their own property.

Again, thank you for your timely and appropriate bill. I am hopeful the House will act swiftly on H.R. 42 and give homeowners the unabridged right to freely fly the noble symbol of our great Nation.

Sincerely,

EDWARD W. KEMP,
National Commander.

MILITARY OFFICERS ASSOCIATION
OF AMERICA,
Alexandria, VA, June 22, 2006.

Hon. ROSCOE BARTLETT,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE BARTLETT: On behalf of the 360,000 members of the Military Officers Association of America, MOAA, I am writing to support your bill, H.R. 42, that would require condominium associations and similar entities to permit owners to display the U.S. Flag, and for other purposes.

H.R. 42 strengthens freedom of speech under the First Amendment to the Constitution and safeguards that freedom for those who wish to display the U.S. Flag as resident owners of certain types of communities.

Your bill would provide that a condominium association, cooperative association,

or residential real estate management association may not adopt or enforce any policy, or enter into any agreement, that would restrict or prevent an association member from displaying the U.S. flag on residential property within the association with respect to which such member has a separate ownership interest or a right to exclusive possession or use. The bill stipulates that the legislation be consistent with Federal law or rule governing the display of the flag and be consistent with other reasonable management restrictions pertaining to the time, place or manner of such display.

Thank you for your leadership on this common sense measure. MOAA is pleased to endorse H.R. 42, the ''Freedom to Display the American Flag Act of 2005''.

Sincerely,

NORBERT R. RYAN,
President.

GOLD STAR WIVES OF AMERICA, INC.,
Arlington, VA, June 12, 2006.

Hon. ROSCOE G. BARTLETT,
Washington, DC.

DEAR CONGRESSMAN BARTLETT: On behalf of Gold Star Wives of America, 'thank you' for introducing H.R. 42, the ''Freedom to Display the American Flag Act of 2005.'' Gold Star Wives support H.R. 42 because it's the right thing to do to display the American flag on one's own property. It's the patriotic thing to do, especially with Flag Day coming up. We all should be proud to display the American flag.

Over the years, we've read news reports that organizations such as condo or coop associations have rules that prevent their home-owners from flying the American flag on their own property. How unpatriotic of these association managers for their absurd rules. Those management rules are senseless. They should be encouraging flying the American flag, not discouraging it.

Our soldiers continue to serve and die for our country to make it free—free to fly the American flag, especially on our own property!

Sincerely,

ROSE E. LEE,
Chair, Legislative Committee.

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

Mr. MOORE of Kansas. Mr. Speaker, I thank the gentleman for his comments, and I rise today in support of H.R. 42, the Freedom to Display the American Flag Act.

This bill, as the gentleman stated, provides that a condominium association, a cooperative association, or residential real estate management association may not prohibit a resident of the association from displaying an American flag on their property within the association.

American citizens should not be prevented from expressing simple acts of patriotism, especially raising the flag on their own property, even if their property is part of a larger association of properties.

I am proud to be here today to support this bill, which supports basic patriotism and ensures that Americans may display the American flag wherever they live.

Mr. GENE GREEN of Texas. Mr. Speaker, I rise today in favor of H.R. 42, the Freedom to Display the American Flag Act. This bill would allow homeowners to fly the American flag on their own property in accordance with the U.S. Flag Code.

I signed on to this bill because I have a constituent who was told by his homeowners association that his flagpole and his display of the American flag were in violation of their association rules.

Homeowners should have the freedom to display the American flag on their property. Our flag represents our country as a symbol of our patriotism, unity, and most of all bravery.

Right now our service men and women are courageously fighting the war on terrorism and putting their lives on the line every day to protect our great Nation and the freedoms that we hold so dearly.

This bill guarantees the homeowner the ability display the flag and show their support for this great Nation.

We must always remember the sacrifices others have made so that we enjoy the freedoms we have. The flag should never be considered an eyesore on property.

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

Mr. BARTLETT of Maryland. Mr. Speaker, I yield back the balance of our time.

The SPEAKER pro tempore (Mr. KLINE). The question is on the motion offered by the gentleman from Maryland (Mr. BARTLETT) that the House suspend the rules and pass the bill, H.R. 42.

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

A motion to reconsider was laid on the table.

SEASONED CUSTOMER CTR EXEMPTION ACT OF 2006

Mr. BACHUS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5341) to amend section 5313 of title 31, United States Code, to reform certain requirements for reporting cash transactions, and for other purposes, as amended.

The Clerk read as follows:

H.R. 5341

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

SEC. 1. SHORT TITLE.

This Act may be cited as the ''Seasoned Customer CTR Exemption Act of 2006''.

SEC. 2. EXCEPTION FROM CURRENCY TRANSACTION REPORTS FOR SEASONED CUSTOMERS.

(a) FINDINGS.—The Congress finds as follows:

(1) The completion of and filing of currency transaction reports under section 5313 of title 31, United States Code, poses a compliance burden on the financial industry.

(2) Due to the nature of the transactions or the persons and entities conducting such transactions, some reports as currently filed may not be relevant to the detection, deterrence, or investigation of financial crimes, including money laundering and the financing of terrorism.

(3) However, the data contained in such reports can provide valuable context for the analysis of other data derived pursuant to subchapter II of chapter 53 of title 31, United States Code, as well as investigative data, which provide invaluable and indispensable information supporting efforts to combat money laundering and other financial crimes.

(4) An appropriate exemption process from the reporting requirements for certain currency transactions that are of little or no value to ongoing efforts of law enforcement agencies, financial regulatory agencies, and the financial services industry to investigate, detect, or deter financial crimes would continue to fulfill the compelling need to produce and provide meaningful information to policy-makers, financial regulators, law enforcement, and intelligence agencies, while potentially lowering the compliance burden placed on financial institutions by the need to file such reports.

(5) The Secretary of the Treasury has by regulation, and in accordance with section 5313 of title 31, United States Code, implemented a process by which institutions may seek exemptions from filing certain currency transaction reports based on appropriate circumstances; however, the financial industry has not taken full advantage of these provisions and has contended that they are unduly burdensome.

(6) The act of providing notice to the Secretary of the Treasury of designations of exemption—

(A) provides meaningful information to law enforcement officials on exempt customers and enables law enforcement to obtain account information through appropriate legal process; and

(B) complements other sections of title 31, United States Code, whereby law enforcement can locate financial institutions with relevant records relating to a person of investigative interest, such as information requests made pursuant to regulations implementing section 314(a) of the USA PATRIOT Act of 2001.

(7) A designation of exemption has no effect on requirements for depository institutions to apply the full range of anti-money laundering controls required under subchapter II of chapter 53 of title 31, United States Code, and related provisions of law, including the requirement to apply the customer identification program pursuant to section 5326 of such title, and the requirement to identify, monitor, and, if appropriate, report suspicious activity in accordance with section 5318(g) of such title.

(8) The Federal banking agencies and the Financial Crimes Enforcement Network have recently provided guidance through the Federal Financial Institutions Examination Council Bank Secrecy Act/Anti-Money Laundering Examination Manual on applying appropriate levels of due diligence and identifying suspicious activity by the types of cash-intensive businesses that generally will be subject to exemption.

(b) SEASONED CUSTOMER EXEMPTION.—Section 5313(e) of title 31, United States Code, is amended to read as follows:

''(e) QUALIFIED CUSTOMER EXEMPTION.—

''(1) IN GENERAL.—Before the end of the 270-day period beginning on the date of the enactment of the Seasoned Customer CTR Exemption Act of 2006, the Secretary of the Treasury shall prescribe regulations that exempt any depository institution from filing a report pursuant to this section in a transaction for the payment, receipt, or transfer of United States coins or currency (or other monetary instruments the Secretary of the Treasury prescribes) with a qualified customer of the depository institution.

''(2) QUALIFIED CUSTOMER DEFINED.—For purposes of this section, the term 'qualified customer', with respect to a depository institution, has such meaning as the Secretary of the Treasury shall prescribe, which shall include any person that—

''(A) is incorporated or organized under the laws of the United States or any State, including a sole proprietorship (as defined in 31 C.F.R. 103.22(d)(6)(vii), as in effect on May 10, 2006), or is registered as and eligible to do business within the United States or a State;

''(B) has maintained a deposit account with the depository institution for at least 12 months; and

''(C) has engaged, using such account, in multiple currency transactions that are subject to the reporting requirements of subsection (a).

''(3) REGULATIONS.—

''(A) IN GENERAL.—The Secretary of the Treasury shall prescribe regulations requiring a depository institution to file a 1-time notice of designation of exemption for each qualified customer of the depository institution.

''(B) FORM AND CONTENT OF EXEMPTION NOTICE.—The Secretary shall by regulation prescribe the form, manner, content, and timing of the qualified customer exemption notice and such notice shall include information sufficient to identify the qualified customer and the accounts of the customer.

''(C) AUTHORITY OF SECRETARY.—

''(i) IN GENERAL.—The Secretary may suspend, reject, or revoke any qualified customer exemption notice, in accordance with criteria prescribed by the Secretary by regulation.

''(ii) CONDITIONS.—The Secretary may establish conditions, in accordance with criteria prescribed by regulation, under which exempt qualified customers of an insured depository institution that is merged with or acquired by another insured depository institution will continue to be treated as designated exempt qualified customers of the surviving or acquiring institution.''.

(c) 3-YEAR REVIEW AND REPORT.—Before the end of the 3-year period beginning on the date of the enactment of this Act, the Secretary of the Treasury, in consultation with the Attorney General, the Secretary of Homeland Security, the Federal banking agencies, the banking industry, and such other persons as the Secretary deems appropriate, shall evaluate the operations and effect of the provisions of the amendment made by subsection (a) and make recommendations to Congress as to any legislative action with respect to such provision as the Secretary may determine to be appropriate.

SEC. 3. PERIODIC REVIEW OF REPORTING THRESHOLD AND ADJUSTMENT FOR INFLATION.

Section 5318 of title 31, United States Code, is amended by adding at the end the following new subsection:

''(o) PERIODIC REVIEW OF REPORTING THRESHOLD AND ADJUSTMENT FOR INFLATION.—

''(1) IN GENERAL.—Before the end of the 90-day period beginning on the date of the enactment of the Seasoned Customer CTR Exemption Act of 2006 and at least every 5 years after the end of such period, the Secretary of the Treasury shall—

''(A) review the continuing appropriateness, relevance, and utility of each threshold amount or denomination established by the Secretary, in the Secretary's discretion, for any report required by the Secretary under this subchapter; and

''(B) adjust each such amount, at such time and in such manner as the Secretary considers appropriate, for any inflation that the Secretary determines has occurred since the date any such amount was established or last adjusted, as the case may be.

''(2) REPORT.—Before the end of the 60-day period beginning upon the completion of any review by the Secretary of the Treasury under paragraph (1), the Secretary shall submit a report to the Congress containing the findings and conclusions of the Secretary in connection with such review, together with an explanation for any adjustment, or lack of adjustment, of any threshold amount or denomination by the Secretary as a result of such review, including the adjustment for inflation.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Alabama (Mr. BACHUS) and the gentlewoman from New York (Mrs. MALONEY) each will control 20 minutes.

The Chair recognizes the gentleman from Alabama.

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

Mr. Speaker, for some 14 years the Congress of the United States has known and identified a problem, and that is the number of currency transaction reports required by the Bank Secrecy Act.

The Internal Revenue Service, which administers this program, as early as 1993 made this statement. It said that 30 to 40 percent of these reports, and I quote, of routine deposits by large, well-established retail businesses have no likelihood of identifying potential money laundering or other currency violations.

The GAO in 1994 published a report which says, our analysis of CTR filing confirms that the volume of CTRs could be substantially reduced without jeopardizing law enforcement needs.

□ 1200

The GAO, the Internal Revenue, FinCEN, have all recommended that what we do to reduce the number of CTRs by 30 to 40 percent is simply to exempt large well-established customers, what are so-called ''seasoned customers.''

In fact, I want to read into the RECORD and introduce into the RECORD a report by William Fox, who headed up FinCEN, the government's top law enforcement agency charged with coordinating money laundering and terrorist financing activities.

Here is what he said: ''We know that some of the currency transaction reports filed by financial institutions are of little relevance in the investigation of financial crimes. We also know that depository institutions, especially our community banks, identify the time and expense of filing CTRs as the number one regulatory expense. It is clear that our efforts to encourage the exemption of routine filings on certain customers has not brought about the reductions of filings that were sought.''

Working with William Fox, members of this committee, Mr. FRANK, Mrs. MALONEY, myself, Mr. HENSARLING, Mr. MOORE, Ms. HOOLEY, and several others, we actually fashioned legislation which we introduced and have passed out of this House on two different occasions over the past year. That legislation has died or was not acted on in the Senate. In the last case, it was simply because it was included in part of the reg relief bill.

So the purpose of this legislation is to break it out, isolate it into specific legislation dealing with that and nothing else, and send it over to the other body in hopes that they will save our financial institutions from what the GAO in 1994 said was a cost of up to $15 per report, maybe as little as $3, but as much as $15, and save our law enforcement agencies $2 to $3 per report, an overall savings of tens of millions of dollars which will allow law enforcement and our financial institutions to concentrate on the bad guys, not well-established routine business transactions by their customers.

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

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

I rise in strong support of H.R. 5341, the Seasoned Customer CTR Exemption Act of 2006. This bill is similar to an amendment I authored with Congressman RENZI at the committee markup of H.R. 3505, the regulatory relief bill that the House passed overwhelmingly in March. Because the Senate version of regulatory relief does not include this provision, we are passing it as a separate bill.

I am delighted to be a cosponsor of this bill along with my colleagues, Congressman BACHUS and Ranking Member FRANK. With 22 bipartisan cosponsors, it is a good example of the cooperative work of the Financial Services Committee.

This bill is intended to relieve financial institutions from unnecessary filings of currency transactions. This provision would reduce CTR filings by 70 to 90 percent for most financial institutions, saving many, many hours each year. By freeing financial institutions from filing useless CTRs, this bill enables them to concentrate on the more useful suspicious activity reports, which are those reports that financial institutions file when they believe a particular transaction of any sort or size warrants further review by law enforcement. More important, this also enables the regulators to concentrate on the important SAR filings, rather than CTRs from repeat trusted customers.

The bill would require banks to provide a one-time notice to FinCEN, the lead money laundering agency, of a proposed exemption for a particular well-known customer, and to describe the customer's relationship with the bank as the grounds for such exemption if FinCEN feels that the customer should not be in the reports or CTRs.

At present, a CTR must be filed for every single transaction of over $10,000, which results in more than 13 million CTRs being filed annually. Many of these CTRs, particularly those from business customers well known to the banks, are of absolutely no use to law enforcement. It is a waste of the bank's time and of law enforcement's time to file and to review them.

The CTR filings that distract both the banks and regulators from using their resources to find terrorists and money launderers are counterproductive. To relieve this problem, this bill instructs the Secretary of the Treasury to prescribe regulations that exempt a depository institution from filing a CTR if the transaction is with a seasoned customer, that is, a business which has kept a deposit account at the bank for a year and is engaged in multiple currency transactions subject to the CTR requirements.

The idea was first proposed by the Internal Revenue Department, and also in the GAO report that my colleague has cited in his remarks; and it was also proposed by the Treasury Department and law enforcement for exactly

this reason. FinCEN Director Bill Fox strongly endorsed this seasoned customer exemption saying, and I quote, ''This change will make the exemption more effective, while still ensuring that currency transaction reporting identification, critical to identifying criminal financial activity, is made available to law enforcement.''

The banking regulators also expressed strong support for this proposal. OCC and OTS both agreed with FinCEN that the CTR filing process had become counterproductive in terms of national security because so many CTRs are filed that important data is lost in the haystack.

In the new Bank Secrecy Act provisions, we asked our financial institutions to take a front-line position in the war on money laundering and terrorist financing and we need to give them the ability to use their resources to their best advantage.

As a Representative of New York City, which is both an important financial center of the United States and a city that is very concerned about terrorism, I am concerned not only about giving the regulators the proper tools which they need, but I am also concerned that burdens are not placed on financial institutions that are redundant, particularly for midsized and smaller banks.

I know the vast majority of my colleagues on both sides of the aisle share this concern, and we worked hard together to pass carefully balanced legislation addressing it, so I urge my colleagues to continue that effort and vote for this underlying bill.

I rise in support of H.R. 5341, the Seasoned Customer CTR Exemption Act of 2006.

This bill is a reiteration of the amendment I offered with Congressman RENZI at the Committee markup of H.R. 3505, the reg relief bill that the House passed by a 415 to 2 vote in March. Because the Senate version of reg relief does not include this provision, we are passing it as a separate bill. I am delighted to cosponsor this bill with my colleague Congressman BACHUS. With 22 bipartisan cosponsors, it is a good example of the bipartisan work of the Financial Services Committee.

This bill is intended to relieve banks from unnecessary filings of Currency Transaction reports, or CTRs. At present, a CTR must be filed for every single transaction over $10,000, which results in more than 13 million CTRs being filed annually. Many of these CTRs, particularly those from business customers well known to their banks, are of no use to law enforcement. It is a waste of the banks' time to file them and a waste of law enforcement time to review them. CTR filings that distract both the banks and regulators from using their resources to find terrorists and money launderers are counterproductive.

To relieve this problem, this bill instructs the Secretary of the Treasury to prescribe regulations that exempt a depository institution from filing a CTR if the transaction is with a ''seasoned'' customer, that is, a business which has kept a deposit account at the bank for a year and has engaged in multiple currency transactions subject to the CTR requirements.

This provision would reduce CTR filings by 70 to 90 percent for most banks, saving banks many hours each year.

By freeing banks from filing useless CTRs, this bill enables them to concentrate on the more useful Suspicious Activity Reports, which are those reports bank file when they believe a particular transaction of any sort or size warrants further review by law enforcement.

More important, this also enables the regulators to concentrate on the important SAR filings rather than CTRs from repeat customers.

The bill would require banks to provide a one-time notice to FinCEN, the lead money laundering agency, of a proposed exemption for a particular well-known customer, and to describe the customer's relationship with the bank as the grounds for such exemption. If FinCEN feels that the customer should not be exempted, then it can reject the proposed exemption. And the exemption can be revoked by FinCEN at any time. The government remains in complete control of the exemption process.

Indeed, this measure was *proposed* by the Treasury Department and law enforcement for exactly this reason. FinCEN Director Bill Fox strongly endorsed this seasoned customer exemption, stating that: ''This change will make the exemption more effective while still ensuring that currency transaction reporting information critical to identifying criminal financial activity is made available to law enforcement.''

The banking regulators also expressed strong support for this proposal. OCC and OTS both agreed with FinCEN that the CTR filing process had become counterproductive in terms of national security because so many CTRs are filed that important data is lost in the haystack.

In the new Bank Secrecy Act provisions, we asked our financial institutions to take a front-line position in the war on money laundering and terrorist financing. We need to give them the ability to use their resources to best advantage.

As a representative of New York City, the financial center of the United States, I am particularly concerned about the burdens the Bank Secrecy Act puts on our financial institutions, particularly those that are not megainstitutions but are mid-size and smaller.

I know the vast majority of my colleagues on both sides of the aisle share this concern and we worked hard together to pass carefully balanced legislation addressing it.

I urge my colleagues to continue that effort and vote for this bill.

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

Mr. BACHUS. Mr. Speaker, I would like to inquire as to how much time remains.

The SPEAKER pro tempore. The gentleman from Alabama has 16 minutes remaining and the gentlewoman from New York has 14½ minutes remaining.

Mr. BACHUS. Mr. Speaker, last September, William Fox, at that time head of FinCEN, made this statement at a hearing before the Financial Services Committee. He said: ''The Congress has in the past recognized the need to reduce the number of currency transaction reports that may not have a high degree of usefulness to law enforcement and ordered us to find a way to do so.''

As a result of that hearing, Chairman OXLEY, the chairman of the full committee, made as a priority the committee working in a bipartisan way to find a way, working with law enforcement, to reduce the number of CTRs. It was a result of that hearing and numerous statements by both law enforcement, by financial regulators, by financial institutions, and by Members of Congress in both bodies to work out a solution to this long-existing problem. So I would like to commend Chairman OXLEY.

As a result of those hearings, there was introduced 3505, the Financial Services Regulatory Relief Act, by Congressman RENZI and Mrs. MALONEY, who of course just spoke on this bill. They included a provision that was specifically drafted by Mr. FRANK, Mrs. MALONEY, Mr. HENSARLING and Mr. MOORE, which included a seasoned customer exemption. We passed 3505 out of this body by a vote of 415–2 back in March.

More recently, the bill before us, 5341, which has 22 bipartisan supporters on the Financial Services Committee, passed the Financial Services Committee on a unanimous vote, and H.R. 5341 seeks to reduce the regulatory burden caused by the Bank Secrecy Act. Specifically, the legislation requires that the regulators promulgate new regulations and streamline the process by which financial institutions may be exempted from filing CTRs for seasoned customers.

CTRs are required to be filed for cash transactions of $10,000 or more. This filing is required even in the case of seasoned customers who are long-time bank customers that routinely file large volumes of cash and whose business dealings are well known and understood by the institution to the extent to rule out the possibility of money laundering or the financing of terror. Unfortunately, the current process by which a financial institution seeks an exemption under such a scenario is both cumbersome, hard to understand, and requires annual renewals.

Mr. Speaker, at this time I would like to recognize the gentleman from Texas (Mr. HENSARLING), who helped draft this legislation and the original legislation which was included in H.R. 3505, for such time as he may consume.

Mr. HENSARLING. Mr. Speaker, I thank the gentleman for yielding, and I certainly thank him for his leadership in this area.

I have the honor and privilege of representing the Fifth District of Texas here on the floor of the United States House. There are a lot of great communities, small communities, in east Texas that I represent, places like Canton, and Forney, and Athens. And part of the bedrock of these communities is their local financial institution, their small community bank or their credit union. Over the last decade, Mr. Speaker, we have seen the number of small community banks drop by almost a full

third. By almost a full third. And the major reason that we have seen this incredible drop in the number of our community banks is because of the high cost of Federal regulation.

The number one item that community bankers cite in the cost of regulation is the regulation associated with the Bank Secrecy Act. Now, nobody in the House will deny that clearly the number one priority of this institution is to fight and win the war on terror, and there is a very important role that the BSA, the Bank Secrecy Act, regime plays in that. But, Mr. Speaker, there has to be in the language of the statute itself a high degree of usefulness to law enforcement for all of these reports that are turned in. Sooner or later, there has to be a balance. There has to be a rule of reason.

So what we see on the one hand with our local financial institutions is that every new Federal regulation somewhere at the margin is raising the cost of credit. That means some family is going to struggle in trying to send a child to college. It means some family is going to struggle and maybe they are not able to borrow the money and make a downpayment on that first home. Maybe some family that wants to live the American Dream and finally amass enough capital to start their own business, they can't do it.

□ 1215

They can't do it because of the imposition of a Bank Secrecy Act that many of us believe, and apparently by a count of 415–2, is duplicative.

So, again, we have to ask ourselves, at what cost does this information come? For example, we received testimony from just one community banker.

Mr. Speaker, I ask unanimous consent that the testimony of Mr. Bradley Rock of the Bank of Smithtown, New York, be entered into the RECORD.

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

There was no objection.

TESTIMONY OF BRADLEY E. ROCK ON BEHALF OF THE AMERICAN BANKERS ASSOCIATION BEFORE THE COMMITTEE ON FINANCIAL SERVICES SUBCOMMITTEE ON FINANCIAL INSTITUTIONS AND CONSUMER CREDIT UNITED STATES HOUSE OF REPRESENTATIVES, MAY 18, 2006

Chairman Bacchus and members of the Committee, my name is Bradley Rock. I am Chairman, President, and CEO of Bank of Smithtown, a $950 million community bank located in Smithtown, New York, founded in 1910. I am also the Vice Chairman of the American Bankers Association (ABA). ABA, on behalf of the more than two million men and women who work in the nation's banks, brings together all categories of banking institutions to best represent the interests of this rapidly changing industry. Its membership—which includes community, regional and money center banks and holding companies, as well as savings associations, trust companies and savings banks—makes ABA the largest banking trade association in the country.

I have been honored to testify before this committee on prior occasions to present the views of the ABA on the need to eliminate unnecessary, redundant, or inefficient regulatory burdens that increase costs for banks, reduce the amount of credit available to our communities and fail to make meaningful contributions to the welfare of our citizens. Among the largest of regulatory burdens is the regime of surveillance and reporting on the financial activity of our customers that has been imposed on banks under the Bank Secrecy Act and subsequent anti-money laundering statutes and regulations. I therefore welcome the opportunity to appear again before you—this time to address the particular issues of regulatory cost versus policy benefit that attend the current state of currency transaction reporting (CTR)—and to advocate for your consideration an overdue option to reform the system for the mutual advantage of bankers, law enforcement and the American public we all serve.

We support a simplified, meaningful seasoned business customer exemption. We commend you, Mr. Chairman, and the members of this Committee for adopting that straightforward approach as part of H.R. 3505, the Financial Services Regulatory Relief Act, adopted by the House of Representatives on March 8, 2006, by a vote of 415–2. We congratulate you on continuing to pursue this sensible and timely reform in the legislation being considered today, Seasoned Customer CTR Exemption Act of 2006, H.R. 5341.

From the Bank Secrecy Act passed a generation ago to Title III of the USA PATRIOT Act adopted in the wake of the heinous terrorist attacks of September 11, 2001, legislation has united bankers and the government in the battle to combat abuse of our financial system by those who would pervert it to commit criminal offenses, to launder the proceeds of illegal conduct or, more recently, to support the means and ends of terrorism. The ABA and its members share the policy goals of Congress in passing these laws. However, increasingly complex or redundant compliance requirements render these laws far less effective than they might be otherwise.

When establishing the BSA regulatory regime, Congress sought to require reports or records when they have, in the Act's very words, ''a high degree of usefulness'' for the prosecution and investigation of criminal activity, money laundering, counter-intelligence and international terrorism.

Unfortunately, in the focus on systems, programs, and procedures, the standard of ''high degree of usefulness'' seems to have been neglected. The result has been more reports and paper, with declining usefulness. ABA and its members strongly believe that the current CTR requirements have long departed from this standard of utility and in large measure serve more to distract and impede efforts against crooks and terrorists than to help to expose and stop them.

In my testimony, I would like to make three key points:

Congress has already recognized that the original currency transaction reporting obligations imposed on banks have become unduly burdensome, generate voluminous data on legitimate routine business transactions adding little to law enforcement's efforts at meaningful analysis, and therefore need to be refocused to restore the reports to a level of value more closely approximating ''a high degree of usefulness.''

Previously enacted relief to reduce reporting to a more useful volume has been unsuccessful. While Congress wisely recognized that banks don't need to collect, and the government does not need to receive and process volumes of records on legitimate business activity by well-known customers, the reform has not been successful in practice because procedures to exercise it are cumbersome and carry significant procedural and supervisory risks.

Evolution of the BSA reporting regime has further reduced the purpose and value of currency transaction reporting. Requirements for rigorous customer identification programs, suspicious activity reporting, and the availability of focused and detailed information under section 314(a) of the PATRIOT Act leave little value to be added by collecting millions of CTRs on legitimate routine business activity.

CONGRESS ENDORSES AND LAW ENFORCEMENT RECOGNIZES THE NEED TO REDUCE REPORTING ON LEGITIMATE BUSINESS ACTIVITY

In 1994, Congress included in the Money Laundering Suppression Act a statutory exemption system for currency transaction reporting. The new two-phase system was intended to address concerns that the number of CTRs being filed for routine business activity adversely affected law enforcement's ability to use the data. As the GAO's testimony in March 1994 stated, ''CTRs that report normal business transactions are of no value to law enforcement and regulatory agencies in detecting money laundering activity.'' Expectations at the time anticipated that a revised exemption process would result in a reduction of CTR filings in the range of 30%. Unfortunately, we should all be disturbed that time has witnessed the number of CTRs overall grow from slightly more than 11 million in 1994, when the two-phase exemption process was passed, to the latest estimate of over 13 million annually, with no signs of abating.

Using FinCEN's conservative estimate of around 25 minutes per report for filing and record-keeping, the banking industry as a whole devoted around 5½ million staff hours of work to handling CTRs in 2005. Our review of ABA members indicates that three-quarters of the filings were for business customers who had been with the bank for over a year. That means that the industry spent around four million staff hours last year filing notices on well-established customers! A similar story can surely be told by the government agencies that receive and process these reports.

In my bank, during the past year, we filed 2,766 CTRs, and we do not have any public companies as customers. In fact, most of these CTRs were flied for ordinary transactions by an ice cream parlor, a clam bar, a restaurant and a high-volume Amoco dealer, all of whom have done business with us for many, many years. My tellers spent more than 460 hours in the branches preparing the CTR forms, and one person in our main office spent more than 1,000 hours checking the forms for accuracy, checking them against computer printouts, and filing the forms with the appropriate government office. Having watched this process for years, and being thoroughly familiar with the businesses that are the subject of these filings, I can tell you with firm assurance that all of this time and paper did absolutely nothing to advance our collective efforts to thwart money laundering and terrorism.

This trend is only likely to accelerate and demand more and more staff to report on more and more harmless transactions, further burying the real needles of money laundering under an exponentially growing mound of the hay of legitimate business transactions mindlessly recorded at great expense and increasing opportunity cost. Surely neither business nor the government can afford this wasted effort.

We have passed the time of studying what to do—GAO did that in 1994 and concluded then, as we all would now, that unnecessary reporting is taking place. It is about time to take effective action to make the system

better. We must find a way to realize the policy objective of focusing on reporting with ''a high degree of usefulness,'' and to successfully exempt reports on the financial transactions of law-abiding American businesses.

THE CURRENT EXEMPTION PROCESS IS IRRETRIEVABLY MIRED IN RED TAPE

ABA worked cooperatively with FinCEN and the federal banking regulators to encourage institutions to make better use of statutory exemptions when they were changed in the late 1990's. Our Association did extensive outreach to our members, and while some institutions adjusted their CTR filing policies and utilized the two-tier exemption process, the general response was lukewarm at best.

Unfortunately, the compliance technicalities for, and examiner second-guessing of, banker use of the exemption and the renewal processes have discouraged many institutions from utilizing the discretionary exemptions. The current Phase II exemptions make distinctions among types of cash intensive businesses or exemptible accounts and require statutorily mandated annual reviews plus resubmission obligations. These specifications generate difficulties in determining whether a customer is eligible for exemption, produce fear of regulatory retribution for misapplying criteria and incur costly additional due diligence. ABA has even received reports from members that examiners have threatened penalties and other formal criticisms for simple late filing of biennial renewal forms, a regulatory climate that shouts, ''Warning'' more than it does ''Welcome.'' There should be little wonder then that banks are reluctant to try swimming in these waters.

We have heard it suggested that bankers do not use the exemption process because they have computerized systems that make filing CTRs a snap. I am here to tell you that the snap you hear is the floor boards in my file room straining under the load of my required five years worth of retained CTRs and related BSA compliance records. First, let me note for the record that not all banks can afford computerized CTR filing systems. Second, adopting technological efficiency in the cause of compliance may have value as a cost control effort, but it is no virtue when it only expedites filing useless data about legitimate business activity. Indeed, the suggestion to automate demonstrates a recognition that the vast majority of these reports are repetitive and routine and therefore likely to be of small value in combating money laundering.

A reporting regime that presents us with the choice of suffering the gauntlet of exemption qualification paperwork and concomitant auditor or examiner second-guessing or instead filing numerous useless CTRs, is not sound public policy. That is why tinkering with the current exemption process will not make an appreciable dent in the overwhelming number of CTRs filed each year. As FinCEN conceded in its Report to Congress in October 2002, recommendations for improving the exemption process regulatorily are at best incremental. Instead, we must start anew an updated Congressional mandate that clears away the convoluted structure of the present exemption process and substitutes a direct and simplified standard.

NEWER TOOLS ALLOW US TO ELIMINATE CTR FILINGS FOR SEASONED CUSTOMERS

The current cash transaction reporting program has been rendered virtually obsolete by several developments: enhanced customer identification programs, more robust suspicious activity reporting, and the use of the more focused and intensive 314(a) inquiry/response process.

In light of these developments, to continue to require CTR filings for business customers whose identity has been verified under a bank's Customer Identification Program (CIP) and tested under a period of experience with the bank and that remain subject to risk-based suspicious activity reporting is an inefficient use of limited resources by bankers and law enforcement. In the field, it diverts scarce examiner resources, focusing on compliance with technical reporting standards rather than carefully evaluating bank programs for detecting transactions that possess a likelihood of involving money laundering and terrorist financing.

EXEMPT SEASONED CUSTOMERS FROM CTRS

Accordingly, we support H.R. 5341, embodying the recognition that the best way to improve the utility of cash transaction reporting is to eliminate the valueless reports being filed on legitimate transactions by law-abiding American businessmen and businesswomen. This improvement can be achieved by establishing a seasoned customer exemption for business entities, including sole proprietorships, as endorsed by FinCEN last year in testimony before Congress and now embodied in H.R. 5341. (ABA proposed a similar concept in its response of May 4, 2005 to the banking agencies' request for comment for burden reduction suggestions under the Economic Growth and Regulatory Paperwork Reduction Act.)

The exemption, as proposed in the bill and supported by ABA, is comprised of three elements: Existence as an authorized business, maintenance of a deposit account at a depository institution for 12 months, and use of the account to engage in multiple reportable currency transactions. The simplicity of this standard avoids the unnecessary compliance barbs that have previously snagged past efforts to make effective use of prior exemption systems. This straightforward definition is essential for the exemption to work and to reduce filing reports on routine business activity.

It is important to remember that cash transaction data will not be lost, but rather will continue to reside in the bank account records. It will, therefore, be available to law enforcement whenever sought in connection with a targeted inquiry from government enforcement entities. In particular, by using the USA PATRIOT Act 314(a) inquiry process, law enforcement will be able to locate transaction data and other relevant information on a broad range of accounts of suspects. That more targeted approach is working and producing tangible results today.

As FinCEN reported on April 25, the 314(a) process has been used by fifteen federal agencies from November 2002 to April 2006 covering over 500 significant money laundering or terrorist financing cases identifying more than 4,000 subjects of interest. The 314(a) process has yielded the identification of 1,932 new accounts, leading to 1196 Grand Jury Subpoenas, producing 90 indictments, 79 arrests and 10 convictions. Although the process has been in place less than four years and many money laundering or terrorist financing cases take several years to develop before they are actually prosecuted, the indictments, arrests and convictions are impressive. To put it mildly, there are no comparable measures of success for cases initiated through CTRs.

It has been suggested that the 314(a) process is flawed because it ''can only be used on the most significant terrorism and money laundering investigations.'' However, ABA believes that requirement is one of its great strengths because it better matches the benefit of the information collected with the burden imposed on the banks. At least now when banks are called on every two weeks under 314(a) to search for and report all accounts maintained by a subject of interest, they are doing so for an investigation that is considered a significant terrorism or money laundering matter—not a fishing expedition.

As H.R. 5341 makes clear, all seasoned business customers would continue to be subject to suspicious activity monitoring and reporting. SARs provide precise account and related transaction information as well as extensive narrative detail not available in CTRs. This reporting enables law enforcement to focus resources on conduct or activities where there is a greater likelihood of genuine risk and where investigative resources can be used more productively. In addition, the SAR procedures permit law enforcement to obtain the bank's entire supporting investigative file upon request, without needing a subpoena.

As FinCEN reported in 2002, SARs have replaced CTRs as the primary tool for identifying suspicious activity. CTRs are now used to locate financial activity of already identified subjects of interest—the same purpose for which 314(a) inquiries are made. Although there have been examples cited by law enforcement of the continued use of CTRs, they do not specifically rebut the wisdom of a seasoned customer exemption. Talk about ''connecting the dots'' amounts to nothing more than anecdotal illustrations of how spotty the utility of CTRs on American businesses has become. They do not demonstrate that CTRs on seasoned customers meet the statutory requirement of ''a high degree of usefulness.''

After all, CTRs on non-seasoned entities would still be filed, reporting the movement of cash that does not go through an established business account relationship. In addition, law enforcement will have all the identifying information in the seasoned customer designation wherever and whenever that business has seasoned status. In other words, law enforcement will continue to have access to information on where subjects of interest are conducting their financial affairs.

As former FinCEN Director William Fox stated in a September 2005 testimony on the seasoned customer proposal before this Subcommittee, ''We believe this language addresses many of the issues with our current exemption regime that were causing it not to have its intended effect. Due to its complexity and the burden involved in exempting customers, financial institutions were not taking advantage of the exemption regime. This proposal seeks to streamline the exemption process by focusing on a one-time notice to [FinCEN] of an exemption and focusing on the customer's relationship with the bank as the grounds for such exemption. We believe that these changes will make the exemptions more effective while still ensuring that currency transaction reporting information critical to identifying criminal financial activity is made available to law enforcement.'' ABA joins in those sentiments and strongly supports the Seasoned Customer CTR Exemption Act, H.R. 5341 that seeks to follow through on former Director Fox's endorsement.

CONCLUSION

Eliminating CTR filings for seasoned customers would have the following benefits:

The vast majority of the over 13 million CTRs filed annually would stop, saving the time, money, and labor expended by businesses to fill out forms, and consumed by law enforcement to process them.

There would be an improvement in the quality of SARs, eliminating those that are filed today in connection with innocent, idiosyncratic deposit activity. Banks would be able to focus their energies on detecting genuinely suspicious currency transactions, regardless of artificial thresholds.

We would make an enormous stride forward in focusing our anti-money laundering efforts—by both law enforcement and the banking industry—on the real crooks and terrorists with far greater likelihood of detecting and stopping their activities.

I thank the Chairman and his colleagues for their commitment to improving the BSA system and assure you that ABA and its members share that commitment. We are all striving to make the system work best, to protect the security of our banking system from abuse by money launderers and terrorists, and to safeguard the confidence that our customers have that the integrity of their legitimate business conduct is respected.

Mr. HENSARLING. Quoting from his testimony, Mr. Speaker, ''In my bank during the past year, we filed 2,766 cash transaction reports, and we do not have any public companies as customers. In fact, most of these CTRs were filed for ordinary transactions by an ice cream parlor, a clam bar, a restaurant and a high-volume Amoco dealer, all of whom have done business with us for many, many years. My tellers spent more than 460 hours in the branches preparing the CTR forms, and one person in our main office spent more than 1,000 hours checking the forms for accuracy, checking them against computer printouts, and filing the forms with the appropriate government office. Having watched this process for years, and being thoroughly familiar with the businesses that are the subject of these filings, I can tell you with firm assurance that all of this time and paper did absolutely nothing to advance our collective efforts to thwart money laundering and terrorism.''

That is just one small community banker in America. We know they are spread throughout the Nation. In fact, it was over a decade ago, Mr. Speaker, that the GAO concluded that unnecessary reporting was taking place. I am sorry to say that, 10 years later, it still is taking place.

So many of these banks are filing these cash transaction reports defensively, and yet we know that we still have the know-your-customer regime that is in place. The suspicious activity reports are still in place, and these are better enforcement tools for law enforcement than the CTRs.

In addition, by passing this particular piece of legislation, the information doesn't disappear. It is still available for law enforcement. The cash transaction data will continue to reside in bank account records and be available to law enforcement when they need it, when they are following up a lead. We have heard from law enforcement itself that, in many cases, what we see is that they are searching for a needle in a haystack. The excessive CTR reports are putting more hay on the haystack.

As former FinCEN Director William Fox stated, quote, we believe this language, really talking about the legislation at hand, addresses many of the issues with our current exemption regime that were causing it not to have its intended effect.

In many respects, Mr. Speaker, I think we are going to be able, by passing this legislation, to really help in two different areas. Number one, make sure law enforcement has the right amount of information in the proper form that they need to do their job, but, at the same time, to make sure that we don't drive any more of our community banks out of business, the lifeblood, at least in my district, of our rural communities that are out there creating the jobs necessary to sustain those rural communities.

So the House has really spoken on this matter once before in a very resounding fashion, in a very resounding bipartisan fashion. I certainly want to thank Ranking Member FRANK for his leadership in this area as well.

But we need a rule of reason. It is a question of balance. Particularly when we have our know-your-customer routine, when the suspicious activity report requirements are still in place, the CTR process as presently envisioned is not working, and that is why it is so necessary that we pass the legislation brought to us by the chairman and the gentleman from Alabama; and I commend him for his work.

Mrs. MALONEY. Mr. Speaker, there are no further speakers on our side of the aisle, and I yield back the balance of my time.

Mr. BACHUS. Mr. Speaker, in conclusion, I simply want to say to the Members who may be listening to this discussion, what we are talking about here is a restaurant, a movie theater, a corner drugstore, a retail establishment. These are businesses that have been in the community for years and years. As a matter of course, every week, sometimes every day, they file large sums of cash.

The very idea that we would impose, as we did in the Bank Safety Act, a requirement that the banks, every time this happens, file a report. As FinCEN estimated last year, it takes 25 minutes to prepare these reports, to review them, to catalog them and to file them. Then it takes the FBI or others, IRS, who administers this program, 5 to 6 minutes. So you are talking about, for the average small bank in a medium-sized town, as Mr. HENSARLING said, you are talking about hundreds of hours of wages, not to speak of the time.

As we have been hearing for 10 or 12 years, these reports have absolutely no usefulness in identifying money laundering, serious financial crimes, terrorist financing. It is past time that this Congress lifts what is a multi-million dollar burden on our financial institutions and, at the same time, allows law enforcement, directs law enforcement, in fact, to go after the bad guys. Focus attention on those nonroutine, nonstandard transactions.

Remember, the banks still must require, any time something is out of the ordinary to the routine, causes any type of questions, they actually have rules and regulations where they are required, in those cases, even if it is an established customer, if it is an out-of-the-ordinary transaction or raises suspicion, they have to file a report. That is the purpose of this legislation, to streamline that process.

Mr. Speaker, in closing, for the record, I would like to introduce the September 2005 testimony of William J. Fox, Director of the Financial Crimes Enforcement Network at the United States Department of Treasury.

STATEMENT OF WILLIAM J. FOX, DIRECTOR, FINANCIAL CRIMES ENFORCEMENT NETWORK, UNITED STATES DEPARTMENT OF THE TREASURY

Chairman Bachus, Ranking Member Sanders and distinguished members of the Subcommittee, I appreciate the opportunity to appear before you today to discuss your efforts to balance the burdens imposed on the financial industry by the requirements of the Bank Secrecy Act of 1970, specifically, providing the government with highly relevant information that assists law enforcement in making our financial system more transparent and our country safer. I am the Director of the Financial Crimes Enforcement Network, which has been delegated the responsibility by the Secretary of the Treasury to administer the Bank Secrecy Act. The Financial Crimes Enforcement Network is part of Treasury's new Office of Terrorism and Financial Intelligence, led by Under Secretary Stuart Levey. The creation of this office has greatly enhanced Treasury's efforts and accomplishments on issues relating to money laundering, terrorist financing and other financial crime.

As the administrator of the Bank Secrecy Act, we bear responsibility for ensuring that the Bank Secrecy Act is implemented in a way that achieves the policy aim intended by the Congress, which is, simply stated, to safeguard the United States financial system from the abuses of financial crime, including money laundering and terrorist or other illicit financing. This is a day-to-day challenge in a financial system where we generally promote the unfettered, free-flow of commerce and where criminals strive to manipulate the system with the same ingenuity and sophistication of the very best in the industry.

Ensuring that we strike the right balance between the cost and benefit of this regulatory regime is, in my view, a central responsibility for my agency. While I do not believe this cost/benefit analysis can be reduced to a mathematical formula, I believe we must constantly study how we can more effectively tailor this regime to minimize the costs and other burdens imposed on our financial institutions while at the same time ensuring that the law enforcement community receives the information it needs to combat financial crime and terrorism.

This effort is particularly important because I am more certain than ever that compliance with the Bank Secrecy Act's regulatory regime is a critical component to our country's ability to utilize financial information to combat terrorism, terrorist financing, money laundering, and other serious financial crime. Moreover, the systems and programs that are mandated by the Bank Secrecy Act make our financial system safer and more transparent.

Over the past year I have traveled quite a bit around the country listening to the frustrations members of the financial industry have with the Bank Secrecy Act. Many of those frustrations relate to how the Act is being implemented. Many in the financial industry complained about the lack of clarity in requirements and consistency in examination. At the same time, the Congress has

questioned the effectiveness of our collective ability to implement this regime in light of several highly publicized and significant regulatory failures by certain financial institutions. Mr. Chairman, I am pleased to report that by working diligently with my colleagues at this table, we have made significant progress on these issues. In the past year:

We have signed groundbreaking information-sharing agreements with the five Federal Banking Agencies, the Internal Revenue Service and thirty-three (33) state authorities. We are working to finalize similar agreements with the Securities and Exchange Commission and the Commodities Futures Trading Commission.

We have assisted the Federal Banking Agencies with the development of a comprehensive Bank Secrecy Act examination manual that we believe will ensure greater consistency in examinations for depository institutions, and will provide a significant source of guidance and help for those institutions.

We are together issuing more and better guidance to ensure greater clarity and consistency of regulatory policy. A good example of this is the recent guidance we issued jointly with the Federal Banking Agencies on the provision of banking services to money services businesses.

We have created and staffed an Office of Compliance within our Regulatory Division to ensure better clarity and consistency in how the Bank Secrecy Act is implemented and provide us with an assessment of the overall success of our Bank Secrecy Act Regulatory Program.

We are—for the first time—devoting nearly 25 percent of our analytic muscle to regulatory issues and programs. These analysts are not only identifying compliance problems and targeting problematic institutions for examination, they will also develop and provide information to the financial industry to help them better understand and assess the risks posed by their business lines and customer base.

We believe these steps and the steps we have planned have helped improve the overall implementation and effectiveness of the Bank Secrecy Act. Ensuring that we present the financial industry with regulatory requirements that are both clear and consistent is, in my view, one of the best ways we can reduce the burden associated with Bank Secrecy Act compliance.

Consistency is a crucial element of the effective implementation of the Bank Secrecy Act, and, indeed, is one of our core objectives. While we, of course, stand ready to assist the Committee and this Congress by examining any aspect of the Bank Secrecy Act, I would emphasize that over the past year, the level of cooperation between my agency and the Federal Banking Agencies has grown significantly. As reflected in the steps we have taken together, we all recognize the need for a consistent voice on these important regulatory issues, and are building the necessary coordination mechanisms.

The focus of my testimony before the subcommittee today is on H.R. 3505, specifically, how that bill would affect the Bank Secrecy Act. I would like to focus on one key concept in this legislation; your effort to reduce the burden imposed on the financial industry of filing Currency Transaction Reports. We have been grappling with the issue of how to improve the Currency Transaction Report regime for some time. We know that Currency Transaction Reports are valuable to law enforcement. These reports—often coupled with other information—are used every day to identify and locate criminals and terrorists. However, we also know that some of the Currency Transaction Reports filed by financial institutions are of little relevance in the investigation of financial crime. We also know that depository institutions, especially our community banks, identify the time and expense of filing Currency Transaction Reports as the number one regulatory expense. Indeed, the Congress has in the past recognized the need to reduce the number of Currency Transaction Reports that may not have a high degree of usefulness to law enforcement, ordering us to find a way to do so. However, it is clear that our efforts to encourage the exemption of routine filings on certain customers have not brought about the reductions in filing that were sought.

Two years ago we turned to the Bank Secrecy Act Advisory Group, bringing in the viewpoints of the industry, law enforcement, and regulatory communities, to address this question. Through this process, we learned that our colleagues in law enforcement have made significant strides recently in their ability to utilize currency transaction reporting data, marrying this data with other law enforcement data to maximize its benefit. We also have enhanced our analytic capability to exploit this data source on both micro and macro levels. Such innovations enhance the utility of our analysis, and it is essential that we not reduce the flow of critical information just as the technical firepower to exploit this information is reaching new heights.

This Committee now is considering language that would amend current exemptions by allowing banks to qualify certain customers as exempt from routine currency transaction reporting. We believe this language addresses many of the issues with our current exemption regime that were causing it not to have its intended effect. Due to its complexity and the burden involved in exempting customers, financial institutions were not taking advantage of the exemption regime. This proposal seeks to streamline the exemption process by focusing on a one-time notice to my agency of an exemption and focusing on the customer's relationship with the bank as the grounds for such exemption. We believe that these changes will make the exemptions more effective while still ensuring that currency transaction reporting information critical to identifying criminal financial activity is made available to law enforcement.

However, we also recognize that we need to monitor these changes to ensure that they do not result in a reduction in information that would be highly useful to our law enforcement clients, and accordingly the proposal contains a wise requirement to conduct a study after some time has elapsed to ensure that we are striking the proper balance.

In conclusion, Mr. Chairman, I hope that my testimony today conveys the sense of commitment, energy, and balance with which all of us at the Financial Crimes Enforcement Network are addressing the challenging issues that confront our administration of the Bank Secrecy Act. The importance of your personal and direct support of these efforts cannot be overstated. Your oversight will ensure that we meet the challenges that we are facing. I know how critical it is that we do so, and we hope you know how committed we are to meeting those challenges. Thank you.

Mr. BACHUS. Mr. Speaker, I yield back the balance of my time and urge all Members to vote in favor of this legislation.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama (Mr. BACHUS) that the House suspend the rules and pass the bill, H.R. 5341, 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.

RECOGNIZING NATIONAL HOMEOWNERSHIP MONTH

Mr. NEY. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 854) recognizing National Homeownership Month and the importance of homeownership in the United States.

The Clerk read as follows:

H. RES. 854

Whereas the President of the United States has issued a proclamation designating the month of June 2006 as National Homeownership Month;

Whereas the national homeownership rate in the United States has reached a record high of almost 70 percent and more than half of all minority families are homeowners;

Whereas the people of the United States are one of the best-housed populations in the world;

Whereas owning a home is a fundamental part of the American dream and is the largest personal investment many families will ever make;

Whereas homeownership provides economic security for homeowners by aiding them in building wealth over time and strengthens communities through a greater stake among homeowners in local schools, civic organizations, and churches;

Whereas creating affordable homeownership opportunities requires the commitment and cooperation of the private, public, and nonprofit sectors, including the Federal Government and State and local governments; and

Whereas the current laws of the United States, such as the American Dream Downpayment Act, encourage homeownership and should continue to do so in the future: Now, therefore, be it

Resolved, That the House of Representatives—

(1) fully supports the goals and ideals of National Homeownership Month; and

(2) recognizes the importance of homeownership in building strong communities and families.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. NEY) and the gentlewoman from California (Ms. WATERS) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio.

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

Mr. Speaker, it is a pleasure to be here today on the floor with our ranking member, the gentlewoman from California, Congresswoman MAXINE WATERS.

I rise today in support of House Resolution 854, which recognizes National Homeownership Month and the importance of homeownership in the United States. This resolution is offered by my colleague and friend from California, Congressman GARY MILLER, who has really undertaken a robust job in working the housing issues and sponsoring different forums for discussions on

housing and being a very active member of our Housing Subcommittee and also the vice chair of that committee.

June is National Homeownership Month, and so many of our partners celebrate this because, in America, we would hope that everybody would have an opportunity to be able to own a home. A home is more than just a symbol of the American dream; it is the backbone of our American way of life.

Over the past 3 years, the housing market has driven the national economy as Americans bought and refinanced homes in record numbers. Many regions were spared the worst of the recent recession due to the strength of local housing markets.

Homeownership creates community stakeholders who tend to be active in charities, churches, neighborhood activities. Homeownership inspires civic responsibility, and homeowners are more likely to vote and get involved with local issues. Families owning a home offer children a stable living environment, and its influences are great. It helps with their personal development in many positive, measurable ways at home, in school and in our society.

Today, nearly 70 percent of American families own their own homes. Minority homeownership rates have reached an all-time high of almost 50 percent. While many gains have been made though, lagging minority homeownership rates, I think, are a serious concern. That issue has to be addressed.

Minority households are expected to account for two-thirds of household growth over the coming decade. Improving the ability of such households to make the transition to homeownership will be an important test of our Nation's capacity to create economic opportunity for minorities and to build strong, stable communities.

In the last Congress, the Subcommittee on Housing and Community Opportunity, which I chair, and again the ranking member is the gentlewoman from California, that committee and the members from both sides of the aisle assisted in enactment of 17 housing-related bills.

I want to thank the members of that committee, GARY MILLER, the vice chair, and the gentlewoman from California; also, of course, Congressman OXLEY and BARNEY FRANK of Massachusetts. Chairman OXLEY has worked with us, as Mr. FRANK has, to make sure that these bills have gone to the full committee.

So we are very proud of the enactment of 17 housing-related bills. That was through bipartisan cooperation. We have been able to do this to make existing housing programs work better.

Our work continues in the 109th Congress. In the last month, the Housing Subcommittee of the Financial Services Committee has marked up 10 housing bills. For example, we approved a bill that would preserve affordable rural housing opportunities and one that would modernize and increase the availability of FHA-insured manufactured housing loans to low and moderate consumers who wished to purchase a manufactured home.

I am especially proud of H.R. 5121, the Expanding American Home Ownership Act of 2006. This important FHA modernization legislation would allow for risk-based pricing for the Federal Housing Administration. Charging premiums commensurate with risk allows sound pricing and portfolio diversity to sustain the financial strength of the FHA fund.

We want to thank the gentlewoman for taking the lead on this. I feel if we had not done this bill I don't know where FHA would be today. I thank the gentlewoman for all her hard work.

While homeownership is a desired goal for many Americans, and that is why we are here, again I thank Mr. MILLER for this resolution, but there are still, and I think we have to face this, many in society are not ready yet or cannot own their own home.

So the Financial Services Committee in this month approved by voice vote H.R. 5443, the Section 8 Voucher Reform Act of 2006. This piece of legislation represents the culmination of a bipartisan negotiation over the last year to craft a compromise proposal to reform HUD's section 8 program.

In the Housing Subcommittee, we do continue to plan to work hard with our ranking member, the gentlewoman from California, and Mr. MILLER and all the Members on both sides of the aisle to explore new ways to put people in the path of homeownership so they can realize its benefits.

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

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

Mr. Speaker, as the ranking member of the Subcommittee on Housing and Community Opportunity and one of the original cosponsors of this legislation, I rise in strong support of House Resolution 854, celebrating June as National Homeownership Month of 2006.

I would like to thank the Chair of our subcommittee, Mr. NEY, for his support, not only for this resolution but his support for all of the members serving on our subcommittee on both sides of the aisle for all that we are attempting to do to expand homeownership opportunity. I am excited about the leadership that Mr. NEY has provided on FHA, to support the CDBG, his support for section 8. All of these programs lead to homeownership.

□ 1230

And I am delighted to be on the floor with him today.

I would also like to thank Mr. GARY MILLER, the vice chairman of the subcommittee on Housing and Community Opportunity, for sponsoring this resolution. This is an extremely timely resolution. June is National Homeownership Month, 2006.

And I also want to applaud all of those who joined on the resolution as original cosponsors: Mr. HINOJOSA; Mr. SCOTT of Georgia; Ms. HARRIS; Ms. MILLENDER-MCDONALD; Mr. NEUGEBAUER; Mr. FRANK, the ranking member of the Committee on Financial Services; Mr. NEY, of course, chairman of the subcommittee on Housing and Community Opportunity; and the distinguished chairman of the Committee of Financial Services, Mr. OXLEY.

Mr. Speaker, and Members, homeownership is like motherhood and apple pie. I believe that just about everyone would agree that homeownership is important to the overall quality of life in communities across the country and to the economic well-being of individuals and families in America.

While National Homeownership Month has been celebrated for the past 5 years, we really do owe a great deal of credit to the many nonprofit organizations and public policymakers who have concentrated on making the American Dream come true, as well as others who have formed public-private partnerships to expand homeownership opportunities in America. Without these cooperative relationships and bipartisan relationships, we would be hard pressed to have reached many of the low-and moderate-income persons and families who have been able to afford a home.

Mr. Speaker and Members, it is commendable to applaud homeownership in this country, but it takes a little bit more to create the opportunities for the average American to own a home, and it requires real support and assistance by public policy-makers. I am pleased and proud to serve on this subcommittee because, again, I see that commitment on both sides of the aisle.

Homeownership has a rich history in America. Let's take a walk back in time and we will see just how important homeownership has been in America. From 1900 to 1920, the first 20 years of the last century, the homeownership rate declined slowly but steadily. Then homeownership soared in the 1920s, but declined to its lowest level in the 20th century, 44 percent by 1940. Of course, after World War II, we witnessed a dramatic increase in homeownership as the postwar economy boom contributed to American prosperity. Purchases of homes were central to building that prosperity; and by 1960, homeownership had grown to 60 percent because of favorable tax treatment and attractive financing related to homeownership.

During that same year, my State of California reached its high water mark for homeownership tying the national average of 60 percent. By 2000, two in three households in the United States owned their own homes. In 1990 less than half owned their own homes, whereas today 70 percent of all Americans own their homes.

In addition, the median value of single family homes in the United States, according to the census, rose from $30,600 in 1940 to $119,600 in 2000. But of course, today the median value in some

places, such as California, have increased tremendously, almost to $500,000.

The benefits of homeownership are truly remarkable. Homeownership provides a broad range of benefits to individual homeowners and to society as a whole. Many children of homeowners did better in school and are more successful in life. Homeownership acts as a powerful economic stimulus, benefiting the individual homeowner and the national economy. Homeownership benefits neighborhoods, providing economic and social capital. Homeowners are more likely to participate in local organizations. Homeownership in distressed communities raises neighborhood property value by a significant amount, and homeowners state that they are more satisfied with their living situation than renters.

The benefits might seem inconsequential to some. But believe me, if we could transfer the benefits of homeownership across this country, we would wipe out much of the crime in our communities, lower high school drop-out rates, reduce poverty, and improve the overall quality of life for countless numbers of Americans.

Just think of the benefits to children. Children of homeowners score better on academic tests, graduate at higher rates, have fewer behavioral problems, and enjoy a better social environment. Children of homeowners are more likely to become homeowners, adding to the paradigm of wealth creation.

Homeownership benefits the U.S. economy. Homeowners generate equity. Home equity is often the source of start-up capital for a business or for financing our children's education and our retirement. High rates of homeownership in a community add to the value of property as much as $5,000, according to one recent study.

A home is a real source of wealth. Homeownership is central to individual wealth and to the wealth of the U.S. economy. The growth in new housing starts in the last few years contributed directly to the growth in the U.S. economy. Just look at the housing sector, and it will usually tell you a lot about the overall wealth and direction of the economy.

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

Mr. NEY. Mr. Speaker, I yield as much time as he may consume to the gentleman from California (Mr. GARY G. MILLER), the author of the resolution.

Mr. GARY G. MILLER of California. Mr. Speaker, I introduced this legislation to elevate the debate and the understanding of the importance of housing in this country.

On May 24, 2006 President Bush designated June as National Homeownership Month, as he has done over the past 5 years. To complement this designation, this resolution provides congressional recognition of the National Homeownership Month and the importance of homeownership in the United States.

Owning a home is a fundamental part of the American Dream and is the largest personal investment families will ever make. Not only does homeownership provide economic security by building wealth over time, it also strengthens and builds communities.

However, creating affordable homeownership opportunities requires the commitment and cooperation of the private, public, nonprofit sector, including the Federal Government and State and local governments.

This resolution expresses the sense of Congress that the House of Representatives, one, fully supports the goals and ideals of National Homeownership Month; and, two, recognizes the importance of homeownership in building strong communities and families.

Today is a day we can come together, set aside any policy differences we might have, and celebrate homeownership in America.

For generations, the goal of owning a home has been the bedrock of our economy and a fundamental part of the American Dream. As we have faced the challenges of war and economic uncertainties, the housing markets have helped to keep our economy strong.

Nationally, housing generates more than 22 percent of the gross domestic product and accounts for nearly 40 cents of every dollar spent.

America's housing markets are the envy of the world. We enjoy the lowest interest rates, the highest homeownership rates of any developed nation. In fact, national homeownership in the United States has reached a record high of 70 percent. Homeownership is the single largest creator of wealth for Americans. It is the largest investment most families will ever make, and a key to promoting long-term economic stability. For this reason we must continue to promote policies that ensure more Americans can achieve the goal of homeownership.

Aside from helping millions of Americans achieve their dreams, homeownership also helps to build neighborhoods and strengthen communities. Families who own homes have a vital stake in their communities, a stronger interest in the safekeeping of their neighborhoods, and a deeper commitment to the quality of their schools and public services.

Each home is a critical piece in a successful neighborhood, allowing families to enjoy community events together and share in the lives of their neighbors and friends.

As millions of American families have demonstrated, increased homeownership helps to build better communities, and better communities help to build a better America.

As responsible legislators, we need to ensure that government helps rather than impedes homeownership in America.

When I came to Congress, I made it my top priority to highlight Federal policies that have hindered the availability of housing in this country and to find ways for government to positively impact homeownership in America. While we have done much to help Americans become homeowners, we must do more. We must remove the hurdles and needless regulation that keep homeownership out of the reach of some families in America.

And oftentimes in government, we pass policies and laws and regulations that sound really good, and when they are implemented they do just the exact opposite of what we intend them to do, they hinder homeownership. State government and local government do the same thing. What we need to do as legislators is look at these things we have done; and if they are wrong, we need to correct them. And then we need to pass new resolutions and laws that further provide opportunities for people, which in many cases we have done the opposite of.

We must also promote fair lending practices to increase housing opportunities for all Americans. And we must ensure that programs Congress passes to encourage homeownership can be enjoyed by all Americans in all communities, including those in high-cost areas.

With June designated as National Homeownership Month, there is no better time to address these issues. Now more than ever Congress must cultivate an environment in which more Americans may turn the dream of homeownership into a reality.

I am very pleased today that the President has made it a priority to promote affordable housing and homeownership, even among those challenges our country faces in other areas.

Along with Secretary Jackson and his team at HUD, the President has taken a leading role in finding new and innovative ways to expand homeownership in all areas of this country.

Fortunately here in Congress we have a strong commitment to homeownership from Members from both sides of the aisle. I want to commend the people in our committee who have worked really hard: Chairman OXLEY and Ranking Member BARNEY FRANK, also subcommittee Chairman NEY and MAXINE WATERS. We have come together on many issues. We have put aside personal issues that we might disagree on, and we said, what can we do positively together to create a better environment for housing, understanding that people at all sectors of society need to own a home, and how can we eliminate programs that hinder them from doing that.

I am confident due to this teamwork we will have success in years to come and continue to increase homeownership nationwide.

National Homeownership Month is a reminder of the importance of housing issues in America. I urge my colleagues to support this resolution, and I encourage all of us, as we go through our practices of trying to pass good and

reasonable laws for this country, to look at policies that encourage homeownership rather than discourage homeownership.

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

Mr. Speaker and Members, homeowners confer benefits to the communities in which they live. Homeowners vote and participate in important community organizations such as our schools. Homeownership benefits distressed neighborhoods, resulting in increased property values and more stable communities. Stability is the key to improving the quality of life in America. Homeownership in America is the key to stability.

Despite the benefits of homeownership in America, some Americans still are not benefiting from homeownership. African Americans and Latinos still lag behind others in their rates of homeownership. According to the ''National Urban League's State of Black America Report for 2006,'' less than 50 percent of African American families in America own their own homes. The rate of homeownership is about the same for Latinos, approximately 49 to 50 percent.

Another poignant fact is that some of the disparity in homeownership rates for these groups is the result, sometimes, of discrimination and predatory lending. The Center for Responsible Lending just completed a major study which found that African Americans are still more likely to receive higher-rate home purchase rates and refinance loans than similarly situated white borrowers, particularly for loans with prepayment penalties. African Americans with prepayment penalties on their subprime mortgages were 6 to 34 percent more likely to receive a higher-rate loan than if they had been white borrowers with basically the same qualifications or risk factors. Indeed, Latino borrowers had the same experience as African Americans. Latino borrowers purchasing homes were 29 to 142 percent more likely to receive a higher-rate loan than if they had been a non-Latino white borrower. Each of the above findings was also documented in a Federal Reserve study last year.

These findings are very real for African Americans and Latinos, and that should be enough. What the findings mean is that African Americans and Latinos still face obstacles to homeownership that other Americans do not face. Obstacles to homeownership are obstacles to the achievement of our vision. If homeownership in particular is the key to stronger and healthier communities, financial independence and the accumulation of wealth in America, then it is essential that we not only recognize June as National Homeownership Month, but that we commit ourselves to eliminating obstacles to homeownership for all Americans.

As such, I ask all of my colleagues to support June as National Homeownership Month of 2006 as embraced by H. Res. 854. Remember, we continue to pursue a broad range of policies and programs to encourage homeownership opportunities in America.

□ 1245

We have fought to restore budget cuts that have been proposed from time to time in funding for Federal programs to promote homeownership, including CDBG, HOME and HOPE VI. We have led efforts to raise FHA loan limits so that middle-income families in high-cost areas like Los Angeles have affordable mortgage loan options.

And I want to tell you, the bill that was alluded to by Mr. NEY, our chairman, on FHA is exciting. It will be coming up on this floor to receive support from this Congress, and it will be one of the most profound pieces of legislation that have been passed on this floor certainly in this session and for a long time.

This will not only revitalize FHA, it will increase the loan limits. Because the price of housing has been rising so quickly that FHA was not able to accommodate those who still need affordable housing, and we will afford to FHA borrowers the opportunity to participate in new opportunities, no down payment products, et cetera. So I am very much looking forward to that.

I am joining with Mr. NEY and others, and we are leading the effort today to make FHA relevant again to the needs of first-time home buyers and working families. We must do all we can to ensure that this goal is achieved.

As we recognize the month of June as National Homeownership Month for 2006, we must recognize that the American dream still escapes many in America. When this is no longer true, we will be able to celebrate homeownership in America not as a dream for some but as a reality for all Americans.

Mr. Speaker and Members, those of us who work on this issue from both sides of the aisle and in our committee, sometimes we push very hard and we are a little tough because we know that there are working families out there who work every day, who pay their bills on time, they pay their utility bills, they pay their other bills, but they still are not able to get a mortgage and have a home for themselves and their families, but they deserve it. And so we look very closely at what these financial institutions are doing.

None of us like predatory lending. We don't mind having a subprime market, but it must be a subprime market that will allow people to buy a home and perhaps even sometimes start out with a little bit higher interest rate, but they must be reduced as those homeowners demonstrate their ability to pay for these mortgages.

We don't like our American workers to be taken advantage of. We don't want them to have high interest rates that are above and beyond what the average borrower would be able to get. We don't like the fact that Americans lose homes. We want everybody who enters into this business, this contract, of buying a home to be able to pay that mortgage and to be able to hold onto that home.

Let me just close by saying this. I am so adamant about homeownership and understanding what it can do because I can recall when I was a single parent with two children and was able to put together a down payment to purchase a little home that I paid $26,000 for. Just a couple of years ago, I sold it for almost a half million dollars. Just think, if every American had the opportunity to get into purchasing a home, just realize the amount of wealth that could be created not only to start businesses, to pay for education but also to be there for retirement in our old age.

So I am perhaps a very vocal and a very persistent supporter of homeownership because I know what it can do and I know what opportunities are afforded to all Americans who have the ability to do this.

I will reserve, if I have any, the balance of my time.

Mr. NEY. Mr. Speaker, again I want to thank Congressman MILLER from California for bringing this resolution which continues to focus, of course, on June as homeownership month but continues to put this issue out on the table.

We have done that with the Housing Opportunity Subcommittee through our ranking member. We were the first committee of the House to go to New Orleans and Gulfport, Mississippi, where, believe me, there are so many issues for people, but housing and shelter, not being in a shelter but housing and to be sheltered from the elements, were the number one issue down there.

We have addressed, also, so many pieces of legislation, I think it has to make our committee feel good in the sense that they have done something. We won't know the faces or the names of people, in fact, that will now be able to have homeownership or with section 8 to be into apartments, we won't know who they are, but acts of the Congress, working together, which is the right thing to do, will help with the people's lives.

I just want to, on a personal note, say I can remember after World War II, and my father came out of World War II, it took from that period of time to 1963 to, in fact, be able to save enough.

And I have talked to the gentlelady about down payments. I am one who firmly believes that we should help people. Because to take 13 years to save for something, it is a long time.

There is a famous poet, Langston Hughes, who said, ''Dream your dreams, and be willing to pay the sacrifice to make them come true.'' People are willing to sacrifice for that dream of a home, but we, as the government, have to help them. There is a certain point where so much sacrifice has to be given, it is not helping with the family. That is what we need to do.

People will be out there. They will try to make their living, try to pay their bills, try to get into their home. But what we are doing in this committee and what we have to continue to do, and I am sure we will with the ranking member and the gentlelady from California and with her tenacity on this issue, her concern for people, as the members of the committee have been concerned about these issues, we will continue to do that. Because people are willing to sacrifice. But we have got to help them along, and we have got to give them some assistance as a government.

I am very proud of the subcommittee and very proud of Mr. MILLER and the resolution.

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

Ms. WATERS. Mr. Speaker and Members, in closing, let me just say what a pleasure it has been for me serving on this subcommittee with Chairman NEY. Not only has he provided strong leadership for homeownership, as he alluded to, we have made visits not only in California but in Louisiana and Mississippi, not only looking at CDBG and section 8 and these very important programs that are helping Americans have decent and safe living conditions but leading to homeownership oftentimes.

The attention that was paid to Katrina victims and what took place in the gulf coast region has not been matched by anyone. Mr. NEY took it upon himself and his committee to go there and to spend the time taking a look at all aspects of this disaster.

And while we were there, we were able to understand what the insurance companies were or were not doing. We were able to understand what was happening with public housing. We were able to understand what was happening with the trailers, who was getting them, who was not getting them. And we were able to work very closely with Mr. BAKER, with Mr. JEFFERSON and with others who come from that region to begin to talk about how we are going to build homes, how we are going to replace those homes, how we are going to be able to use CDBG funds to make sure that people have the opportunity to not only rebuild their homes but to restore their lives.

With that, Mr. Speaker, again I thank Chairman NEY. I thank Vice Chairman MILLER.

Mr. HINOJOSA. Mr. Speaker, I rise in strong support of House Resolution 854, a resolution recognizing June 2006 as National Homeownership Month, a time for individuals and families to reach for part of the American dream and purchase a home of their own.

In recognition of National Homeownership Month and in my capacity as Chairman and Co-founder of the Congressional Rural Housing Caucus, I became an original co-sponsor of House Resolution 854.

In the United States, each individual has the opportunity to own a home of their own. Homeownership inspires civic responsibility. Homeowners are more likely to vote and get involved with local issues.

Families owning a home are able to offer children a stable living environment. In many cases, homeownership influences a child's personal development in many positive, measurable ways.

Twenty percent of our Nation's population lives in rural communities, yet a majority of these families live in substandard housing conditions.

These communities simply do not have the resources—either economic or infrastructure—to address the problems of substandard housing. The gap between the haves and have nots continues to grow, especially in rural America. Now is the time to stem this tide.

According to the Census Bureau, 48 percent of African-Americans; and, 50 percent of Hispanics owned a home as of the first quarter in 2006. While many gains have been made, lagging minority homeownership rates are a serious concern to me and Congress.

Rural America and minorities are in dire need of housing assistance—and we should all strive to make every month ''homeownership month.''

Mr. Speaker, I urge my colleagues to support this resolution.

Mr. NEUGEBAUER. Mr. Speaker, I thank my colleague from California—and fellow homebuilder—Congressman MILLER, for his sponsorship of this resolution.

More Americans own their home than ever before. Nearly 70 percent of American's are homeowners. So it is a good time for us to asses the positive impacts of homeownership on families, communities and on the nation's economy.

When a family owns their own home, they have a greater stake in their community. In addition to shelter, that family also has an asset that appreciates in value.

Communities with high rates of homeownership often have residents who are more involved in local schools, civic organizations and churches.

Housing has led our nation's economic expansion over the past few years, accounting for 16 percent of our Gross Domestic Product. New housing starts and home sales hit record levels from 2003 through 2005.

Although housing sales and starts have cooled to more typical levels, the housing market remains strong and sound. Without the expansion of homeownership and the strength of our housing market, our nation would not have the economic growth we are experiencing today.

It is important that Congress pass tax, regulatory and housing finance polices to continue this growth and to help make the dream of homeownership a reality for even more Americans.

The Housing Subcommittee has advanced legislation this year that modernizes the Federal Housing Administration. In order for FHA to continue to offer assistance to first-time buyers and buyers with lower incomes, FHA needs more flexibility to keep pace with changes in the mortgage marketplace. The House needs to approve H.R. 5121.

When regulations on the housing industry are reasonable, the cost of housing goes down. Regulatory relief is needed to make housing more affordable to more Americans.

One step Congress should take to make regulations more reasonable is passage of H.R. 5558, which makes common-sense reforms to storm water permitting.

Before coming to Congress, I spent a lot of time in the housing business. The housing market has been through ups and downs, but through all the changes, home ownership continues to be vital for families, communities and the nation's economy.

This resolution today affirms Congress' support for homeownership and the importance of homeownership in our country.

I urge support for the resolution and support for sound housing policies in Congress.

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

The SPEAKER pro tempore (Mr. KLINE). The question is on the motion offered by the gentleman from Ohio (Mr. NEY) that the House suspend the rules and agree to the resolution, H. Res. 854.

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

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. NEY. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks on this legislation, H.R. 42, and H.R. 5341 and to insert extraneous material thereon.

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

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on questions previously postponed.

Votes will be taken in the following order:

Adoption of H. Res. 890, by the yeas and nays;

Adoption of the conference report on H.R. 889, by the yeas and nays;

Passage of H.R. 4843, by the yeas and nays.

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

PROVIDING FOR CONSIDERATION OF H.R. 5672, SCIENCE, STATE, JUSTICE, COMMERCE, AND RELATED AGENCIES APPROPRIATIONS ACT, 2007

The SPEAKER pro tempore. The pending business is the vote on adoption of House Resolution 890, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the resolution.

The vote was taken by electronic device, and there were—yeas 224, nays 188, not voting 20, as follows:

[Roll No. 319]

YEAS—224

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cantor
Capito
Carter
Chabot
Chocola
Coble
Cole (OK)
Conaway
Crenshaw
Cubin
Culberson
Davis (KY)
Davis, Jo Ann
Davis, Tom
Deal (GA)
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
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Inglis (SC)
Istook
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Otter
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
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—188

Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bean
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Castle
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Frank (MA)
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Harman
Hastings (FL)
Herseth
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCollum (MN)
McDermott
McGovern
McIntyre
McKinney
McNulty
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
Owens
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
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
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Wexler
Woolsey
Wu
Wynn

NOT VOTING—20

Abercrombie
Becerra
Blackburn
Cannon
Carson
Case
Davis (TN)
Evans
Ford
Gutierrez
Higgins
Hyde
Issa
Johnson, Sam
McCarthy
Ortiz
Payne
Rush
Strickland
Weiner

□ 1320

Ms. MCKINNEY changed her vote from ''yea'' to ''nay.''

Mr. SULLIVAN and Mr. BRADY of Texas changed their vote from ''nay'' to ''yea.''

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated against:

Mrs. MCCARTHY. Mr. Speaker, today, Tuesday, June 27, I was delayed in my arrival for the week's legislative work, but had I been here I would have voted "no" on H. Res. 890, rollcall 319, approving the Rule for H.R. 5672.

CONFERENCE REPORT ON H.R. 889, COAST GUARD AND MARITIME TRANSPORTATION ACT OF 2006

The SPEAKER pro tempore (Mr. MILLER of Florida). The unfinished business is the question of suspending the rules and agreeing to the conference report on the bill H.R. 889.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alaska (Mr. YOUNG) that the House suspend the rules and agree to the conference report on the bill, H.R. 889, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 413, nays 0, not voting 19, as follows:

[Roll No. 320]

YEAS—413

Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carter
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Inglis (SC)
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern

McHenry
McHugh
McIntyre
McKeon
McKinney
McMorris
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Osborne
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weldon (PA)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—19

Abercrombie
Cannon
Carson
Case
Cole (OK)
Evans
Ford
Gutierrez
Higgins
Hyde
Johnson, Sam
McCarthy
Ortiz
Payne
Radanovich
Rush
Strickland
Weiner
Weldon (FL)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised that there are 2 minutes remaining.

□ 1328

So (two-thirds of those voting having responded in the affirmative) the rules were suspended and the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. COLE of Oklahoma. Mr. Speaker, on June 27, 2006 I inadvertently missed rollcall vote 320. If I had been present, on rollcall vote No. 320, I would have voted "yea."

VETERANS' COMPENSATION COST-OF-LIVING ADJUSTMENT ACT OF 2006

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 4843, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana (Mr. BUYER) that the House suspend the rules and pass the bill, H.R. 4843, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 408, nays 0, not voting 24, as follows:

[Roll No. 321]

YEAS—408

Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carter
Castle
Chabot
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
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Delahunt
DeLauro
Dent
Diaz-Balart, L.
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Dicks
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Doolittle
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Drake
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Edwards
Ehlers
Emanuel
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English (PA)
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Fattah
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Ferguson
Filner
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
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Inglis (SC)
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
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Jenkins
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Lungren, Daniel E.
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Marchant
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McCollum (MN)
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McDermott
McGovern
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McKeon
McKinney
McMorris
McNulty
Meehan
Meek (FL)
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Melancon
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Millender-McDonald
Miller (FL)
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Miller, Gary
Miller, George
Mollohan
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Pelosi
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Petri
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Price (GA)
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Ros-Lehtinen
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Van Hollen
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Visclosky
Walden (OR)
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Chocola
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Ford
Gordon
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Higgins
Hyde
Johnson, Sam
McCarthy
Ortiz
Payne
Rush
Strickland
Terry
Weiner
Weller

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BOOZMAN) (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1337

So (two-thirds of those voting having responded in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. HIGGINS. Mr. Speaker, I missed three rollcall votes earlier today, Tuesday, June 27, 2006, due to an excused absence. I would like to enter into the RECORD how I intended to vote on the missed rollcall votes:

On roll No. 319, On Agreeing to the Resolution providing for consideration of the bill (H.R. 5672), making appropriations for Science, the Departments of State, Justice, and Commerce, and related agencies for the fiscal year ending September 30, 2007, and for other purposes; I would have voted "nay."

On roll No. 320, To Suspend the Rules and Agree to the Conference Report for the Coast Guard and Maritime Transportation Act; I would have voted "yea."

On roll No. 321, On Motion to Suspend the Rules and Pass, as Amended for the Veterans' Compensation Cost-of-Living Adjustment Act; I would have voted "yea."

PERSONAL EXPLANATION

Mr. GUTIERREZ. Mr. Speaker, I was unavoidably absent from this Chamber today. I would like the Record to show that, had I been present, I would have voted "no" on rollcall vote 319 and "yea" on rollcall votes 320 and 321.

FLOOD INSURANCE REFORM AND MODERNIZATION ACT OF 2006

The SPEAKER pro tempore. Pursuant to House Resolution 891 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4973.

□ 1340

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4973) to restore the financial solvency of the national flood insurance program, and for other purposes, with Mr. MILLER of Florida in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered read the first time.

The gentleman from Ohio (Mr. OXLEY) and the gentleman from Massachusetts (Mr. FRANK) each will control 30 minutes.

The Chair recognizes the gentleman from Ohio.

Mr. OXLEY. Mr. Chairman, I yield myself such time as I may consume.

I rise today in support of H.R. 4973, the Flood Insurance Reform and Modernization Act of 2006, or the FIRM Act. This legislation will significantly reform the National Flood Insurance Program and ensure its continued viability. After all the rain we have seen in our Nation's capital these past few days, now is an especially good time to take a close look at this program that millions of Americans count on to protect the investment they have made in their homes from flood damages.

The Financial Services Committee has a history of reforming the NFIP and with conducting oversight over the program. Spearheaded by the efforts of our former colleague, Representative Doug Bereuter of Nebraska, this committee took significant steps toward reform with passage of the Bunning-Bereuter-Blumenauer Act in 2004. That bill helped ensure that those people whose homes flooded on a frequent basis will not continue to soak the American taxpayers by filing flood loss claims time and time again.

Under the leadership of my friend BOB NEY, chairman of the Subcommittee on Housing and Community Opportunity, the committee continued to oversee the NFIP last year with a field hearing in his district and with hearings on the status of flood map modernization and the program in general. These hearings exposed a number of deficiencies in the NFIP, including the fact that FEMA was not moving quickly enough to reform the program and that the Nation's flood maps are often outdated and inaccurate.

Then came Hurricanes Katrina, Wilma and Rita. These storms placed an unprecedented strain on the NFIP that continues to this day. We had to raise the borrowing authority of the flood program first to $3.5 billion, then to $18.5 billion, then to $20.8 billion. FEMA tells us that it is still not enough to cover all the claims from last year. When all is said and done, the NFIP will need $25 billion to pay all of those claims, and that does not take into account any storms we have before hurricane season ends this year.

We have an obligation to these estimated 225,000 policyholders who have already filed a claim resulting from the events of 2005. These homeowners who have a binding contract with the NFIP to cover flood events could initiate legal action against FEMA and the U.S. Government if the flood insurance program does not make good on this contract.

At the same time, we also have an obligation to reform and modernize the NFIP so that homeowners will continue to have access to flood insurance. According to recent estimates, more than half the U.S. population lives within 50 miles of the sea. While senseless coastal development should not be subsidized or encouraged, these homeowners who play by the rules and live in homes that take proper flood mitigation steps should also not be penalized.

The FIRM Act is a bipartisan bill. Chairman BAKER and I have worked closely with Ranking Member FRANK to put together numerous reforms that will serve to increase FEMA's accountability and address the weaknesses exposed by last year's flooding.

In an effort to make the NFIP more actuarially sound, the FIRM Act phases out the subsidized rates currently enjoyed by the owners of hundreds of thousands of vacation homes and second homes. If you can afford one of those homes, you can afford to pay your freight. In addition, the bill introduces new lines of coverage at actuarial prices and increases the program's coverage limits to reflect inflation. These are common-sense reforms that, again, will be actuarially priced.

The FIRM Act requires FEMA to administer the program more responsibly. Flood maps will be improved and updated, and FEMA will have to certify to Congress that they have done so. The NFIP's borrowing authority will be temporarily increased to ensure that all outstanding claims will be paid.

The FIRM Act increases the amount that FEMA can raise policy rates in any given year from 10 percent to 15 percent; and for those lending institutions that drop the ball on enforcing mandatory flood insurance purchase requirements, fines will be tripled from where they are now.

I remain committed to the reform of the National Flood Insurance Program that we in the Financial Services Committee started with passage of the Bunning-Bereuter-Blumenauer Act in 2004. H.R. 4973 is the logical next step on the road to fiscal soundness for NFIP.

I commend Mr. BAKER for his work and strongly urge a vote for final passage.

Mr. Chairman, I retain the balance of my time.

□ 1345

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

I fully agree with the statement of the chairman, and I am very proud to say that this is part of an ongoing, bipartisan effort that this committee has undertaken.

A few years ago, we found a flood insurance program which was both important but flawed in a number of ways, and we began, at the urging of our former colleague from Nebraska, Mr. Bereuter, and our continuing colleague from Oregon (Mr. BLUMENAUER), to make improvements. We have not been able to get everything we wanted, but we have improved it.

This bill takes substantial steps forward, and I think it is important for Members to know this is a bill which makes improvements at the same time from both the environmental and the fiscal standpoints. We make it a better program, we make it a more responsible program fiscally, and we make it a more responsible program environmentally.

There will be various amendments, many of which I think are very important, including, and I want to particularly call attention to the amendment offered by our colleague from Mississippi (Mr. TAYLOR), who as much as anybody in this House encountered personally the problems of the flood insurance program, and he has a very important amendment that would go to the aid of individuals who have not been fairly treated, and I strongly will be supporting that amendment. We won't have a lot of time to debate it, and I wanted to say that now.

I also want to make one general point that should not go unnoticed. We are dealing here with a public program. This is a case of the Federal Government stepping in to meet a very important social need that cannot be met by

the private market. The private market is a wonderful thing and does great things, and in the area of insurance we rely heavily in this country on the private market. But there are examples of market failure, not in a pejorative sense, but in a more technical sense. Flood insurance is one of them. If it were not for the role of the Federal Government here, there would be many, many Americans in great distress and unable to get the kind of insurance that they need.

So for those who believe that the public sector is always the problem, that the private sector is not only a valuable part of our life but provides all good, and that you always ought to be denigrating the public sector, they probably don't want to vote for this bill. Because this is a bill which significantly improves a public sector response to a problem which, left without this, the private sector couldn't handle.

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

Mr. OXLEY. Mr. Chairman, I recognize the gentleman from Ohio (Mr. NEY) and yield him 2 minutes.

Mr. NEY. Mr. Chairman, I thank Chairman OXLEY of the committee, and I rise today to support H.R. 4973, the Flood Insurance Reform and Modernization Act of 2006, also known as the FIRM Act.

This important measure, approved by the House Financial Services Committee on March 16, will significantly reform the National Flood Insurance Program and ensure its continued viability by increasing accountability, eliminating unnecessary Federal subsidies, and updating the flood insurance program to meet the needs of the 21st century.

Last year, in the immediate aftermath of Hurricane Katrina, I introduced H.R. 3669, the National Flood Insurance Program Enhanced Borrowing Authority Act of 2005. That piece of legislation increased FEMA's borrowing authority for flood insurance by $2 billion, which went a long way in helping the Department's flood insurance response.

Since that time, FEMA estimates that it will need a total of $25 billion in borrowing authority to cover claims. These claims from homes and businesses that have been damaged or destroyed by Hurricanes Katrina, Rita, and Wilma are not a new obligation. They are the result of a legal promise that we made to those homeowners and business owners when the Congress passed the National Flood Insurance Act of 1968 and subsequent revisions.

Every single one of these claims represents someone who has taken the responsible course of action by purchasing flood insurance and paying premiums to the government. We not only have a legal obligation to honor our commitments, but we have a moral obligation, Mr. Chairman, to provide the coverage we promised to provide to those citizens.

Small business owners will be eligible to purchase business interruption coverage at actuarial rates to better prepare them to meet payroll and other obligations during the next big storm. And for the first time since 1944, the bill updates maximum insurance coverage limits for residential and nonresidential properties.

Our subcommittee in the Financial Services Committee, under the leadership of Chairman MIKE OXLEY, Mr. BAKER, Mr. FRANK, Congresswoman MAXINE WATERS and others, has spent considerable time on flood insurance reform in the past several years. In 2004, the Bunning, Bereuter, Blumenauer Flood Insurance Reform Act addressed and strengthened the operations.

I urge my colleagues to support this important piece of legislation.

Mr. FRANK of Massachusetts. Mr. Chairman, I now yield 3 minutes to one of our colleagues who has been dealing very directly with the negative consequences of the hurricanes and the damage that has been done, the gentleman from Florida (Mr. DAVIS).

Mr. DAVIS of Florida. I thank the gentleman for yielding.

The National Flood Insurance Program is critical to our country, particularly those of us that live in the coastal States. It is even more critical now because, as we have learned in Florida and in Mississippi and many States, we have entered a cycle of historic proportions in terms of hurricane and hurricane damage.

The reason I rise is to speak in support of the Taylor amendment, which will be offered by Congressman TAYLOR of Mississippi, that calls for a study by the Inspector General of the Department of Homeland Security into what I think is a growing crisis not just in Mississippi but now in Florida.

In Florida, the insurance industry recently succeeded in a session of the legislature in passing a law that repeals a 100-year-old law called the ''value policy law.'' This loophole that has been created in Florida is resulting in hundreds, and I fear soon thousands, of Floridians sitting back and waiting to get paid by their insurance company and watching the flood insurer blame the wind insurer, and the wind insurer blame the flood insurer.

It is even worse in Mississippi, where one of our colleagues, Congressman TAYLOR, who is offering this amendment, is being forced, while serving as a Member of Congress, to sue his own insurance company. The same is true down at the other end of the Capitol, with Senator TRENT LOTT and at least one Federal judge.

This law in Mississippi, now the law in Florida, could become a law throughout the country; and we need to study this because I think the impact on the consumer will be devastating.

If you fly over Florida, which you and many of your constituents will do, now that it is summer vacation, you will still see thousands of blue tarps from a year ago from the last hurricanes. Every time you see one of those tarps, it represents a Floridian, a family who either cannot live in their home or is suffering water damage every time it rains. And it rains in Florida in the summertime.

This is not a Federal issue, at least yet; but it is a very important State issue to our constituents. The least we can do as a Congress is to support Congressman TAYLOR's very simple amendment to have this study done about the impact to the consumer of this loophole that has been created in Mississippi and now in Florida and perhaps other States. We need to be there to protect our constituents in a time of storm.

Mr. OXLEY. Mr. Chairman, I yield 3 minutes to the gentleman from Louisiana (Mr. BAKER).

Mr. BAKER. I thank the chairman for yielding time and for his continuing diligence and hard work on this important matter to all the people of this country, but particularly those of us in Louisiana.

I certainly want to express my appreciation to Mr. FRANK and to colleagues on his side who have also worked hand in hand with us to try to come to accommodation on this difficult issue.

The flood insurance program is one that has been roundly criticized, and appropriately so in some instances. The repetitive loss problem that was addressed several years ago by this Congress was one of embarrassment for those who are responsible and felt that the program had been abused. But those chapters are now closed.

The problem that faces us today is one of a different nature, and that is people entered into contractual obligations to protect their property, and storms beyond anyone's comprehension have now caused individuals to make claim on those policies, leaving the program today at a $20 billion borrowing level, a record high, and as previously noted, a requirement to go to $25 billion if the agency is to meet all of its contractual obligations.

But I believe one point needs to be made clear in the hearing record on this matter, and the flood insurance program is unique. It is a program that collects premiums and from premiums collected makes payments to claimants. It is the only disaster response program in the United States which has a stream of income from which people who suffer loss may be reimbursed.

Through 2004, the fund balance on hand after paying out $15 billion in claims within the flood insurance program was a positive balance of $1.8 billion. This is the only mechanism I know of when FEMA writes a check as the result of a declaration of a Presidential disaster where the taxpayers see their money come back. So I find it problematic when this program is criticized, because in all other cases where there is a disaster response, taxpayer

money is spent without any recourse of recovery.

In this case, we need to address the problems before us. The bill increases the borrowing authority to $25 billion, and also, from a financially soundness perspective, increases the amount of money to flow back into the program with increases in premium.

The most important sector where these increases occur is in the nonprimary residence structures, meaning businesses and vacation homes. Premiums will increase, or may increase, up to a maximum of 30 percent per year. This is estimated to get the program in sound financial condition over the next 3 to 4 years, of course barring what we hope will not happen, and that is another cataclysmic Katrina-Rita combination.

I do believe this program serves an essential service in the function of our economy. Pointing to the area still decimated by Katrina, we need to get people back into their homes. They need to have the knowledge they have flood insurance coverage, because there are important economic activities that must occur in that region of the State in order to provide the United States with a free flow of energy and to have access to our ports through which agricultural products are exported.

I certainly hope the House will adopt a great bipartisan product.

Mr. FRANK of Massachusetts. Mr. Chairman, I am now pleased to yield 6 minutes to one of the Members who has really taken the lead in improving this program, the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Chairman, I appreciate the gentleman's courtesy in permitting me to speak on this, and for his leadership, along with the chairman, Mr. OXLEY, and my friend, Mr. BAKER. This is truly important bipartisan legislation to address the flood insurance program's challenges both in the short term and the long term.

I strongly support this legislation and appreciate the willingness of the committee staff to work with people outside the committee to be a part of the process. Those of us here on the floor have known for a long time that the flood insurance program, while an invaluable asset to communities in the floodplain, is not functioning as originally designed. Hurricane Katrina taught us we cannot just let the status quo continue, or the flood insurance program will cease to function. It will be in bankruptcy or people will lose their tolerance for Federal bailouts.

This bill is an excellent start, but you can be guaranteed that it is not the last time we will be talking about these changes on the floor. There are differing views about what needs to be done. Some have recommended making the program actuarially sound, and I agree with those measures. But one thing we have learned from Mr. BAKER and from Mr. TAYLOR is that we have to be sensitive to the people who live in flood-prone areas. They are not just statistics of repetitive flooding, and they are rarely homeowners who are gaming the system. These are people caught up in the cycle of flooding and rebuilding who want to take steps to reduce their vulnerability.

In 2004, we did pass a bill to provide mitigation assistance to severe repetitive-loss property owners. We found that these repetitively flooded properties, which constitute just 1 percent of all the properties in the program, accounted for 25 percent of the flood loss dollars. Addressing these properties, we wanted to help move people out of harm's way, either literally, by buying them out, or helping them take mitigation actions, such as elevation.

Unfortunately, the repetitive-loss pilot project in the 2004 bill had not been fully implemented and we were not able to see the positive impacts before Hurricane Katrina. That is why I am glad the bill before us extends the pilot program so that it will have a chance to work. It also goes further to strengthen the flood insurance program and make it more fiscally sound over the next 50 years.

Some have argued that all properties owners who enjoy artificially low flood insurance rates should be required to pay actuarial rates. This would increase the premium enough to make the program more actuarially sound, saving $1.3 billion. But while I agree the program should move closer to risk-based rates, the response of policyholders to the loss of the subsidy is unclear.

The CBO estimates that some would reduce their amount of coverage or drop flood insurance all together. Many of these subsidized properties are second homes or vacation homes, and the legislation addresses these and I think is a good compromise. Phasing in risk-based rates for second homes will also ensure that families in New Orleans and Mississippi and other flood-prone areas that rely on flood insurance won't be forced to pay artificially high rates to subsidize somebody's second home or vacation home.

□ 1400

The bill also helps encourage participation in the program. Many people living in the floodplains do not have flood insurance now. Less than 40 percent of the property owners who are required to buy insurance actually do so.

In parts of Mississippi and Alabama, hit hardest by Katrina, the coverage rate was only 15 percent. That means that people did not have access to insurance payouts to make them whole, and they are relying on grants and loans from the disaster relief programs that are paid by the taxpayer.

The challenge is figuring out how to make sure that more people who are supposed to have flood insurance do so, and this bill helps the situation by increasing the penalties levied for nonenforcement of Federal mandatory purchase requirements.

It also includes an important study on how to better enforce mandatory flood insurance.

The bill also addresses the inaccuracy and inadequacy of flood insurance maps. We are going to talk a little about this later in the day.

Current flood insurance is required only where there is a 1 percent chance of a flood on an annual basis and not in other low-lying areas where surges are likely to follow major storms. Many of the people who flooded in Katrina did not technically live in the floodplain. They were out of this 100-year cycle, or they lived behind levees and did not realize they should have flood insurance.

These updated maps are important, because FEMA uses them to issue flood elevation requirements. Communities want to have the confidence that their residents are paying the right amount for flood insurance, and we should be loathe to tinker with that.

In addition to directing FEMA to develop more sophisticated maps, this legislation authorizes FEMA to study the implications of requiring flood insurance behind the levees. This is a very important part of the bill. I don't think it has been given the proper attention by more of us in Congress. I hope that we will move towards requiring flood insurance for those situations.

The saying goes, there are only two kinds of levees, those that fail and those that will fail. But this study moves us in the right direction.

While this bill, I think, sets the stage, for moving us in the right direction, simple, common-sense steps strengthen the program and bring together a vast, diverse range of people, from environmentalists to fiscal conservatives, people in real estate, and most important, most important, people whose lives we saw torn apart living in flood-prone areas.

I deeply appreciate the work of this committee and our colleagues in making important steps that are going to make a difference for people for generations to come.

Mr. OXLEY. Mr. Chairman, I yield 3½ minutes to the gentlewoman from Pennsylvania (Ms. HART).

Ms. HART. Mr. Chairman, I especially want to thank Chairman OXLEY, Ranking Member FRANK, subcommittee Chairman BOB NEY and Ranking Member Ms. WATERS for addressing this issue. It is one that I know many of our colleagues have dealt with with their constituents due to flash flooding, which occurs all over the United States, not just in coastal areas.

I rise in support of this bill because it will help many of those people who, unfortunately, on top of the suffering that they faced as a result of the flooding, also faced more suffering because they didn't get what they needed as a result of, I think, poor administration of the National Flood Insurance Program.

The story is all too common across the country. Young couple saves money, buys their dream home, finds that it is in a flood-prone zone, so they

buy Federal flood insurance, thinking things will be okay. In fact, even their paperwork makes it look like they will be completely covered.

But in September, 2004, in my district, remnants of the Hurricanes Frances and Ivan came through my district in Pennsylvania; and I worked with many families throughout my region who had lost their homes.

My staff and I spent a significant amount of time with them and learned of all of the deficiencies involved in the National Flood Insurance Program. We learned that these incidents were as a result of poor administration of some rules that needed to be carried out that had been put in place in 2004. We raised these concerns with Chairman OXLEY and Chairman NEY, and they offered graciously to hold a hearing on this issue.

One of my constituents, Beth Beam, was given the opportunity, along with other victims of flooding throughout the eastern seaboard, in fact, to highlight the problems they had experienced with the NFIP. It became clear from this hearing that we needed serious reform.

Many of my constituents learned too late that they were listed in the wrong flood zones or the maps were outdated and they really were not listed as being eligible or that they had problems receiving adequate compensation for their actual losses.

Most frustrating was the lack of support and information that they received when they raised their concerns. The lack of true appeals process within the NFIP meant that many individuals had no recourse when they believed the system was not meeting their needs and the agreement that they had made on their policies.

This bill is a great solution to ensure these types of problems don't happen again.

First, it directs FEMA to develop more sophisticated and updated maps so that we will update the standards and people will know if they are actually in a flood zone.

Second, the bill reinforces the need for FEMA under the legislation that Congress passed a couple of years ago to create this appeals process that will help people have the opportunity to have their concerns addressed.

It will also require adequate training for the insurance agents who sell this federally subsidized flood insurance. That issue is so important as people will need help getting through the process when they have lost so much.

Finally, the bill provides optional coverage for living expenses, business interruption insurance, basement repair costs and replacement of contents, things that obviously people who face these losses need so much.

Following the floods in my district, people were surprised to learn how much of their property was not covered. People were very surprised and disappointed to learn how much of their property was not covered, although their policy showed that it might be.

This legislation will ensure that they are able to receive compensation for the damages they actually experience, which is in line with what they have bought insurance to cover.

Again, I want to thank the chairman and the committee for listening to these concerns. The NFIP is supposed to fill the gaps for those who lose their homes and properties. Unfortunately, the inadequacies have caused so much harm in the past and made people's lives even worse. Programs like NFIP are supposed to be a safety net, and I believe this bill will help us fix it and make it the safety net that people expect.

The NFIP has been directed to make these changes. I urge Congress and my colleagues to support this legislation so that we can carefully oversee this process and ensure our constituents will not face these problems again.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. WATERS), who is the ranking member of the subcommittee and who has been compiling a very productive record in the work of that subcommittee.

Ms. WATERS. Mr. Chairman and Members, I would like to thank both the chairman and Mr. FRANK, to make sure that we would work together to increase the coverage and raise the limit for flood insurance. It has not been increased for over 20 years.

I had the opportunity to be in the gulf coast region with my colleagues and to hear the stories of the people who had been devastated by Katrina. Not only did we find that there were residents who had been given mortgages and the banks and financial institutions had not required flood insurance but then this bickering with the insurance companies who were disputing damage. They said, no, it was not flood damage, it was wind damage, and vice versa.

I think this bill will go a long way toward dealing with some of the issues that we learned about.

Certainly, we want to make sure that the insurance companies are doing what they are supposed to do. My colleague from Mississippi, who will have an amendment, Mr. TAYLOR, on this floor today, I certainly support. I was there with him, and I saw the devastation and the destruction. We heard the complaints about the insurance companies.

Let me just say, in addition to raising the limit, this will go a little bit further, and it will deal with business interruption. It will help to meet the needs of those who are confronted and faced with this kind of devastation for the future.

Again, I would like to thank not only Mr. BAKER and Mr. FRANK but Mr. OXLEY and Mr. TAYLOR for the work that he is doing.

Mr. OXLEY. Mr. Chairman, I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Chairman, at this time, I would yield 3 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE), another representative who has great concerns, because of the area that she represents, with the fair worth of the program.

But, before we do, I would note that this bill is being supported by the National Taxpayers Union, Citizens Against Government Waste and Taxpayers for Common Sense. As I said, this is an unusual case, I think, where both environmental groups and groups primarily concerned with reducing government spending have come together in support of a piece of legislation.

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

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman for his distinguished leadership on this issue, along with Mr. OXLEY, as well as the ranking subcommittee member, Mrs. WATERS, and the leadership of Mr. NEY.

Let me also acknowledge the leadership of Mr. BAKER, who I assume has walked the walk in our region, in our gulf coast region.

I, too, have walked those streets and seen the impact that the devastation of Katrina has caused, and likewise in the City of Houston, not only the, if you will, Katrina survivors but also those who experienced the flooding of Rita.

In addition, I walked along the pathways and saw the devastation in Mr. TAYLOR's district, and again thank him for his leadership, along with many, many Members who have addressed this question.

Mr. FRANK, I hold in my hand a book that says, From Poverty to Opportunity: A Covenant for a New America, which talks about overcoming poverty. I say that, and I support certainly this document, but I raise that with respect to H.R. 4973, because it helps those who have done everything right in America. They pay their taxes, and they have worked and invested in the American dream, and that is their home, to be able to find relief.

This bill provides an extra $25 billion to cover the Katrina-related claims, but it is also an overhaul, an important overhaul of the flood insurance program, because it allows the National Flood Insurance Program to offer actuarially priced business interruption. How many of those who came through these recent storms lost their homes and their businesses?

In fact, I was just with the FEMA director in Houston on Friday. In the room were two elderly persons who stood up and said, we have flood insurance, but nobody did anything. We didn't get anything. We lost everything. So there is a fracture in the system.

I hope that this will be able to, one, provide, if you will, an embellishment of this program but also be able to give people help for the losses that they experience.

I want to say very much thanks for the phase-out subsidy of vacation homes. That is the right way to do it. We know that sounds bad to some individuals. We thank them for having vacation homes, second homes, but we certainly don't want to strike it out immediately. Give them an opportunity to get coverage; and we recognize they, too, need coverage. But we understand the economies of scale. This is a reasonable and respectable approach to take.

Let me also say that we are also delighted that you are dealing with flood maps. Mr. ETHERIDGE and myself on the Science Committee did work on inland flooding. Hurricane Allison, what we call Storm Allison in Houston was what we call inland flooding. We lost billions of dollars in the medical center because it wasn't called a hurricane, but the flooding destroyed so much.

We appreciate the fact that this will update flood maps, maintain an inventory of levees in the United States and move more quickly to update flood elevation standards and flood maps in the areas affected by last year's hurricane. Most importantly, this is a model of what we can do to ensure that homeowners and taxpayers and hard-working Americans certainly are not thrown into poverty. Certainly we hope that we will move others out of poverty.

I would ask my colleagues to support this legislation.

Mr. OXLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. SHAW).

Mr. SHAW. Mr. Chairman, I, along with my colleague Ms. GINNY BROWN-WAITE, have introduced the Homeowners Insurance Protection Act. The bill provides financial protection to all Americans that live in natural catastrophe-prone areas through a three-layered approach. Our goal is to keep homeowners' insurance premiums at affordable rates. This program would assure that when a big one hits, the responsibility for insured losses is with insurance companies and not with the bailouts from the Federal Government, such as FEMA.

First, this bill would create the Federal Catastrophe Fund, to be known as the Hurricane and Earthquake Loss Protection Fund, or the HELP Fund.

Second, each State that chooses to participate in this voluntary program must establish a State Catastrophe Fund, which we call the CAT Fund, similar to that which we have in Florida.

Third, the State CAT fund then purchases reinsurance from the Federal HELP fund. The HELP fund is thus financed directly by insurance premiums and not by taxpayer dollars.

We live in a diverse nation facing diverse natural catastrophes. This bill encourages States to take responsibility for their residents and gives the States the discretion of insuring for their own catastrophic needs.

I yield to the chairman.

Mr. OXLEY. I thank the gentleman for yielding.

I understand that this is an issue in many States around the country but especially in those States hit by hurricanes in the last 2 years. I would welcome the opportunity to explore this issue further with the gentleman and my good friend from Florida, as well as the gentlewoman from Florida.

Mr. SHAW. I thank the chairman for his comments.

I would just add, in closing, that we are facing a tremendous catastrophe in Florida, the economy. The gentleman from Pensacola can verify this.

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Insurance is almost unaffordable. We need a secondary insurance that would back this up, that would spread the risk further than just throughout one State. This isn't just Florida. This is all the gulf coast. The gentleman from Louisiana seated behind me will certainly verify that.

So it is a good bill. It prepares for the future and it does it in a very conservative and practical way.

Mr. FRANK of Massachusetts. Mr. Chairman, I now yield to one of the Members who has really been in the forefront of trying to improve our national response to this crisis because of his own firsthand experience and the leadership he has had to show in the region that he represents and trying to deal with the otherwise inadequate Federal Government response to Katrina.

I yield as much time as he may consume to the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR of Mississippi. Mr. Chairman, I want to thank the gentleman from Massachusetts, the gentleman from Ohio.

Mr. Chairman, not everything our Nation does is wrong. And one of the things our Nation does that the private sector wouldn't do or chose not to do was insure people against flooding. And that is a very good program.

When you consider that the predictions are that within the next 50 years 80 percent of all Americans will live within 50 miles of a coast line, then protection from flood insurance, protection from hurricanes is very important.

In southern Mississippi I have had very, very few complaints about the Federal flood insurance program. I have had tens of thousands of complaints about how people were treated by the wind coverage. So I want to commend the gentleman from Massachusetts and the gentleman from Ohio for raising the amounts that people can buy coverage for.

Most of southern Mississippi had older homes. People had lived in them for decades. And now they, and I, are going through simultaneous sticker shock. Houses that you may have bought 20, 30 years ago for $50,000, you have now got to replace for a heck of a lot more than that. So by raising the amount that people can cover themselves from $250,000 to $335,000 is a huge improvement. Also, raising the contents up to $135,000 again is a huge improvement. I think as people put a pad to their contents after they woke up the next morning and discovered that they were gone, I think everyone was surprised that they owned more than they thought they did and they lost more than they thought they did. So again this is a move in the right direction.

I want to commend the committee for putting in the money for the new flood maps. Water in Bay St. Louis got to be 26 feet above sea level in some places. That was unprecedented since the Europeans landed over 300 years ago. And the Navy Oceanographic Lab tells us we are in for 10 years of this. So, again, since this is a public entity funded with taxpayer dollars, I think it is very important, whether it is Pensacola, Florida, or Gulf Shores, Alabama. Anywhere in coastal America I think it is important that we know the propensity to flood, take adequate steps to minimize losses in future hurricanes.

I would also like to commend the committee for working with me on trying to address the Katrina fraud. Citizens of this country are noticeably upset that some of the generous money given to them, either as taxpayers or through groups like the Red Cross, was abused, that people milked the system, in some instances, to do things like a sex-change operation.

I happen to think the biggest fraud of all, though, Mr. Chairman, came from the insurance industry. And I will walk you through this. Under the National Flood Insurance Plan, we count on the private sector not only to sell the insurance policy; we count on the private sector to adjudicate the claim.

Now, wind damage is paid for by a private company. Flood damage is paid for by the Nation through the National Flood Insurance Plan.

So imagine yourself, a 25-year-old insurance adjuster. You have visions of being a company man or getting that next promotion. You may even own stock in your company. You are sent out to adjudicate a claim on a house that is no longer there, knowing that if you said the wind did it, it is coming out of your company's pocketbook. If you say the water did it, it is coming out of the taxpayers' pocketbook.

The FBI says that fraud is a crime of opportunity. And I think under this system, we have given the insurance industry the opportunity to stick the bill to the taxpayers every time there was any question. And I think they did.

Is it a coincidence that the insurance industry reported $44 billion in profits last year, in the same year that the National Flood Insurance Program lost $25 billion? Are they that much better at what they do? I don't think so.

I think they took claims that legitimately should have been paid by the wind policies and stuck it to the taxpayer to the tune of millions, if not billions, of dollars. And I am going to

offer an amendment in a little while to ask for an Inspector General's report to see if that is true. And if it is true, then we need to come back and change the system so that we don't just count on an insurance adjuster blindly sending the bill to the government and the government paying it every time.

Think about it. If the Members in this room want to be reimbursed for their trip to the airport, they have got to turn in a taxi receipt for 15 or 20 bucks. But in the case of the National Flood Insurance Program, Allstate, State Farm, Nationwide, fill in the blank, can bill the government for hundreds of billions of dollars, and we pay that claim without even bothering to look into this. That is wrong. It is a system ripe for abuse. And I am convinced it has been abused.

Last, and several other speakers have touched on this, we need to rethink the whole flood insurance program. Whether you are from Florida, Georgia, Alabama, Mississippi, any coastal State, we don't need people who have invested their life savings in their houses getting abused by their insurance company. And let me tell you, it is happening every day.

Senator TRENT LOTT, one of the most powerful men in the Senate, feels like the only way he is going to get justice out of his insurer is to sue them.

Federal Judge Lou Guirola had to drop hearing cases, like Senator LOTT, so that he could sue his insurance company.

Now, when U.S. Senators and Federal judges feel like the only way they are going to get justice is to go to court themselves, what is it like for the grandmas and grandpas out there? What kind of fair shake are they going to get? And the answer is they are not getting one.

So if the private sector is not going to do it fairly, if they are not going to do it right, then maybe we need to expand the National Flood Insurance Program and call it the National Hurricane Insurance Program. Because let me tell you what I think is going to happen. We spend a lot of money to send the hurricane hunters out there for the Air Force, a lot of money to tell us where these storms are going to hit and when. We have satellites up in space to tell us about these storms. Why do we do that? So that people will get the heck out of there before a storm hits.

Based on what has happened, based on the tens of thousands of southern Mississippians who have been denied legitimate claims for their wind coverage, I am convinced in the next hurricane people are going to die needlessly because they stay behind in their home with a camcorder so they can prove to the insurance adjuster whether it is wind or water. That is wrong. It is completely contrary to why we fund the hurricane hunters; it is completely contrary to why we put those satellites in space. A person should not have to die on his property to get justice from his insurance company. And although there is no Federal regulation of the insurance industry, maybe the abuses that took place after Katrina will cause some of my colleagues to rethink this.

So, again, the bill takes some very important steps on allowing people to purchase more flood insurance, to purchase more contents insurance. It is taking the right step on getting the flood maps much more accurate, not so much for the guys who have lived there for 20 or 30 years, but for all the new folks who are moving to the coast who need to know if their property has a propensity to flood.

So I am grateful for what has been done. I have offered some observations of what needs to be done.

Mr. OXLEY. Mr. Chairman, I yield 4 minutes to the gentleman from California (Mr. GARY G. MILLER).

Mr. GARY G. MILLER of California. Mr. Chairman, I rise to support H.R. 4973, the Flood Insurance Reform and Modernization Act, before us today.

The National Flood Insurance Program is a valuable tool in addressing the losses incurred throughout this country due to floods. It assures that businesses and families have access to affordable flood insurance that would not be available on the open market.

Prior to the passage of the National Flood Insurance Act in 1968, insurance companies generally did not offer coverage for flood disaster because of the high risk involved. Today more than 20,000 communities participate in the National Flood Insurance Program. More than 90 insurance companies sell and service flood service insurance. There are more than four million policies covering the total of $800 billion.

The National Flood Insurance Program provides Federal flood insurance for properties located in flood-prone areas where the community has voluntarily agreed to institute floodplain management and land use control measures that minimize the risk of flooding and mitigate potential flood damage. The program is intended to provide a more cost-efficient alternative to costly Federal disaster assistance by encouraging communities to take preventive measures to reduce flood losses and providing affordable flood insurance that would not otherwise be commercially available.

Last year's hurricane season resulted in significant strains on the NFIP. The claims resulting from the losses from these catastrophic hurricanes is unprecedented in the history of the program.

Since the NFIP's inception in 1968, the program paid out $15 billion in claims. In contrast, claims for Hurricanes Katrina and Rita alone are expected to exceed $25 billion. This far surpasses claims paid by the entire history of the NFIP.

In the past, when losses exceeded premiums, the NFIP had been allowed to borrow from the U.S. Treasury to repay claims. Such loans have traditionally been paid back rather quickly with interest.

The bill before us today increases the amount that FEMA may borrow from the U.S. Treasury to $25 billion to cover the expenses incurred by the National Flood Insurance Program, NFIP, during the last year's hurricane season.

As CBO has stated, the funds borrowed from Treasury so far exceed the program's income from premiums and fees they will likely never be repaid. As such, this bill proposes a number of reforms to the program to ensure that it is actuarially sound in the future.

When we debated this in committee, some individuals made proposals; and for the best of reasons, they said we should look at a 100-year traditional floodplain, and anybody within a 100-year traditional floodplain should be required to pay for insurance.

The problem that many of us have who represent districts who have mitigated 100-year floodplains is that all of our people who are not at risk would be required to basically boost the program by increased premiums by them participating in it also.

And when Federal dollars, State, and local have been spent to mitigate 100-year floodplains, many of us thought that that was unreasonable. In fact, the 100-year floodplain would have impacted a large portion of L.A. County that I represent. Anything near the L.A. River would have been included, and most of Orange County would also because the Prado Dam mitigates that.

There was another proposal made with the best of heart and the best of concern for the people of this country. That said, let's look at a historical 500-year floodplain. The problem we had with that is there is no evidence available and then there is no information available either that we can dictate and determine how much a 500-year floodplain might be.

If we had taken a 500-year historical floodplain, it would have included all of L.A., most of L.A. County, and most of Orange County and any other city in this country that is next to a river or near the coast.

I offered an amendment and it was supported by the committee that said let's do a GAO study to determine if we need to expand the program, how it should be done, how it should be implemented. I think it is a reasonable approach, rather than us just making a knee-jerk reaction to a severe problem. And it is a problem we have to address. I am not saying we don't. But to tax people who are not impacted or not at risk of flood to boost the program, I think, is unreasonable. It would have impacted many of our districts that don't live in areas of high risk. And I do understand the need that we need to protect those who are within the program. We need to make the program actuarially sound. And I am pleased with the language in this bill that is included here, and it expands the coverage of the program. And I urge my colleagues to reject any amendment

that would further expand it without GAO studies.

Mrs. MCCARTHY. Mr. Chairman, H.R. 4973 is necessary but not sufficient.

It is necessary because the hurricanes and flooding in 2004 and 2005 have shown that the present flood insurance programs must be reformed.

It is not sufficient because those same hurricanes, especially Hurricane Katrina, convinced me that flood insurance alone will not protect the millions of Americans who now live in harm's way along our Nation's coasts and rivers.

I had the privilege of visiting the Gulf Coast earlier this year. I saw the devastating impact of wind and water on homes, on businesses, and on lives. I also heard the horror stories from people who were told that the damage to their lives was caused by water and not wind. In these cases, neither flood insurance nor homeowner's insurance protected them. Others indicated that officials told them they didn't need flood insurance because they were not in a danger zone.

It is time for Congress to go beyond the traditional approach of distinguishing between flood and wind damage. We have to develop a comprehensive natural disaster program that will protect homes from hurricanes, earthquakes, volcanoes, and other natural disasters that one day will affect 49 of our 50 states.

Insurance companies know that a disaster can occur. Some companies already are refusing to insure homes on Long Island and in other communities where a ''big one'' is overdue. The hurricane of 1938—the so-called Long Island Express—killed 600 to 700 people, destroyed 75,000 buildings and caused $300 million in damage. At that time, Long Island was the home to 600,000 people. Today, 2.8 million live there. A category 4 hurricane could cause $100 billion in insured damage alone.

Earlier this year, the gentleman from New York (Mr. ISRAEL) and I asked the Financial Services Committee to conduct hearings as soon as possible on the disaster insurance bills before the Committee. Our letter stated that ''We believe that Congress needs to pass a strong reinsurance program. Natural disasters can occur in any region at any time. Since the insurance industry appears unable or unwilling to provide protection for our constituents, then it is time for Congress to act swiftly and positively.''

The initial response indicated that we should wait until after the GAO completes its study of natural disaster insurance needs later this year. Fortunately, the real facts of Katrina, a number of extensive newspaper investigations, and the airing of several ''what if' programs on cable TV are opening eyes even here. The Housing Subcommittee is holding its second hearing tomorrow (June 28) on natural disaster insurance needs. This one will focus on ''The Housing Market and Natural Catastrophes.''

I am convinced that this country needs an insurance program that will cover all natural disaster risks. If properly crafted, this program, will reduce the amount of emergency funds that Congress will have to provide after the next emergency, whether it occurs in the Northeast, Midwest, West Coast, Southeast, or Gulf Coast regions.

I want to encourage the administration, all financial services companies, state and local officials, and this body to work together and to develop a comprehensive and responsible natural disaster insurance program. The policy should be priced according to the risks of that state; it should cover all major natural disasters. It must be mandatory and cover both homes and businesses. States need to update and enforce building codes and to require mitigation both before and after a natural disaster. Finally, the federal program would be a backup for private reinsurance. These are the goals that I will pursue.

The House should pass HR 4973 today. Then, we must turn our attention to the larger disaster insurance issue. The American people cannot afford to add another $20 billion or $50 billion or $100 billion natural disaster relief program to the deficit, not when a fiscally sound alternative may be within reach. Tomorrow may be too late.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield back the balance of my time.

Mr. OXLEY. Mr. Chairman, we have no further speakers. I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill is considered read for amendment under the 5-minute rule.

The text of the bill is as follows:

H.R. 4973

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Flood Insurance Reform and Modernization Act of 2006''.

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

Sec. 1. Short title and table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Study regarding status of pre-FIRM properties and mandatory purchase requirement for natural 100-year floodplain and non-Federally related loans.
Sec. 4. Phase-in of actuarial rates for non-residential properties and non-primary residences.
Sec. 5. Reduction of waiting period for effective date of policies.
Sec. 6. Enforcement.
Sec. 7. Maximum coverage limits.
Sec. 8. Coverage for additional living expenses, basement improvements, business interruption, and replacement cost of contents.
Sec. 9. Increase in annual limitation on premium increases.
Sec. 10. Increase in borrowing authority.
Sec. 11. FEMA participation in State disaster claims mediation programs.
Sec. 12. FEMA reports on financial status of insurance program.
Sec. 13. Extension of pilot program for mitigation of severe repetitive loss properties.
Sec. 14. Notice of availability of flood insurance and escrow in RESPA good faith estimate.
Sec. 15. Reiteration of FEMA responsibilities under 2004 Reform Act.
Sec. 16. Updating of flood maps and elevation standards.
Sec. 17. National levee inventory.
Sec. 18. Clarification of replacement cost provisions, forms, and policy language.
Sec. 19. Authorization of additional FEMA staff.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) flooding has been shown to occur in all 50 States;

(2) the aggregate amount of the flood insurance claims resulting from Hurricane Katrina, Hurricane Rita, and other recent events has exceeded the aggregate amount of all claims previously paid in the history of the national flood insurance program, requiring a significant increase in the program's borrowing authority;

(3) flood insurance policyholders have a legitimate expectation that they will receive fair and timely compensation for losses covered under their policies;

(4) substantial flooding has occurred, and will likely occur again, outside the areas designated by the Federal Emergency Management Agency as flood hazard areas;

(5) properties located in low- to moderate-risk areas are eligible to purchase flood insurance policies with premiums as low as $112 a year;

(6) about 450,000 vacation homes, second homes, and commercial properties are subsidized and are not paying actuarially sound rates for flood insurance;

(7) phasing out subsidies currently extended to vacation homes, second homes, and commercial properties would result in estimated average savings to the taxpayers of the United States and the national flood insurance program of $335,000,000 each year;

(8) the maximum coverage limits for flood insurance policies should be increased to reflect inflation and the increased cost of housing;

(9) significant reforms to the national flood insurance program required in the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004 have yet to be implemented; and

(10) in addition to reforms required in the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004, the national flood insurance program requires a modernized and updated administrative model to ensure that the program is solvent and the people of the United States have continued access to flood insurance.

(b) PURPOSES.—The purposes of this Act are—

(1) to protect the integrity of the national flood insurance program by fully funding existing legal obligations expected by existing policyholders who have paid policy premiums in return for flood insurance coverage;

(2) to increase incentives for homeowners and communities to participate in the national flood insurance program and to improve oversight to ensure full participation in the program for owners of properties for which such participation is mandatory; and

(3) to increase awareness of homeowners of flood risks and improve the quality of information regarding such risks provided to homeowners.

SEC. 3. STUDY REGARDING STATUS OF PRE-FIRM PROPERTIES AND MANDATORY PURCHASE REQUIREMENT FOR NATURAL 100-YEAR FLOODPLAIN AND NON-FEDERALLY RELATED LOANS.

(a) IN GENERAL.—The Comptroller General shall conduct a study as follows:

(1) PRE-FIRM PROPERTIES.—The study shall determine the status of the the national flood insurance program, as of the date of the enactment of this Act, with respect to the provision of flood insurance coverage for pre-FIRM properties (as such term is defined in section 578(b) of the National Flood Insurance Reform Act of 1994 (42 U.S.C. 4014 note)), which shall include determinations of—

(A) the number of pre-FIRM properties for which coverage is provided and the extent of such coverage;

(B) the cost of providing coverage for such pre-FIRM properties to the national flood insurance program;

(C) the anticipated rate at which such pre-FIRM properties will cease to be covered under the program; and

(D) the effects that implementation of the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004 will have on the national flood insurance program generally and on coverage of pre-FIRM properties under the program.

(2) MANDATORY PURCHASE REQUIREMENT FOR NATURAL 100-YEAR FLOODPLAIN.—The study shall assess the impact, effectiveness, and feasibility of amending the provisions of the Flood Disaster Protection Act of 1973 regarding the properties that are subject to the mandatory flood insurance coverage purchase requirements under such Act to extend such requirements to properties located in any area that would be designated as an area having special flood hazards but for the existence of a structural flood protection system, and shall determine—

(A) the regulatory, financial and economic impacts of extending such mandatory purchase requirements on the costs of homeownership, the actuarial soundness of the national flood insurance program, the Federal Emergency Management Agency, local communities, insurance companies, and local land use;

(B) the effectiveness of extending such mandatory purchase requirements in protecting homeowners from financial loss and in protecting the financial soundness of the national flood insurance program; and

(C) any impact on lenders of complying with or enforcing such extended mandatory requirements.

(3) MANDATORY PURCHASE REQUIREMENT FOR NON-FEDERALLY RELATED LOANS.—The study shall assess the impact, effectiveness, and feasibility of, and basis under the Constitution of the United States for, amending the provisions of the Flood Disaster Protection Act of 1973 regarding the properties that are subject to the mandatory flood insurance coverage purchase requirements under such Act to extend such requirements to any property that is located in any area having special flood hazards and which secures the repayment of a loan that is not described in paragraph (1), (2), or (3) of section 102(b) of such Act, and shall determine how best to administer and enforce such a requirement, taking into consideration other insurance purchase requirements under Federal and State law.

(b) REPORT.—The Comptroller General shall submit a report to the Congress regarding the results and conclusions of the study under this subsection not later than the expiration of the 6-month period beginning on the date of the enactment of this Act.

SEC. 4. PHASE-IN OF ACTUARIAL RATES FOR NONRESIDENTIAL PROPERTIES AND NON-PRIMARY RESIDENCES.

(a) IN GENERAL.—Section 1308(c) of the National Flood Insurance Act of 1968 (42 U.S.C. 4015(c)) is amended—

(1) by redesignating paragraph (2) as paragraph (4); and

(2) by inserting after paragraph (1) the following new paragraphs:

''(2) NONRESIDENTIAL PROPERTIES.—Any nonresidential property.

''(3) NON-PRIMARY RESIDENCES.—Any residential property that is not the primary residence of an individual.''.

(b) TECHNICAL AMENDMENTS.—Section 1308 of the National Flood Insurance Act of 1968 (42 U.S.C. 4015) is amended—

(1) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking ''Subject only to the limitations provided under paragraphs (1) and (2), the'' and inserting ''The''; and

(B) in paragraph (1), by striking '', except'' and all that follows through ''subsection (e)''; and

(2) in subsection (e), by striking ''paragraph (2) or (3)'' and inserting ''paragraph (4)''.

(c) EFFECTIVE DATE AND TRANSITION.—

(1) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply beginning on the publication by the Director of the Federal Emergency Management Agency of the certification under section 16(b)(2), except as provided in paragraph (2) of this subsection.

(2) TRANSITION.—In the case of any property described in paragraph (2) or (3) of section 1308(c) of the National Flood Insurance Act of 1968, as amended by subsection (a) of this section, that, on the date of the enactment of this Act, is covered under a policy for flood insurance made available under the national flood insurance program for which the chargeable premium rates are less than the applicable estimated risk premium rate under section 1307(a)(1) for the area in which the property is located, the Director of the Federal Emergency Management Agency shall increase the chargeable premium rates for such property over time to such applicable estimated risk premium rate under section 1307(a)(1). Such increase shall be made by increasing the chargeable premium rates for the property (after application of any increase in the premium rates otherwise applicable to such property) by 15 percent (or such lesser amount as may be necessary so that the chargeable rate does not exceed such applicable estimated risk premium rate) once during the 12-month period that begins upon the date of the enactment of this Act and once every 12 months thereafter until such increase is accomplished. The provisions of paragraphs (2) and (3) of such section 1308(c) shall apply to such a property upon the accomplishment of such increase and thereafter.

SEC. 5. REDUCTION OF WAITING PERIOD FOR EFFECTIVE DATE OF POLICIES.

Section 1306(c)(1) is amended by striking ''30-day'' and inserting ''15-day''.

SEC. 6. ENFORCEMENT.

Section 102(f) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a(f)) is amended—

(1) in paragraph (5)—

(A) in the first sentence, by striking ''$350'' and inserting ''$2,000''; and

(B) in the last sentence, by striking ''$100,000'' and inserting ''$1,000,000''; and

(2) in paragraph (6), by adding after the period at the end the following: ''No penalty may be imposed under this subsection on a regulated lending institution or enterprise that has made a good faith effort to comply with the requirements of the provisions referred to in paragraph (2) or for any non-material violation of such requirements.''.

SEC. 7. MAXIMUM COVERAGE LIMITS.

Subsection (b) of section 1306 of the National Flood Insurance Act of 1968 (42 U.S.C. 4013(b)) is amended—

(1) in paragraph (2), by striking ''$250,000'' and inserting ''$335,000'';

(2) in paragraph (3), by striking ''$100,000'' and inserting ''$135,000''; and

(3) in paragraph (4), by striking ''$500,000'' each place such term appears and inserting ''$670,000''.

SEC. 8. COVERAGE FOR ADDITIONAL LIVING EXPENSES, BASEMENT IMPROVEMENTS, BUSINESS INTERRUPTION, AND REPLACEMENT COST OF CONTENTS.

Subsection (b) of section 1306 of the National Flood Insurance Act of 1968 (42 U.S.C. 4013) is amended—

(1) in paragraph (4), by striking ''and'' at the end;

(2) in paragraph (5)—

(A) by inserting ''pursuant to paragraph (2), (3), or (4)'' after ''any flood insurance coverage''; and

(B) by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

''(6) in the case of any residential property, each renewal or new contract for flood insurance coverage shall provide not less than $1,000 aggregate liability per dwelling unit for any necessary increases in living expenses incurred by the insured when losses from a flood make the residence unfit to live in, which coverage shall be available only at chargeable rates that are not less than the estimated premium rates for such coverage determined in accordance with section 1307(a)(1);

''(7) in the case of any residential property, optional coverage for additional living expenses described in paragraph (6) shall be made available to every insured upon renewal and every applicant in excess of the limits provided in paragraph (6) in such amounts and at such rates as the Director shall establish, except that such chargeable rates shall not be less than the estimated premium rates for such coverage determined in accordance with section 1307(a)(1);

''(8) in the case of any residential property, optional coverage for losses, resulting from floods, to improvements and personal property located in basements, crawl spaces, and other enclosed areas under buildings that are not covered by primary flood insurance coverage under this title, shall be made available to every insured upon renewal and every applicant, except that such coverage shall be made available only at chargeable rates that are not less than the estimated premium rates for such coverage determined in accordance with section 1307(a)(1);

''(9) in the case of any commercial property, optional coverage for losses resulting from any partial or total interruption of the insured's business caused by damage to, or loss of, such property from a flood shall be made available to every insured upon renewal and every applicant, except that—

''(A) for purposes of such coverage, losses shall be determined based on the profits the covered business would have earned, based on previous financial records, had the flood not occurred; and

''(B) such coverage shall be made available only at chargeable rates that are not less than the estimated premium rates for such coverage determined in accordance with section 1307(a)(1); and

''(10) in the case of any residential property and any commercial property, optional coverage for the full replacement costs of any contents related to the structure that exceed the limits of coverage otherwise provided in this subsection shall be made available to every insured upon renewal and every applicant, except that such coverage shall be made available only at chargeable rates that are not less than the estimated premium rates for such coverage determined in accordance with section 1307(a)(1).''.

SEC. 9. INCREASE IN ANNUAL LIMITATION ON PREMIUM INCREASES.

Section 1308(e) of the National Flood Insurance Act of 1968 (42 U.S.C. 4015(e)) is amended by striking ''10 percent'' and inserting ''15 percent''.

SEC. 10. INCREASE IN BORROWING AUTHORITY.

(a) BORROWING AUTHORITY.—The first sentence of subsection (a) of section 1309 of the National Flood Insurance Act of 1968 (42 U.S.C. 4016(a)), as amended by the National Flood Insurance Program Further Enhanced Borrowing Authority Act of 2005 (Public Law 109–106; 119 Stat. 2288), is amended by striking ''$18,500,000,000'' and inserting ''$25,000,000,000''.

(b) FEMA REPORT.—Not later than the expiration of the 6-month period beginning on the date of the enactment of this Act, the Director of the Federal Emergency Management Agency shall submit a report to the Congress setting forth a plan for repaying any amounts borrowed pursuant to increase in borrowing authority authorized under the amendments made by subsection (a).

SEC. 11. FEMA PARTICIPATION IN STATE DISASTER CLAIMS MEDIATION PROGRAMS.

The National Flood Insurance Act of 1968 is amended by inserting after section 1313 (42 U.S.C. 4020) the following new section:

''SEC. 1314. FEMA PARTICIPATION IN STATE DISASTER CLAIMS MEDIATION PROGRAMS.

''(a) REQUIREMENT TO PARTICIPATE.—In the case of the occurrence of a natural catastrophe that may result in flood damage claims under the national flood insurance program, upon a request made by the insurance commissioner of a State (or such other official responsible for regulating the business of insurance in the State) for the participation of representatives of the Director in a program sponsored by such State for nonbinding mediation of insurance claims resulting from a natural catastrophe, the Director shall cause appropriate representatives of national flood insurance program to participate in such State program to expedite settlement of any flood damage claims under the national flood insurance program resulting from such catastrophe.

''(b) EXTENT OF PARTICIPATION.—Participation by representatives of the Director required under subsection (a) with respect to flood damage claims resulting from a natural catastrophe shall include—

''(1) providing adjusters certified for purposes of the national flood insurance program who are authorized to settle claims against such program resulting from such catastrophe in amounts up to the limits of policies under such program;

''(2) requiring such adjusters to attend State-sponsored mediation meetings regarding flood insurance claims resulting from such catastrophe at times and places as may be arranged by the State;

''(3) participating in good-faith negotiations toward the settlement of such claims with policyholders of coverage made available under the national flood insurance program; and

''(4) finalizing the settlement of such claims on behalf of the national flood insurance program with such policyholders.

''(c) COORDINATION.—Adjusters representing the national flood insurance program who participate pursuant to subsection (b)(1) in a State-sponsored mediation program with respect to a natural catastrophe shall at all times coordinate their activities with insurance officials of the State and representatives of insurers for the purpose of consolidating and expediting the settlement of claims under the national flood insurance program resulting from such catastrophe at the earliest possible time.''.

SEC. 12. FEMA REPORTS ON FINANCIAL STATUS OF INSURANCE PROGRAM.

Section 1320 of the National Flood Insurance Act of 1968 (42 U.S.C. 4027) is amended—

(1) in the section heading, by striking ''**REPORT TO THE PRESIDENT**'' and inserting ''**REPORTS**'';

(2) in subsection (a), by striking ''IN GENERAL'' and inserting ''BIENNIAL REPORT TO PRESIDENT''; and

(3) by adding at the end the following new subsection:

''(c) SEMIANNUAL REPORTS TO CONGRESS ON FINANCIAL STATUS.—Not later than June 30 and December 31 of each year, the Director shall submit a report to the Congress regarding the financial status of the national flood insurance program under this title. Each such report shall describe the financial status of the National Flood Insurance Fund and current and projected levels of claims, premium receipts, expenses, and borrowing under the program.''.

SEC. 13. EXTENSION OF PILOT PROGRAM FOR MITIGATION OF SEVERE REPETITIVE LOSS PROPERTIES.

Section 1361A of the National Flood Insurance Act of 1968 (42 U.S.C. 4102a) is amended as follows:

(1) FUNDING.—In subsection (k)(1), by striking ''and 2009'' and inserting ''2009, 2010, and 2011''.

(2) TERMINATION.—In subsection (l), by striking ''September 30, 2009'' and inserting ''September 30, 2011''.

SEC. 14. NOTICE OF AVAILABILITY OF FLOOD INSURANCE AND ESCROW IN RESPA GOOD FAITH ESTIMATE.

Subsection (c) of section 5 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2604(c)) is amended by adding at the end the following new sentence: ''Each such good faith estimate shall include the following conspicuous statements: (1) that flood insurance coverage for residential real estate is generally available under the National Flood Insurance Program whether or not the real estate is located in an area having special flood hazards and that, to obtain such coverage, a home owner or purchaser should contact a property insurance agent, broker, or company; and (2) that the escrowing of flood insurance payments is required for many loans under section 102(d) of the Flood Disaster Protection Act of 1973, and may be a convenient and available option with respect to other loans.''.

SEC. 15. REITERATION OF FEMA RESPONSIBILITIES UNDER 2004 REFORM ACT.

(a) APPEALS PROCESS.—As directed in section 205 of the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004 (42 U.S.C. 4011 note), the Director of the Federal Emergency Management Agency is again directed to, not later than 90 days after the date of the enactment of this Act, establish an appeals process through which holders of a flood insurance policy may appeal the decisions, with respect to claims, proofs of loss, and loss estimates relating to such flood insurance policy as required by such section.

(b) MINIMUM TRAINING AND EDUCATION REQUIREMENTS.—The Director of the Federal Emergency Management Agency is directed to continue to work with the insurance industry, State insurance regulators, and other interested parties to implement the minimum training and education standards for all insurance agents who sell flood insurance policies that were established by the Director under the notice published September 1, 2005 (70 Fed. Reg. 52117) pursuant to section 207 of the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004 (42 U.S.C. 4011 note).

(c) REPORT.—Not later than the expiration of the 6-month period beginning on the date of the enactment of this Act, the Director of the Federal Emergency Management Agency shall submit a report to the Congress describing the implementation of each provision of the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004 (Public Law 108–264) and identifying each regulation, order, notice, and other material issued by the Director in implementing each such provision.

SEC. 16. UPDATING OF FLOOD MAPS AND ELEVATION STANDARDS.

(a) FLOOD MAPPING PROGRAM.—Section 1360 of the National Flood Insurance Act of 1968 (42 U.S.C. 4101) is amended by adding at the end the following new subsection:

''(k) PROGRAM TO REVIEW, UPDATE, AND MAINTAIN FLOOD INSURANCE PROGRAM MAPS.—

''(1) IN GENERAL.—The Director, in coordination with the Technical Mapping Advisory Council established pursuant to section 576 of the National Flood Insurance Reform Act of 1994 (42 U.S.C. 4101 note) and section 16(c) of the Flood Insurance Reform and Modernization Act of 2006, shall establish a program under which the Director shall review, update, and maintain national flood insurance program rate maps in accordance with this subsection.

''(2) INCLUSIONS.—

''(A) COVERED AREAS.—Each map updated under this subsection shall include a depiction of—

''(i) the 500-year floodplain;

''(ii) areas that could be inundated as a result of the failure of a levee, as determined by the Director; and

''(iii) areas that could be inundated as a result of the failure of a dam, as identified under the National Dam Safety Program Act (33 U.S.C. 467 et seq.).

''(B) OTHER INCLUSIONS.—In updating maps under this subsection, the Director may include—

''(i) any relevant information on coastal inundation from—

''(I) an applicable inundation map of the Corps of Engineers; and

''(II) data of the National Oceanic and Atmospheric Administration relating to storm surge modeling;

''(ii) any relevant information of the Geographical Service on stream flows, watershed characteristics, and topography that is useful in the identification of flood hazard areas, as determined by the Director; and

''(iii) a description of any hazard that might impact flooding, including, as determined by the Director—

''(I) land subsidence and coastal erosion areas;

''(II) sediment flow areas;

''(III) mud flow areas;

''(IV) ice jam areas; and

''(V) areas on coasts and inland that are subject to the failure of structural protective works, such as levees, dams, and floodwalls.

''(3) STANDARDS.—In updating and maintaining maps under this subsection, the Director shall establish standards to—

''(A) ensure that maps are adequate for—

''(i) flood risk determinations; and

''(ii) use by State and local governments in managing development to reduce the risk of flooding; and

''(B) facilitate the Director, in conjunction with State and local governments, to identify and use consistent methods of data collection and analysis in developing maps for communities with similar flood risks, as determined by the Director.

''(4) HURRICANES KATRINA AND RITA MAPPING PRIORITY.—In updating and maintaining maps under this subsection, the Director shall—

''(A) give priority to the updating and maintenance of maps of coastal areas affected by Hurricane Katrina or Hurricane Rita to provide guidance with respect to hurricane recovery efforts; and

''(B) use the process of updating and maintaining maps under subparagraph (A) as a model for updating and maintaining other maps.

''(5) ANNUAL REPORT.—Not later than June 30 of each year, the Director shall submit a report to the Congress describing, for the preceding 12-month period, the activities of the Director under the program under this section and the reviews and updates of flood insurance program rate maps conducted under the program. Each such annual report shall contain the most recent report of the Technical Mapping Advisory Council pursuant to section 576(c)(3) of the National Flood Insurance Reform Act of 1994 (42 U.S.C. 4101 note).

''(6) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Director to carry out this subsection $300,000,000 for each of fiscal years 2007 through 2012.''.

(b) REVIEW AND UPDATING OF ALL FLOOD ZONES AND ANNUAL MAP MODERNIZATION REPORTS.—

(1) REQUIRED REVISION.—In carrying out the program under subsection (k) of section 1360 of the National Flood Insurance Act of 1968 (as added by subsection (a) of this section), the Director of the Federal Emergency Management Agency shall, as soon as possible after the date of the enactment of this Act, conduct a review of all floodplain areas and flood-risk zones identified, delineated, or established pursuant to such section 1360 and shall revise and update all such areas and zones.

(2) CERTIFICATION OF COMPLETION.—Upon completing the review, revision, and updating required under paragraph (1), the Director shall submit to the Congress a report certifying such completion.

(3) ANNUAL REPORTS.—During the period that ends upon certification under paragraph (2) of this subsection by the Director, the Director shall include in the annual report required under section 1360(k)(5) of the National Flood Insurance Act of 1968 (as added by subsection (a) of this section) a description of the extent to which the review and updating required under paragraph (1) of this subsection has been completed.

(c) REESTABLISHMENT OF TECHNICAL MAPPING ADVISORY COUNCIL.—

(1) REESTABLISHMENT.—There is reestablished the Technical Mapping Advisory Council, in accordance with this subsection and section 576 of the National Flood Insurance Reform Act of 1994 (42 U.S.C. 4101 note).

(2) MEMBERSHIP.—Paragraph (1) of section 576(b) of the National Flood Insurance Reform Act of 1994 (42 U.S.C. 4101 note) is amended—

(A) by redesignating subparagraphs (E), (F), (G), (H), (I), and (J) as subparagraphs (F), (G), (H), (K), (M), and (N), respectively;

(B) by inserting after subparagraph (D) the following new subparagraph:

''(E) a representative of the Corps of Engineers of the United States Army;'';

(C) by inserting after subparagraph (H) (as so redesignated by subparagraph (A) of this paragraph) the following new subparagraphs:

''(I) a representative of local or regional flood and stormwater agencies;

''(J) a representative of State geographic information coordinators;''; and

(D) by inserting after subparagraph (K) (as so redesignated by subparagraph (A) of this paragraph) the following new subparagraph:

''(L) a representative of flood insurance servicing companies;''.

(3) APPOINTMENT.—The Director of the Federal Emergency Management Agency, or the Director's designee, shall take action as soon as possible after the date of the enactment of this Act to appoint the members of the Technical Mapping Advisory Council pursuant to section 576(b)(1) of the National Flood Insurance Reform Act of 1994, as amended by paragraph (2) of this subsection.

(4) DUTIES.—Subsection (c) of section 576 of the National Flood Insurance Reform Act of 1994 (42 U.S.C. 4101 note) is amended to read as follows:

''(c) DUTIES.—The Council shall—

''(1) make recommendations to the Director for improvements to the flood map modernization program under section 1360(k) of the National Flood Insurance Act of 1968 (42 U.S.C. 41010(k));

''(2) make recommendations to the Director for maintaining a modernized inventory of flood hazard maps and information; and

''(3) submit an annual report to the Director that contains a description of the activities and recommendations of the Council.''.

(5) TERMINATION.—Subsection (k) of section 576 of the National Flood Insurance Reform Act of 1994 (42 U.S.C. 4101 note) is amended by striking ''under subsection (b)(1)'' and inserting ''pursuant to subsection (b)(1) of this section and section 16(c)(3) of the Flood Insurance Reform and Modernization Act of 2006''.

(d) POST-DISASTER FLOOD ELEVATION DETERMINATIONS.—Section 1363 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104) is amended by adding at the end the following new subsection:

''(h) EXPEDITED COMMUNITY ADOPTION OF POST-DISASTER ADVISORY FLOOD ELEVATIONS.—If the Director determines that it is appropriate to examine flood elevation determinations after flood-related disasters, to incorporate data gathered since the publication of an effective flood insurance rate map or other flood hazard map and to issue advisory flood elevations, the Director shall expedite the notification and publication procedures in this section. The Director shall require community adoption of the advisory flood elevation information under such expedited procedures for the purposes of local land use and control measures and for the purposes of facilitating flood-resistant reconstruction when Federal funds are made available. Expediting the notification and publication procedures shall be accomplished to preserve all rights to submit information and to appeal the Director's findings.''.

SEC. 17. NATIONAL LEVEE INVENTORY.

To identify levees for the national flood insurance program, the Director of the Federal Emergency Management Agency shall maintain and periodically publish an inventory of levees in the United States, and shall consult with the Secretary of the Army as necessary to maintain such inventory.

SEC. 18. CLARIFICATION OF REPLACEMENT COST PROVISIONS, FORMS, AND POLICY LANGUAGE.

Not later than the expiration of the 3-month period beginning on the date of the enactment of this Act, the Director of the Federal Emergency Management Agency shall—

(1) issue regulations, and revise any materials made available by such Agency, to clarify the applicability of replacement cost coverage under the national flood insurance program;

(2) revise any regulations, forms, notices, guidance, and publications relating to the full cost of repair or replacement under the replacement cost coverage to more clearly describe such coverage to flood insurance policyholders and information to be provided by such policyholders relating to such coverage, and to avoid providing misleading information to such policyholders; and

(3) revise the language in standard flood insurance policies under such program regarding rating and coverage descriptions in a manner that is consistent with language used widely in other homeowners and property and casualty insurance policies, including such language regarding classification of buildings, basements, crawl spaces, detached garages, enclosures below elevated buildings, and replacement costs.

SEC. 19. AUTHORIZATION OF ADDITIONAL FEMA STAFF.

Notwithstanding any other provision of law, the Director of the Federal Emergency Management Agency may employ such additional staff of such Agency as may be necessary to carry out all of the responsibilities of the Director pursuant to this Act and the amendments made by this Act. There are authorized to be appropriated to Director such sums as may be necessary for costs of employing such additional staff.

The CHAIRMAN. No amendment to the bill shall be in order except those printed in House Report 109–530. Each amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

AMENDMENT NO. 1 OFFERED BY MR. OXLEY

The CHAIRMAN. It is now in order to consider amendment No. 1 printed in House Report 109–530.

Mr. OXLEY. Mr. Chairman, I have an amendment at the desk made in order under the rule.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. OXLEY:

Page 9, strike lines 9 and 10 and insert ''the submission to the Congress, by the Director of the Federal Emergency Management Agency, of the report required under''.

Page 9, line 17, strike ''date of the enactment of this Act'' and insert ''effective date under paragraph (1) of this subsection''.

Page 10, line 10, strike ''date of the enactment of this Act'' and insert ''effective date under paragraph (1) of this subsection''.

Page 10, line 18, after ''Section 1306(c)(1)'' insert ''of the National Flood Insurance Act of 1968 (42 U.S.C. 4013(c)(1))''.

Page 11, line 2, after ''$1,000,000'' (and before the close quotation marks) insert the following: ''; except that such limitation shall not apply to a regulated lending institution or enterprise for a calendar year if, in any three (or more) of the five calendar years immediately preceding such calendar year, the total amount of penalties assessed under this subsection against such lending institution or enterprise was $1,000,000''.

Strike line 20 on page 15 and all that follows through line 8 on page 16 and insert the following:

''(a) REQUIREMENT TO PARTICIPATE.—In the case of the occurrence of a natural catastrophe that may have resulted in flood damage covered by insurance made available under the National Flood Insurance Program and a loss covered by personal lines residential property insurance policy, upon request made by the insurance commissioner of a State (or such other official responsible for regulating the business of insurance in the State) for the participation of representatives of the Director in a program sponsored by such State for nonbinding mediation of insurance claims resulting from a natural catastrophe, the Director shall cause such representatives to participate in such State program, when claims under the national flood insurance program are involved, to expedite settlement of flood damage claims resulting from such catastrophe.''.

Page 17 lines 4 through 6, strike ''Adjusters representing the national flood insurance program who participate pursuant to subsection (b)(1)'' and insert ''Representatives of the Director who participate pursuant to this section''.

Page 17, line 12, strike the quotation marks and the last period.

Page 17, after line 12 insert the following:

''(d) MEDIATION PROCEEDINGS AND PRIVILEGED DOCUMENTS.—As a condition of the participation of Representatives of the Director pursuant to this section in State-sponsored mediation, all statements made and documents produced pursuant to such mediation involving representatives of the Director shall be deemed privileged and confidential settlement negotiations made in anticipation of litigation.

''(e) EFFECT OF PARTICIPATION ON LIABILITY, RIGHT, AND OBLIGATIONS.—Participation of Representatives of the Director pursuant to this section in State-sponsored mediation shall not affect or expand the liability of any party in contract or in tort, nor shall it affect the rights or obligations of the parties as provided in the Standard Flood Insurance Policy under the national flood insurance program, regulations of the Federal Emergency Management Agency, this Act, or Federal common law.

''(f) EXCLUSIVE FEDERAL JURISDICTION.—Participation of Representatives of the Director pursuant to this section in State-sponsored mediation shall not alter, change or modify the original exclusive jurisdiction of United States courts as provided in this Act.

''(g) COST LIMITATION.—Nothing in this section shall be construed to require the Director or representatives of the Director to pay additional mediation fees relating to flood claims associated with a State-sponsored mediation program in which representatives of the Director participate.

''(h) EXCEPTION.—In the case of the occurrence of a natural catastrophe that results in flood damage claims under the national flood insurance program and does not result in any loss covered by a personal lines residential property insurance policy—

''(1) this section shall not apply; and

''(2) the provisions of the Standard Flood Insurance Policy under the national flood insurance program and the appeals process established pursuant to section 205 of the Bunning-Bereueter-Blumenauer Flood Insurance Reform Act of 2004 (Public Law 108–264; 118 Stat. 726) and regulations issued pursuant to such section shall apply exclusively.

''(i) REPRESENTATIVES OF DIRECTOR.—For purposes of this section, the term 'representatives of the Director' means representatives of the national flood insurance program who participate in the appeals process established pursuant to section 205 of the Bunning-Bereueter-Blumenauer Flood Insurance Reform Act of 2004 (Public Law 108–264; 118 Stat. 726) and regulations issued pursuant to such section.''.

Page 15, line 5, strike ''$18,500,000,000'' and insert ''$20,775,000,000''.

Page 24, line 22, before ''REVIEW'' insert ''ONE-TIME''.

Strike line 24 on page 24 and all that follows through line 2 on page 25 and insert the following:

(2) REQUIRED REVISION.—The Director of the

Page 25, line 8, after the period insert the following: ''The revisions and updating under this paragraph shall not be subject to the requirements of section 1360(k) of the National Flood Insurance Act of 1968 (as added by subsection (a) of this section).''.

Strike line 8 on page 28 and all that follows through line 2 on page 29 and insert the following:

(d) POST-DISASTER FLOOD ELEVATION DETERMINATIONS.—Section 1361 of the National Flood Insurance Act of 1968 (42 U.S.C. 4101), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

''(l) INTERIM POST-DISASTER FLOOD ELEVATIONS.—

''(1) AUTHORITY.—Notwithstanding any other provision of this section or section 1363, the Director may, after any flood-related disaster, establish by order interim flood elevation requirements for purposes of the national flood insurance program for any areas affected by such flood-related disaster.

''(2) EFFECTIVENESS.—Such interim elevation requirements for such an area shall take effect immediately upon issuance and may remain in effect until the Director establishes new flood elevations for such area in accordance with section 1363 or the Director provides otherwise.''.

The CHAIRMAN. Pursuant to House Resolution 891, the gentleman from Ohio (Mr. OXLEY) and a Member opposed each will control 5 minutes.

Mr. FRANK of Massachusetts. Mr. Chairman, in the absence of any opposition, I ask unanimous consent to be recognized for the other 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio.

Mr. OXLEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the manager's amendment to H.R. 4973. In addition to making technical changes necessary for the bill, the manager's amendment will clarify the drafter's intent in a handful of areas.

□ 1430

This amendment establishes that the phasing in of actuarial rates for second homes and nonresidential properties will begin once FEMA has certified completion of their map modernization efforts. This is necessary to ensure that subsidies are eliminated fairly and without inaccurate information about which homeowners should be purchasing flood insurance in the first place.

In addition, the amendment provides that the $1 million cap on penalties for nonenforcement of NFIP requirements not apply to regulated entities that have been assessed a penalty of $1 million in any 3 of the past 5 calendar years. This will help ensure that bad actors not get away with ignoring the need for adequate enforcement or mandatory flood insurance purchase requirements.

This amendment more clearly defines FEMA participation in State disaster claims mediation programs and ensures the confidentiality of documents and conversations during the mediation process.

In addition, it clarifies that mediation participation does not interfere with the exclusive Federal jurisdiction enjoyed by the Federal courts over the NFIP and provides that FEMA will not incur any additional fees as a result of mediation participation.

The manager's amendment also more clearly sets out the timeline for FEMA's inclusion of certain features on updated floodplain maps and clarifies the FEMA Director's authority regarding the ability to issue interim postdisaster flood elevation building requirements.

This amendment is a bipartisan effort that makes this bill better and more technically sound. I urge my colleagues to support it.

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

Mr. FRANK of Massachusetts. Mr. Chairman, I concur fully with the gentleman from Ohio.

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

Mr. OXLEY. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. OXLEY).

The amendment was agreed to.

AMENDMENT NO. 2 OFFERED BY MR. BURTON OF INDIANA

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in House Report 109–530.

Mr. BURTON of Indiana. Mr. Chairman, I rise to discuss my amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. BURTON of Indiana:

Page 29, after line 2, insert the following new section:

SEC. 17. NOTIFICATION AND APPEAL OF MAP CHANGES; NOTIFICATION OF ESTABLISHMENT OF FLOOD ELEVATIONS.

Section 1363 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104) is amended by striking the section designation and all that follows through the end of subsection (a) and inserting the following:

''SEC. 1363. (a) In establishing projected flood elevations for land use purposes with respect to any community pursuant to section 1361, the Director shall first propose such determinations—

''(1) by providing the chief executive officer of each community affected by the proposed elevations, by certified mail, with a return receipt requested, notice of the elevations, including a copy of the maps for the elevations for such community and a statement explaining the process under this section to appeal for changes in such elevations;

''(2) by causing notice of such elevations to be published in the Federal Register, which notice shall include information sufficient to identify the elevation determinations and the communities affected, information explaining how to obtain copies of the elevations, and a statement explaining the process under this section to appeal for changes in the elevations;

''(3) by publishing the elevations in a prominent local newspaper; and

''(4) by providing written notification, by first class mail, to each owner of real property affected by the proposed elevations of—

''(A) the status of such property, both prior to and after the effective date of the proposed determination, with respect to flood zone and flood insurance requirements under this Act and the Flood Disaster Protection Act of 1973;

''(B) the process under this section to appeal a flood elevation determination; and

''(C) the mailing address and phone number of a person the owner may contact for more information or to initiate an appeal.''.

The CHAIRMAN. Pursuant to House Resolution 891, the gentleman from Indiana (Mr. BURTON) and a Member opposed each will control 5 minutes.

Mr. BLUMENAUER. Mr. Chairman, I seek time in opposition to the amendment.

The CHAIRMAN. The gentleman will control 5 minutes.

The Chair recognizes the gentleman from Indiana.

Mr. BURTON of Indiana. Congressman STARK and I both realized a problem that exists in the redrawing of the floodplain maps across this country. FEMA is in the process of reshooting the maps in several parts of the country, and the only way people who are in the affected areas know about it is, in the classified section of the newspaper, there is some very fine print that says that there is going to be a meeting discussing the elevations of the new floodplains. We had about 3 or 400 people in my district that didn't know anything about this until after the fact.

Now, the problem is, once FEMA has redrawn these maps and they have been approved, the only way a person in a projected floodplain knows about it is if the insurance company contacts him and says you have 45 days to buy insurance or else we will add it to your mortgage payment. We had about 300 people in moderate income areas that were going to be hit with an extra thousand or $2,000 a year for flood insurance when there hadn't been a flood there for 100 or 150 years. In fact, nobody ever heard of having a flood in this area. Yet these people have been adversely affected.

Once these maps have been drawn and approved, the only way a person in a newly affected area can have restitution is to go and spend maybe a thousand or $2,000 hiring a lawyer and then fighting the governmental process, the agency, to prove that they are not in a floodplain.

What my bill does and Mr. STARK's bill does is simply say that FEMA has to send a first-class letter to everybody in the affected area so they know there is going to be a meeting talking about them being in a newly designated floodplain. It will cost maybe 35 to 40 cents a letter, maybe even less than that if they would use bulk mail.

In this particular case, the 300 families in the affected area, it would have cost $120 to notify them that there was a change in their status. There had not been a flood there in anybody's recollection, at least not in 100 or 150 years.

I think this is a very important amendment. It helps people all across the country. I really appreciate the chairman of the committee and the ranking member saying they would approve this amendment. So I thank you very much, Mr. Chairman and Mr. Ranking Member.

I yield to my colleague, Mr. STARK.

Mr. STARK. I thank the distinguished gentleman from Indiana for yielding. I would like to associate myself with his remarks.

In my community, this came to my attention several years back when 3 or 4,000 households in two different cities received notification just 45 days before the insurance bill was due from their mortgage companies and were told that within 45 days they would have to pay between $1,000 and $2,000 in insurance. In both communities, half of the households were excluded, but each household had to go individually, perhaps at a cost of $1,000 to $2,000 a household. That was a million to $2 million without even hiring lawyers or surveyors in my district to relieve themselves from this onerous, unneeded insurance premium. We can send a million letters for less than $400,000 if that became necessary.

It is a question of timely notification. I think it is only fair for us to notify the individual property owners, to give them time to be able to get the surveys and get the information they needed before they have to pay up the first thousand or $2,000 in premium and then later try and escape from under this, if their property is excludable, from the floodplain. I urge the adoption of the amendment.

Mr. Chairman, I want to thank the gentleman from Indiana for yielding and for his work on this issue.

This first came to my attention back in 2000 when flood maps were updated in Alameda County in the 13th Congressional District. Thousands of residents in San Leandro and Fremont found out that they were added to a floodplain by getting a letter from their lender. They had 45 days to select a policy and pay the annual premium or the lender would choose for them and add it to their monthly payment.

There was no explanation of what had suddenly determined them to be in a floodplain and the community appeal window was already closed. Needless to say, the National Flood Insurance Program ranks somewhere just above the IRS in popularity in my district.

Considering the ongoing nationwide map modernization program and the new FEMA requirement to assume houses behind levees require flood insurance unless the levees are certified, this problem will affect almost every congressional district in the country, if it hasn't already.

The logic of the Burton/Stark amendment is simple. Translating flood maps into on-the-ground information about households is already happening, but often only in time to send the first bill for flood insurance.

Our amendment merely changes the timeline to guarantee that property owners will find out earlier in the process when there is still time to get involved and appeal as a community.

In my district, more than half of the households added to the floodplain were later taken out. If they could have done so as a group rather than individually appealing and hiring their own surveyors, it would have saved both time and money, not to mention the reputation of the flood insurance program.

I urge my colleagues to support the Burton/Stark amendment. All our constituents deserve to be kept informed about federal requirements that directly impact their pocketbooks.

I thank the gentleman for yielding.

Mr. BURTON of Indiana. Once again, I want to thank my colleague for being a cosponsor; and I want to thank the chairman for accepting.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. I just want to be clear that I support this amendment.

Mr. BURTON of Indiana. Thank you, Mr. FRANK. Thank you, Mr. Chairman.

Mr. FRANK of Massachusetts. If the gentleman would yield further, I would just say that anytime the gentleman from Indiana and the gentleman from California support an amendment, I will be there.

Mr. BURTON of Indiana. Thank you, BARNEY.

Mr. BLUMENAUER. Let me say, I appreciate the intent that is offered by the sponsors of this amendment. I was prepared, however, to argue rather strongly in opposition in terms of the reimbursement mechanism that was involved, but I understand that that has been stripped out and it is now just purely a notification. While I am hopeful that, as this works its way through the process, we can deal with making sure that the notification process doesn't get in the way of trying to move this in an orderly fashion, I am not prepared to demand a rollcall or be cranky about it, because I do think you have adjusted your amendment so that it loses its onerous nature in the way that it was originally filed.

I appreciate the direction you are going and would look forward to working with the gentlemen to make sure that this furthers the public notification but does not bog down the process unnecessarily. As I say, I appreciate the direction that you are going.

Mr. STARK. Mr. Chairman, will the gentleman yield?

Mr. BLUMENAUER. I yield to the gentleman from California.

Mr. STARK. I appreciate his usual tenacity in watch-dogging the Federal dollar.

I would apologize. On our side of the aisle, the whip notice had it incorrect as it came out this morning. The gentleman is correct. It has been corrected. The distinguished gentleman from Indiana has seen that the amendment is limited to the notification, and I think it will assuage concerns.

I thank the gentleman for yielding.

Mr. BLUMENAUER. I personally feel more comfortable about that. I didn't know it when I claimed time in opposition because I had some outdated information. I didn't realize how fast this legislative train was rolling, but I feel better now.

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

Mr. BURTON of Indiana. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. BURTON).

The amendment was agreed to.

AMENDMENT NO. 3 OFFERED BY MR. GARRETT OF NEW JERSEY

The CHAIRMAN. It is now in order to consider amendment No. 3 printed in House Report 109–530.

Mr. GARRETT of New Jersey. Mr. Chairman, I have an amendment at the desk.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. GARRETT of New Jersey:

Page 8, line 4, after ''**PROPERTIES**'' insert ''**, CERTAIN PRE-FIRM PROPERTIES,**''.

Page 8, line 17, strike the quotation marks and the second period.

Page 8, after line 17, insert the following new paragraph:

''(4) RECENTLY PURCHASED PRE-FIRM PROPERTIES.—Any property that—

''(A) has been constructed or substantially improved and for which such construction or improvement was started, as determined by the Director, before December 31, 1974, or before the effective date of the initial rate map published by the Director under paragraph (2) of section 1360 for the area in which such property is located, whichever is later; and

''(B) is purchased after the date of the enactment of the Flood Insurance Reform and Modernization Act of 2006.''.

Page 9, line 14, strike ''or (3)'' and insert '', (3), or (4)''.

Page 10, line 12, strike ''and (3)'' and insert '', (3), and (4)''.

The CHAIRMAN. Pursuant to House Resolution 891, the gentleman from New Jersey (Mr. GARRETT) and a Member opposed each will control 5 minutes.

Mr. BLUMENAUER. Mr. Chairman, I would claim the time in opposition.

The CHAIRMAN. The gentleman will control 5 minutes.

The Chair recognizes the gentleman from New Jersey.

Mr. GARRETT of New Jersey. Mr. Chairman, back in 1968, Congress created the National Flood Insurance Program, the NFIP, with the intent of providing homeowners that live in floodplains the opportunity to purchase flood insurance from the Federal Government. At the time, there were little to no opportunities to purchase flood insurance from the private insurance market.

Over the years, some problems have developed in that program, and so I come to the floor of this House today to thank Chairman OXLEY, Chairman BAKER and Ranking Member FRANK for all their hard work in putting together the important piece of legislation that is before this House today to try to address some of those problems that have been experienced in the past and to make sure that we have a national flood program worthy of the constituents at home and the problems that they face.

There were several different solutions to address one of the issues that came up, and that is dealing with homeowners who were in existing pre-FIRM homes and the insurance that they could afford to buy and coming forward with those homes maybe right across the street from them that did not qualify.

In an effort to reach a compromise between the two sides, I am offering today an amendment that is a compromise, a commonsense one, I think, a middle ground, if you will, that would provide additional resources to the flood insurance program in a fair way and not subject current homeowners of pre-FIRM houses to an unanticipated or unplanned increase in their flood insurance premiums.

My amendment would simply require any purchaser of a pre-FIRM residential home to pay a phased-in actuarially correct flood insurance price using the same phase-in structure that nonresidential and nonprimary homes are currently subject to in this system.

In essence, it comes down to this. If someone has a pre-FIRM home and had that home for a period of time and someone across the street came in and purchased that home, that current purchaser would look across the street and say that they are subsidizing the gentleman across the street. We are saying that should not occur indefinitely. That when that pre-FIRM homeowner eventually, whenever that date occurs, sells that home, that property then would phase into the current system, there would no more subsidization of those homes any further, and everyone would be on the same level playing field.

Again, I thank the members of the committee, I thank the chairman as well, for working with us on this program as we brought it up in the committee at that time.

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

Mr. BLUMENAUER. Mr. Chairman, I would yield myself 3 minutes.

Let me say, I appreciate the gentleman's deep interest in making sure that we are moving forward with reform in the flood insurance program and that we are dealing with some of the idiosyncratic ways that there are some folks that never get out of being an exception. With all due respect, that the approach that has been adopted by the committee is one that over the long run is going to be the most advantageous.

I share your concern, but as I have been working with the floodplain managers from the various States around the country, the people on the ground are concerned about the impact that the rapid movement towards dealing with these other subsidized residential properties would have. There is a very real problem because a lot of these properties do change hands frequently, in knowing what the impact is, and that many people would end up not seeking subsidized property, that communities may opt out, all this could end up being counterproductive. Particularly as it relates to the area, and again I referenced in my opening comments being sensitized by Mr. TAYLOR and by Mr. BAKER, about some of the practical realities, particularly for low-income communities. While it seems that this would be a way to phase it in only when the property changes hands, this would have the practical effect of discounting the value overnight to the people who own these properties, many of whom may be low income. So it would depress the price of the homes that they own because the seller would be subjected to the higher premium.

You and I know that in the long run that is a more rational policy for the taxpayer and for the people who hold those policies, but there is a psychology that is at work with some communities and with some owners and it may well be counterproductive.

So, with all due respect, I would suggest that what we ought to be doing is looking for ways to phase it in over time with these communities, that we deal with emphasizing mitigation like we had in the 2004 legislation, because I fear there may be a double whammy, where communities are less interested in participating and that you may be penalizing some of the very low-income property owners in a way that I don't think any of us want.

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So while I sympathize with the approach, while I applaud the committee for advancing the boundaries, this is one area where I would suggest that this, what looks like a simple phase-in, actually may not be a simple phase-in and may have unintended consequences.

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

Mr. GARRETT of New Jersey. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. Mr. Chairman, I thank the gentleman for yielding, and I thank him for his leadership on this issue. I also want to thank Chairman OXLEY and Chairman BAKER for all of their good work in bringing this bill to the floor, because it addresses a very, very serious challenge that we have.

We all know that Hurricanes Katrina and Rita represented a great physical catastrophe for this generation. I think it is incumbent upon us to make sure that it does not turn into a great fiscal tragedy for the next.

I remember speaking to a factory worker at the Pepsi plant in my district in Mesquite, Texas. He said, Congressman, I want to do everything I can to help those people on the gulf coast, but tell me you are going to do a few things differently so I don't have to do it again.

We know that the National Flood Insurance Program is not actuarially sound. It is not fiscally solvent. Congress is having to bail it out. Yet if you look at the legislative history, since 1981 it was supposed to be fiscally solvent. So the underlying bill takes a

number of steps to start taking us in that direction.

But if we are going to have a National Flood Insurance Program, we should not be subsidizing people and incenting them to live in places that, frankly, put them in harm's way, especially at the taxpayers' expense. If they are going to put themselves in harm's way, that is the decision they need to make, but we should not be a party to incenting them to do it.

So I think that the gentleman from New Jersey, his amendment takes a very, very reasonable small step towards helping make this program a little bit more fiscally solvent, and I think it is fair.

It is one thing to say on the pre-FIRM properties when we were trying to incent people to get into the program, okay, to some extent you are grandfathered. But new people who are coming in, if we are going to save this program for new future generations, I believe we need to take more steps toward fiscal responsibility, and the gentleman from New Jersey, his amendment is a very reasoned amendment that takes us in that direction, and I believe the House should support it.

Mr. BLUMENAUER. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Chairman, I thank the gentleman.

We sometimes get into confusing phrases here. We are talking about pre-FIRM. I know a lot of us are worrying about that stage in life when you are post-FIRM. But here we are talking about an important issue.

I am torn on this. I have been ambivalent. I opposed this amendment in committee. I thought some more about it. Both my friends, both the gentleman from Oregon and the gentleman from New Jersey, make some good points, and I would say this: I expect this amendment will probably get adopted. But I hope we can do this. In general, I think it is a reasonable thing to do, but there are low-income buyers, owners, who, through no fault of their own, they weren't warned, find themselves in this position, and there is the danger that the one small asset they have can get devalued.

Our colleague from Texas, Mr. GREEN, had an amendment that tried to provide some relief on premiums for people in the very low end. I would hope if this amendment were adopted, I would address this to the chairman, the gentleman from Louisiana and others, we might then as a committee take up the question of whether some relief might be appropriate for people who are at the lowest end of the spectrum, people who do own a home, but that is about all they have.

I think this is a case where the general principle is a good one, but a negative impact may be excessive on some people at the lower end. So that would be my hope, we would then, because this is an ongoing process, be able to look at that.

Mr. GARRETT of New Jersey. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I will just conclude by saying to the ranking member the same thing the ranking member said to me in the committee, and that is when we first proposed it, I will be glad to work with you to try to make this amendment an even better amendment.

I appreciate your consideration that there were two ends of the spectrum, one that said we should eliminate this subsidy, if you will, today, and other people have said we should never eliminate it, it should just continue on; and we were just trying to find that proverbial middle ground. Hopefully, we have gotten one step closer to that with this amendment.

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

Mr. BLUMENAUER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I appreciate what the gentleman is saying. I have spent the last 6 years trying to inject some fiscal responsibility into the program. I have supported the work that the committee has done. But along the way, I have been sensitized to some of the impacts that we don't want to have that are unintended in terms of discouraging participation.

So as you are working with the committee in terms of refining this, I would hope that there would be some sensitivity, if this amendment passes, to the impact on low income.

For instance, one of the unintended consequences may be driving people who are in this circumstance to be seeking financing from sub prime lenders there by avoiding flood insurance, by very expensive financing mechanisms. It ought to go hand in hand with what we do in terms of having more mandatory coverage so there aren't people that are sort of drifting along, and that it doesn't have unintended consequences for having people and communities opt out, or for low-income people, being unduly disadvantaged. I sympathize with what you are saying, and I would be happy to work with you as well.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. GARRETT).

The amendment was agreed to.

AMENDMENT NO. 4 OFFERED BY MR. TAYLOR OF MISSISSIPPI

The CHAIRMAN. It is now in order to consider amendment No. 4 printed in House Report 109–530.

Mr. TAYLOR of Mississippi. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. TAYLOR of Mississippi:

At the end of the bill, add the following new section:

SEC. 20. INVESTIGATION OF WRITE-YOUR-OWN INSURERS' ADJUSTMENT OF CLAIMS RELATING TO HURRICANE KATRINA.

(a) INVESTIGATION.—The Inspector General of the Department of Homeland Security shall carry out an investigation of insurers making flood insurance coverage available under the Write-Your-Own program pursuant to section 1345 of the National Flood Insurance Act of 1968 (42 U.S.C. 4081) and subpart C of part 62 of title 44, Code of Federal Regulations to determine—

(1) whether any such insurers, in adjusting and settling claims resulting from Hurricane Katrina, improperly attributed damages from such hurricane to flooding covered under coverage provided under the national flood insurance program rather than to windstorms covered by other coverage provided by such insurers or by windstorm insurance pools in which such insurers participated; and

(2) the extent to which such improper attribution of damages occurred.

(b) REPORT.—Not later than the expiration of the 6-month period that begins upon the date of the enactment of this Act, the Inspector General of the Department of Homeland Security shall submit to the Congress a report setting forth the conclusions of the investigation pursuant to subsection (a).

The CHAIRMAN. Pursuant to House Resolution 891, the gentleman from Mississippi (Mr. TAYLOR) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Mississippi.

Mr. TAYLOR of Mississippi. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, when the National Flood Insurance Program was put together, a couple of steps were taken to minimize the administrative costs of that program. One, under the National Write Your Own Program, allowed the private sector, companies like Allstate, State Farm and Nationwide, to sell this policy, get a fee for selling this policy, but the cost of actually paying the claims would be borne by the Federal Government. There is really nothing wrong with that. The problem came in when at the same time they allowed the same companies to adjudicate the claim in the aftermath of the storm.

The example I used earlier is that you have got a young claims adjuster. He is a company man. He works for State Farm; he works for Allstate or Nationwide. He has visions of being promoted to a manager. He has stock in that company. He wants to go far.

He is sent out to what is now a slab that just a few days ago was someone's home. There is nothing there. And he has to determine whether that house was destroyed by wind or by water.

In the case of south Mississippi, the Navy Oceanographic Lab tells us we had 6 to 8 hours of maximum hurricane winds before the water ever got there. In the case of the little town of Bay St. Louis, that meant you had winds for 6 to 8 hours from 100 miles an hour up to 150 miles an hour before the tidal surge came in and destroyed the evidence of what the wind did.

So this claims adjuster, who wants to go far with the company, can decide whether his company is going to pay

that claim through the wind pool, or whether the taxpayers are going to pay through the flood insurance program.

The FBI says that fraud is a crime of opportunity. No matter how well-intended Congress was when they wrote this, they created the opportunity for a heck of a lot of fraud. In fact, I think the biggest fraud that occurred after Hurricane Katrina wasn't people getting an extra FEMA check or two or three extra checks from the Red Cross, although that is deplorable. The biggest fraud occurred at the corporate level where the insurance industry made a corporate decision to, whenever possible, blame flooding every time and stick the taxpayers with bills that they should have paid.

Mr. Chairman, last year the insurance industry reported a $44 billion profit after everything. Last year Federal flood insurance lost $25 billion. That is the reason this bill is on the floor today. I don't think it is a coincidence, because I think what happened was whenever given the opportunity, the insurance industry stuck the taxpayer with bills that they should have paid.

So what I am asking for is for the Inspector General to look into this and hopefully use the Fraudulent Claims Act, which requires treble damages for anyone who submits a false claim to our Nation, in addition to a $5,000 or $10,000 fine every time a false claim is submitted. Because I am convinced that is precisely what happened.

Mr. Chairman, after we are told that that is what happened, I hope this Congress will come back and find a way to where we as a Nation won't just blindly accept the claims of an insurance industry when we pay that bill.

I used the analogy before. If Mr. OXLEY, if Mr. PICKERING, any Member of this body wants to be reimbursed for their trip to the airport, they have got to submit a claims ticket from that taxi driver for the 15 bucks, or they don't get paid.

But in the instance of national flood insurance, these insurance companies submitted claims for $100,000, $200,000, $250,000, and the taxpayer paid it every time without anyone second guessing. That is the opportunity for fraud, and I believe that fraud took place.

So, Mr. Chairman, I don't know of anyone who in their right mind could oppose this, I don't know of anyone who wants to see our tax dollars used unwisely, and I don't know of anyone who wants to see the National Flood Insurance Program defrauded or the subject of fraud.

So, again, it is my understanding that Mr. OXLEY will accept this amendment. I very much appreciate that. I hope that when the Inspector General report comes back 6 months from now that the next Congress will take steps to take away this opportunity for fraud.

Mr. OXLEY. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of Mississippi. I yield to the gentleman from Ohio.

Mr. OXLEY. Mr. Chairman, I appreciate the gentleman yielding and also say to my friend from Mississippi, congratulations on a well-thought-out amendment. I know the gentleman has had personal issues with this, as well as our good friend, former House Member Senator LOTT; and we have had a number of discussions about the frustration that you and many of your constituents feel.

We think that it is appropriate that the IG conduct that investigation and report back within 6 months, and therefore we are prepared to accept the amendment.

Mr. TAYLOR of Mississippi. Again, Mr. Chairman, I very much thank the gentleman from Ohio, and I thank the gentleman from Massachusetts.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi (Mr. TAYLOR).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 5 printed in House Report 109–530.

AMENDMENT NO. 6 OFFERED BY MR. PICKERING

The CHAIRMAN. It is now in order to consider amendment No. 6 printed in House Report 109–530.

Mr. PICKERING. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mr. PICKERING:

Page 10, line 16, strike "**REDUCTION OF**".

Page 10, line 18, before "Section" insert "(a) REDUCTION.—".

Page 10, after line 18, insert the following new subsection:

(b) EXCEPTION.—Section 1306(c)(2)(A) of the National Flood Insurance Act of 1968 (42 U.S.C. 4013(c)(2)(A)) is amended by inserting before the semicolon the following: "or is in connection with the purchase or other transfer of the property for which the coverage is provided (regardless of whether a loan is involved in the purchase or transfer transaction)".

The CHAIRMAN. Pursuant to House Resolution 891, the gentleman from Mississippi (Mr. PICKERING) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Mississippi.

Mr. PICKERING. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my amendment will simply allow the flood insurance coverage to become effective immediately upon the purchase or transfer of real property for which coverage is provided without regard to the financial mechanism used to purchase such property.

In sum, whether you buy using a loan as a mechanism of purchase or if you make a cash purchase of the property, what we discovered after Katrina is that some individuals had purchased a home using full payment, cash, and not using a loan, thinking that they would have the coverage of the flood insurance. They came to discover that unless it was through a loan mechanism, they would not be eligible for that coverage.

So this simply closes the loophole that has been discovered in the aftermath of Katrina, without undoing the congressional intent of protecting against the fraud or the actions of people who just go out to buy coverage when a hurricane or a flood warning comes. It is only with the purchase and the transfer of property that they are able to purchase the flood insurance. But it makes the policy clear, whether you are buying with cash or by loan, you will be able to have the protection that you believe you have a right to and are entitled to and assume that you would have in the event of a disaster.

I want to thank the committee for working with me and my staff as we close this loophole and would ask for their support as we go forward in this amendment. Again, I thank them for their cooperation as we went through the policy.

Mr. OXLEY. Mr. Chairman, will the gentleman yield?

Mr. PICKERING. I yield to the gentleman from Ohio.

Mr. OXLEY. Mr. Chairman, we are pleased to accept the amendment. I congratulate the gentleman on his foresight. We are prepared to vote in favor of the amendment.

Mr. PICKERING. Mr. Chairman, I yield back the balance of my time.

The Acting CHAIRMAN (Mr. BONILLA). The question is on the amendment offered by the gentleman from Mississippi (Mr. PICKERING).

The amendment was agreed to.

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AMENDMENT NO. 7 OFFERED BY MS. MATSUI

The Acting CHAIRMAN. It is now in order to consider amendment No. 7 printed in House Report 109–530.

Ms. MATSUI. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 7 offered by Ms. MATSUI:

Page 23, line 13, strike "and".

Page 23, line 19, strike the final period and insert "; and".

Page 23, after line 19 insert the following:

"(C) ensure that emerging weather forecasting technology is used, where practicable, in flood map evaluations and the identification of potential risk areas.".

The Acting CHAIRMAN. Pursuant to House Resolution 891, the gentlewoman from California (Ms. MATSUI) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from California.

Ms. MATSUI. Mr. Chairman, I yield myself such time as I may consume.

My amendment, Mr. Chairman, simply asks that FEMA utilize emerging weather forecasting technology as they update our national flood maps. Applying such technologies gives us new

ways to solve old problems and address rising challenges. FEMA needs to be prepared to utilize this technology as it becomes more available to us.

This amendment makes sense. It will ensure that FEMA has the highest quality information when it works to determine the level of risk for vulnerable geographies. This language would not impose any additional financial burdens on FEMA.

As a member of the Science Committee, I made it one of my priorities to find ways to integrate emerging technologies into complex policy initiatives.

Mr. Chairman, I ask my colleagues to support my amendment.

Mr. OXLEY. Mr. Chairman, will the gentlewoman yield?

Ms. MATSUI. I yield to the gentleman from Ohio.

Mr. OXLEY. Mr. Chairman, the Chair is prepared to accept the amendment. I want to thank the gentlewoman for her foresight and also for merging this new technology with the ability of FEMA to make better and more accurate mapping.

Ms. MATSUI. Mr. Chairman, reclaiming my time, I thank the gentleman very much for supporting my amendment.

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

The Acting CHAIRMAN. The question is on the amendment offered by the gentlewoman from California (Ms. MATSUI).

The amendment was agreed to.

AMENDMENT NO. 8 OFFERED BY MS. EDDIE BERNICE JOHNSON OF TEXAS

The Acting CHAIRMAN. It is now in order to consider amendment No. 8 printed in House Report 109–530.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 offered by Ms. EDDIE BERNICE JOHNSON of Texas:

Page 24, after line 6 insert the following new paragraph:

''(5) EDUCATION PROGRAM.—The Director shall, after each update to a flood insurance program rate map, in consultation with the chief executive officer of each community affected by the update, conduct a program to educate each such community about the update to the flood insurance program rate map and the effects of the update.''.

Page 24, line 7, redesignate paragraph (5) as paragraph (6).

Page 24, line 18, redesignate paragraph (6) as paragraph (7).

The Acting CHAIRMAN. Pursuant to House Resolution 891, the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Texas.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, last year, our Nation was devastated with a series of natural disasters that negatively impacted our economic and social structures. The South especially incurred severe flood damage to their infrastructure and local communities. The floods varied from severe, slow and fast rising but were consistent in destroying people's homes and businesses.

This past hurricane season brought forth a series of catastrophes that devastated southern communities, injuring people's livelihoods and souls. The wave of destruction was insurmountable to none ever experienced.

The amendment that I have, Mr. Chairman, is to amend the Act simply to indicate the responsibility we feel that FEMA has to reach out and educate our communities.

FEMA uses the information produced by the flood insurance studies to prepare a flood insurance rate map that depicts the spatial extent of special flood hazard areas and our thematic features related to flood risk assessment.

The rate map is the basis for floodplain management, mitigation and insurance activities of the insurance program. As a result, flood risks have been assessed at approximately 20,400 communities nationwide.

As it stands, FEMA currently has a regulatory function that calls for communities to implement local outreach. However, no such function exists to mitigate any outreach responsibility on FEMA. Neither the code nor the regulations require FEMA to proactively implement outreach programs to educate local landowners.

In response to this oversight, I offer this amendment that requires FEMA to conduct educational programs to better inform local communities of changes made in the flood insurance map.

Currently, H.R. 4973, the Flood Insurance Reform and Modernization Act of 2006, lacks a mandate that calls for FEMA to implement the initiatives necessary to reach out to local communities and educate property owners who are affected by the map update. Many homeowners do not know about changes in the map. The only thing they know is that, after they have suffered a severe flood, they are not covered.

I think this amendment is a necessary step to ensure that FEMA is made responsible to make the vital information available to everyone who might be a flood victim. I believe that this is a necessary step to protect the lives of innocent people who have no choice but to rely on this congressional body to implement necessary safeguards that protects their well-being.

I urge adoption of this amendment.

Mr. OXLEY. Mr. Chairman, will the gentlewoman yield?

Ms. EDDIE BERNICE JOHNSON of Texas. I yield to the gentleman from Ohio.

Mr. OXLEY. Mr. Chairman, we have reviewed the amendment and are prepared to accept it.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, I thank the gentleman very much.

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

The Acting CHAIRMAN. The question is on the amendment offered by the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON).

The amendment was agreed to.

Mr. OXLEY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mrs. MILLER of Michigan) having assumed the chair, Mr. BONILLA, Acting Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4973) to restore the financial solvency of the national flood insurance program, and for other purposes, had come to no resolution thereon.

PERMISSION TO OFFER AMENDMENT NO. 5 OUT OF SEQUENCE DURING FURTHER CONSIDERATION OF H.R. 4973, FLOOD INSURANCE REFORM AND MODERNIZATION ACT OF 2006

Ms. JACKSON-LEE of Texas. Madam Speaker, I ask unanimous consent that, during further consideration of H.R. 4973 pursuant to H. Res. 891, I may offer amendment No. 5 out of sequence.

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

There was no objection.

FLOOD INSURANCE REFORM AND MODERNIZATION ACT OF 2006

The SPEAKER pro tempore. Pursuant to House Resolution 891 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4973.

□ 1511

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4973) to restore the financial solvency of the national flood insurance program, and for other purposes, with Mr. BONILLA (Acting Chairman) in the chair.

The Clerk read the title of the bill.

The Acting CHAIRMAN. When the Committee of the Whole rose earlier today, amendment No. 8 printed in House Report 109–530 offered by the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON) had been disposed of.

AMENDMENT NO. 5 OFFERED BY MS. JACKSON-LEE OF TEXAS

The Acting CHAIRMAN. It is now in order to consider amendment No. 5 printed in House Report 109–530.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Ms. JACKSON-LEE of Texas:

Page 5, line 24, strike ''and''.

Page 6, line 4, strike the period and insert ''; and''.

Page 6, after line 4, insert the following:

(E) the extent to which eligibility standards for pre-FIRM properties were inconsistent and resulted in disparities in coverage among such properties.

The Acting CHAIRMAN. Pursuant to House Resolution 891, the gentlewoman from Texas (Ms. JACKSON-LEE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the chairman very much. I thank the Speaker, and I thank this extraordinary effort on behalf of my amendment.

My amendment includes a provision to the Government Accountability Study on the status of the National Flood Insurance Program before the changes that will be in effect with the enactment of this Act.

This amendment seeks to identify any inconsistencies in eligibility standards for coverage.

As I said earlier, this is an enormous step toward helping homeowners get out of poverty when they lose everything. Insurance is just that.

I thank Mr. BAKER, I thank Mr. OXLEY of the full committee, Mr. FRANK of the full committee, the ranking member of the subcommittee, Ms. WATERS, and the chairman of the subcommittee, Mr. NEY. This had to be a yeoman's task of bipartisan effort. And all of my other colleagues on the jurisdiction.

And might I just add, I thank Mr. FRANK for including my eminent domain amendment in previous legislation on this issue dealing with Katrina, but the overall question of flooding. This bill develops an appropriate reform on the demands on flood insurance in times of natural disaster, such as what we saw with Hurricanes Katrina and Rita.

The Government can serve a crucial role in the ability of our Nation to be resilient to natural disaster. This program, for instance, provides for properties located in low to moderate risk areas to be eligible to purchase flood insurance policies for premiums as low as $112.

With FEMA being led by a new director, and knowing that under Homeland Security, a committee that I sit on, that we want to reform, we want to make this system work for those who have experienced a disaster, then this legislation is a step toward making it work.

In 1968, Congress created the National Flood Insurance Program in response to the rising costs of taxpayer-funded disaster relief for flood victims and the increasing amount of damage caused by floods. The NFIP makes federally backed flood insurance available in communities that agree to adopt and enforce the floodplain's management ordnances to reduce future flood damage.

□ 1515

The NFIP is self-supporting for the average historical loss year. This means that, unless there is a widespread disaster, operating expenses and flood insurance claims are financed through premiums collected.

According to a RAND Corporation study conducted for the Federal Emergency Management Agency, nationwide about 49 percent of single family homes in special flood hazard areas are covered by flood insurance from the National Flood Insurance Program. In the South and West, the percentage is higher, about 60 percent. However, outside of the high-risk areas there is a steep drop-off in coverage. Only about 1 percent of homeowners purchase flood insurance in these low-risk areas.

We can see by what is happening in this region, in the Maryland, Washington, Virginia region, that we need to have a sensitivity to the need for flood insurance because we cannot predict the weather. My district in Harris County had only a 25 percent market penetration rate, which means that only one in four households was covered with a flood insurance plan. Given the extent of damage and flooding from circumstances as extreme as Hurricanes Katrina and Rita and as common as our recent storms last week, this rate is unsustainable for my constituents and others around the Nation.

As we all know, many Members of Congress have been fighting to make their constituents whole, and so we know that it has been important to understand what happened.

It is important to remember that often residents will not receive Federal aid for flooding in the disaster area, but, on average, households can receive $700 from organizations such as the Red Cross, but this amount is clearly not enough.

So this particular amendment requires the GAO to establish the extent to which eligibility standards for pre-FIRM properties were inconsistent and resulted in disparities in coverage among such properties and their owners. That can be a narrow and selective study so we can have this as part of the larger report. The intent is to discover whether or not the application of eligibility standards remained consistent and, if not, whether some homeowners who should have been eligible for flood insurance did not receive it.

We hope with this amendment that the GAO study will be able to answer the following question: Has there ever been a case where someone should have gotten insurance but did not?

A small, isolated selection of cases will help bring about this very important data and add to this legislation and add to the studies that are necessary to make hard-working homeowners and others who desire the American dream to be made whole in the face of terrible disasters.

With that, I would ask my colleagues to support this amendment.

My amendment includes a provision to the Government Accountability Study on the status of the national flood insurance program before the changes that will be in effect with the enactment of this act. This amendment seeks to identify any inconsistencies in eligibility standard for coverage.

First, let me say that I applaud Mr. BAKER, Mr. FRANK, and my other colleagues on committees of jurisdiction who developed a bill that appropriately addresses the demands on flood insurance in times of natural disaster, such as what we saw with Hurricanes Katrina and Rita. The government can serve a crucial role in the ability of our Nation to be resilient to natural disaster. This program, for instance, provides for properties located in low-to-moderate risk areas to be eligible to purchase flood insurance policies with premiums as low as $112.

In 1968 Congress created the National Flood Insurance Program (NFIP) in response to the rising cost of taxpayer-funded disaster relief for flood victims and the increasing amount of damage caused by floods. The NFIP makes Federally backed flood insurance available in communities that agree to adopt and enforce floodplain management ordinances to reduce future flood damage. The NFIP is self-supporting for the average historical loss year. This means that unless there is a widespread disaster, operating expenses and flood insurance claims are financed through premiums collected.

According to a RAND Corporation study conducted for the Federal Emergency Management Agency (FEMA), nationwide about 49 percent of single-family homes in special flood hazard areas (SFHAs) are covered by flood insurance from the National Flood Insurance Program. In the South and West the percentage is higher, about 60 percent. However, outside of the high risk areas there is a steep drop-off in coverage. Only about one percent of homeowners purchase flood insurance in these low risk areas.

My district in Harris County, Texas, had only a 25 percent market penetration rate, which means that only 1 in 4 households was covered with a flood insurance plan. Given the extent of damage and flooding from circumstances as extreme as Hurricanes Katrina and Rita, and as common as our recent storms last week, this rate is unsustainable for my constituents, let alone for their local governments.

It is important to remember that often, residents won't receive Federal aid for flooding or other natural disaster damage if the area is not declared a disaster area. On average, households can receive $700 from organizations such as the Red Cross—but this amount clearly won't cover the full cost of the damage.

Nationwide, flash flooding is the leading cause of weather-related deaths in the U.S.—approximately 200 deaths per year.

Implicit in the reforms established in this bill, however, is the need for an honest and transparent government process. My amendment contributes language to the GAO study analyzing the pre-FIRM (Flood Insurance Reform and Modernization Act) properties and mandatory purchase requirements for natural 100-year floodplain and non-Federally related loans.

Specifically, my amendment requires the GAO to determine the extent to which eligibility standards for pre-FIRM properties were inconsistent and resulted in disparities in coverage among such properties and their owners. The intent is to discover whether or not the application of eligibility standards remained consistent, and if not, whether some homeowners who should have been eligible for flood coverage did not receive it. With this amendment, I hope the GAO will be able to answer the following question: Has there ever been the case where someone should have gotten insurance, but didn't?

I urge my colleagues to support this amendment and support effectively reforming the National Flood Insurance Program.

Mr. OXLEY. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Ohio.

Mr. OXLEY. Mr. Chairman, we are prepared to accept the amendment on this side.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Me, too.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the distinguished gentlemen, both, and in fact, Mr. Chairman, with great appreciation for both of you for this deference to me today.

Mr. Chairman, I yield back my time.

The Acting CHAIRMAN. The question is on the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE).

The amendment was agreed to.

AMENDMENT NO. 9 OFFERED BY MS. MATSUI

The Acting CHAIRMAN. It is now in order to consider amendment No. 9 printed in House Report 109–530.

Ms. MATSUI. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 9 offered by Ms. MATSUI:

Page 29, after line 2, insert the following new subsection:

(e) GAO STUDY OF LOW-INCOME DISCOUNT.—

(1) IN GENERAL.—The Comptroller General of the United States shall conduct a study of potential methods, practices, and incentives that would increase the extent to which low-income families (as such term is defined in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b))) that own residential properties located within areas having special flood hazards purchase flood insurance coverage under the national flood insurance program. In conducting the study the Comptroller General shall analyze—

(A) the feasibility and effectiveness of providing such coverage to low-income families at rates that are discounted from the rates at which such coverage is otherwise provided, the amounts by which such rates should be discounted to ensure that coverage is affordable to such families and to encourage purchase of coverage by such families, and the effects of such discounts on the national flood insurance program; and

(B) the extent to which residential properties occupied by low-income families would be affected by expanding the mandatory purchase requirements of the national flood insurance program to the areas included in the national flood insurance program rate maps pursuant to section 1360(k) of the National Flood Insurance Act of 1968 (42 U.S.C. 4101(k)), as amended by subsection (a) of this section.

(2) REPORT.—The Comptroller General shall submit to the Congress a report setting forth the conclusions of the study under this subsection not later than 12 months after the date of the enactment of this Act.

The Acting CHAIRMAN. Pursuant to House Resolution 891, the gentlewoman from California (Ms. MATSUI) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from California.

Ms. MATSUI. Mr. Chairman I yield myself 1½ minutes.

Mr. Chairman, this amendment directs the GAO to study potential methods, practices and incentives that would increase the degree to which low-income property owners living in high-risk locations participate in the National Flood Insurance Program.

I am joined in offering this amendment by two of my colleagues from Texas, Representative GENE GREEN and RUBEN HINOJOSA. I thank them for supporting this amendment. This is an important issue for our districts, but I think this is an equally important issue for Congress to consider.

Most of the amendments we are considering address the impact of the pending updates of our national flood maps on property owners.

It is difficult to craft a policy or an approach when you are missing the correlative information. In this case, the revised flood maps.

We will reauthorize NFIP in 2008. Anticipating the degree to which these new maps will affect low-income property owners' participation in the National Flood Insurance Program is a good and necessary first step toward writing that legislation.

I want to take this opportunity to begin to address the needs of low-income individuals who live in the floodplains or in high-risk flooding areas now.

This amendment will ensure today's legislation will provide us with the information required to plan for the future of the flood insurance program. This is responsible and forward-looking policy, and I hope my colleagues will be able to support our amendment.

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

Mr. OXLEY. I am not going to claim opposition because we support the amendment. I would just say to the gentlewoman, we are pleased to accept her amendment.

Ms. MATSUI. Thank you.

I have two additional speakers to speak on this.

Mr. Chairman, I yield 1½ minutes to my colleague from Texas (Mr. HINOJOSA).

Mr. HINOJOSA. Mr. Chairman, I rise in strong support of the Matsui/Hinojosa/Gene Green amendment to H.R. 4973.

I want to thank my colleagues, Congresswoman MATSUI and Congressman GENE GREEN, and their staff for collaborating with me on this amendment.

This amendment will protect the ability of low-income individuals to purchase a home once the 500-year plain mapping section of this legislation has been completed.

Should it occur in the future, mandating flood insurance coverage for all those that fall in the 500-year floodplain map will add an additional burden to low-income individuals throughout the United States that might make them unable to afford a home.

I hasten to note that, in all likelihood, the majority of the United States will fall within these new borders. Such insurance requirements will tip the scale in the wrong direction, and low-income individuals will lose their home-buying power and be once again penalized more than those most fortunate in America.

This amendment's study will help ensure that low-income individuals receive the help they need when the 500-year floodplain maps are drawn.

I strongly encourage all of my colleagues to support this amendment.

Ms. MATSUI. Mr. Chairman, I yield 1½ minutes to my other colleague from Texas who is cosponsoring, Mr. GENE GREEN.

Mr. GENE GREEN of Texas. Mr. Chairman, I thank my colleague from California and my colleague from Texas for working with us on this amendment.

I rise in support of the Matsui-Hinojosa-Green amendment to the Flood Insurance Reform Act. The amendment addresses an issue that I have been concerned with for a very long time.

Our district has a per capita income of $12,000 per year, with over 20 percent of the residents in poverty. Over one-third of our households are worth less than $100,000. Many of these households are senior citizens on fixed incomes.

These families and households know the dangers of flooding in the Houston area. They want to protect themselves, and we recently had severe flooding with hundreds of homes with several inches of water.

Some Members in Congress act like it is the victim's fault when their houses flood, but these critics do not realize that many people did not move to the floodplains, the floodplains are moving to them.

When we redraw the flood maps, thousands of people are suddenly required to pay hundreds of thousands of dollars in flood insurance. If they not afford to pay, they sometimes lose their mortgage and their house, or when it floods, they can lose all of their property.

It is not fair to evict low-income people from homes that they have been making payments on for years. It would also not be fair to deny Federal disaster assistance to seniors who

could not afford the flood insurance when they suddenly were required to have it.

The 100-year floodplains in Houston and Harris County and across the country, at least our area, have been expanding rapidly. Many of my constituents have been living outside the floodplain for decades. This year they are going to be suddenly redrawn into the 100-year floodplain and required to buy flood insurance.

I believe they should buy flood insurance, and we should encourage low-income people to voluntarily buy flood insurance, also. However, when we are going to impose a new Federal financial burden on low-income folks who have managed against the odds to own their own home, I think we should keep those premiums affordable.

Mr. Chairman, I would hope that we would support this amendment so we could actually have the study.

This legislation is going to increase the rate of premium increases from 10 percent to 15 percent, due to the recent losses to the program.

In return, I think it should also show compassion to low-income homeowners who may be threatened with the loss of their home due to a new flood insurance rate map.

Unfortunately my bill that was redrafted as an amendment to this legislation to provide a discount to low-value homes was not accepted.

As a result, I ask Members to support the Matsui-Hinojosa-Green amendment to require the GAO to determine the best ways to increase flood insurance participation for low-income homeowners, both in voluntary and mandatory programs.

When we reauthorize the NFIP again in 2008, we will need to address this issue, because we do not want the Flood Insurance Reform Act to become the Low-Income Homeowner Eviction Act.

Ms. MATSUI. Mr. Chairman, I yield myself the remaining time.

We direct GAO to report this study to Congress no later than one year after enactment of this legislation, but I want to make so clear, the sooner we have this report the better.

Mr. Chairman, I thank you and my colleagues from Texas for your support on this amendment.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentlewoman yield?

Ms. MATSUI. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I will just say that it would certainly be my intention and I think that of whoever the successor is to my friend from Ohio will be next year to take this seriously; that is, this is a study that will not simply languish.

I think it has been indicated there are some concerns about the impact of a fully fiscally responsible program on people, low-income homeowners, and that will be helpful as we try to work out an approach to that.

The Acting CHAIRMAN. The question is on the amendment offered by the gentlewoman from California (Ms. MATSUI).

The amendment was agreed to.

AMENDMENT NO. 10 OFFERED BY MR. RUPPERSBERGER

The Acting CHAIRMAN. It is now in order to consider amendment No. 10 printed in House Report 109–530.

Mr. RUPPERSBERGER. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 10 offered by Mr. RUPPERSBERGER:

Page 29, line 16, insert before ''issue regulations'' the following: ''in plain language using easy to understand terms and concepts,''.

Page 29, line 20, insert before ''revise any'' the following: ''in plain language using easy to understand terms and concepts,''.

Page 30, line 2, strike ''and''.

Page 30, line 11, strike the final period and insert ''; and''.

Page 30, after line 11, insert the following new paragraph:

(4) include in each standard flood insurance policy a one-page description of the policy using plain language and easy to understand terms and concepts.

The Acting CHAIRMAN. Pursuant to House Resolution 891, the gentleman from Maryland (Mr. RUPPERSBERGER) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Maryland.

Mr. RUPPERSBERGER. Mr. Chairman, I yield myself as much time as I may consume.

First, let me say that this amendment is very direct and simple. All it does is require the FEMA director to use plain language and easy to understand terms when issuing regulations and revising materials and publications for policyholders regarding insurance coverage in standard flood insurance policies.

This issue hits very close to home for me and several Members of the House. On September 18, 2003, Hurricane Isabel made landfall at the Outer Banks of North Carolina as a Category 2 hurricane. Over the next 24 hours, the hurricane moved across southern Virginia, into Western Pennsylvania and Maryland. The storm surge in the Chesapeake Bay area surrounding Baltimore was 6 to 8 feet above normal levels.

Even though Isabel was only a Category 2 when making landfall, the hurricane was directly or indirectly responsible for 50 deaths, including 7 in Maryland. The hurricane caused approximately $410 million in insured property damage in Maryland alone, with the number even higher when including uninsured property damage.

In my district alone, several hundred of my constituents lost their homes and everything they owned due to the flooding.

People who lost everything have to pick themselves up and try to rebuild if they can. Many hurricane victims thought they had the right insurance and were covered for these losses. They were wrong.

Hundreds who thought they were covered discovered that they did not have the proper coverage. They thought they understood their policies and what they were covered for. They did not.

It was the technical nature of the policy documents and materials that were provided to these people that led to their confusion.

My amendment seeks to remedy this situation so that, in the future, flood insurance policyholders will have a better understanding of what exactly their policy covers. We need to do that. We need to do what we can to make it crystal clear to policyholders what they are signing up for.

My amendment will not rebuild houses or levees, but it is my hope that this amendment will help people better understand their policies and the National Flood Insurance Program so they are better prepared in the future. Our constituents deserve it, and I urge my colleagues to support this amendment.

Mr. OXLEY. Mr. Chairman, will the gentleman yield?

Mr. RUPPERSBERGER. I yield to the gentleman from Ohio.

Mr. OXLEY. Mr. Chairman, I thank the gentleman for yielding. We are prepared to accept the amendment on this side.

Mr. RUPPERSBERGER. Thank you, Mr. Chairman.

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

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. RUPPERSBERGER).

The amendment was agreed to.

AMENDMENT NO. 11 OFFERED BY MR. JINDAL

The Acting CHAIRMAN. It is now in order to consider amendment No. 11 printed in House Report 109–530.

Mr. JINDAL. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 11 offered by Mr. JINDAL:

At the end of the bill, add the following new section (and conform the table of contents accordingly):

SEC. 20. ELIGIBILITY OF PROPERTY DEMOLITION AND REBUILDING FOR MITIGATION ASSISTANCE PROGRAM.

Section 1366(e)(5)(B) of the National Flood Insurance Act of 1968 (42 U.S.C. 4104c(e)(5)(B)) is amended by inserting after ''flood risk'' the following: '', or the demolition and rebuilding of structures located in such areas to at least Base Flood Elevation or any greater elevation required by any local ordinance''.

The Acting CHAIRMAN. Pursuant to House Resolution 891, the gentleman from Louisiana (Mr. JINDAL) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Louisiana.

Mr. JINDAL. Mr. Chairman, I yield myself such time as I may consume.

Hurricanes Katrina and Rita impacted hundreds of thousands of individuals and caused billions of dollars in

damage to public and private property. However, in the greater New Orleans area, directly in the path of the hurricane, Hurricane Katrina, 63 mitigated private residences survived the hurricane and did not flood despite being surrounded by properties receiving 3 to 4 feet of water from levee breaches.

□ 1530

In 2004, these properties were demolished and rebuilt in place to higher code-compliant standards under an authorized pilot program for mitigation of severe repetitive-loss properties. It is estimated that total benefits to the Nation of mitigation grants between mid-1993 and mid-2003 yielded $14 billion in savings at a cost of $3.5 billion, presenting an overall benefit-to-cost ratio of 4.0.

Despite clear cost savings stemming from predisaster mitigation efforts, FEMA has failed to include intrinsic project eligibility criteria from its widely successful 2004 severe repetitive-loss pilot program into its national Flood Mitigation Assistance grant program. Many communities are interested in buying out repetitively flooded properties, but other communities and property owners are interested in measures that retain affordable housing and private ownership.

The list of eligible activities under FEMA does not include demolition and rebuilding, and FEMA has interpreted this omission as a statutory limitation, despite language that allows approval of other activities not explicitly described in the National Flood Insurance Reform Act of 1994.

My amendment is fairly straightforward. It merely clarifies that demolition and rebuilding should be a mitigation option available under the regular Flood Mitigation Assistance program. The demolition and rebuilding option is specifically allowed under the Severe Repetitive Loss Program created by the Flood Insurance Reform Act of 2004 and FEMA has interpreted the difference to mean it cannot approve the measure under FMA. This creates unnecessary confusion, restricted options at local government levels, and a waste of taxpayer money.

Mr. OXLEY. Mr. Chairman, will the gentleman yield?

Mr. JINDAL. I yield to the gentleman from Ohio.

Mr. OXLEY. Mr. Chairman, we are prepared to accept the amendment.

Mr. JINDAL. I thank the chairman and the ranking member for their support.

Mr. FRANK of Massachusetts. If the gentleman would yield, I am perfectly prepared to offer support subsequent to the thanks. Sequence doesn't seem important.

Mr. JINDAL. I thank the gentleman, and I want to thank the chairman and the ranking member for their work on this amendment.

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

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana (Mr. JINDAL).

The amendment was agreed to.

AMENDMENT NO. 12 OFFERED BY MRS. JO ANN DAVIS OF VIRGINIA

The Acting CHAIRMAN. It is now in order to consider amendment No. 12 printed in House Report 109–530.

Mrs. JO ANN DAVIS of Virginia. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 12 offered by Mrs. JO ANN DAVIS of Virginia:

At the end of the bill, add the following new section:

SECTION 20. SAMPLING METHODS FOR QUALITY ASSURANCE.

Section 1345 of the National Flood Insurance Act of 1968 (42 U.S.C. 4081) is amended by adding at the end the following new subsection:

''(d) SAMPLING METHODS FOR QUALITY ASSURANCE.—In selecting the cases and claims for operational reviews and claims re-inspections regarding the national flood insurance program under this title, the Director shall use a statistically valid probability sample whose results can be generalized to the entire population of reviews and claims from which the sample is drawn and whose sampling error can be quantified.''.

The Acting CHAIRMAN. Pursuant to House Resolution 891, the gentlewoman from Virginia (Mrs. JO ANN DAVIS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Virginia.

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

I want to thank the Financial Services Committee under Chairman OXLEY, Representative BAKER and Representative NEY, and their leadership in taking aggressive action to address the long-term financial security and management of the National Flood Insurance Program.

After Hurricane Isabel struck my district in 2003, I have watched as many of my constituents have struggled to rebuild their lives. My heart goes out to all those along the gulf coast as they face the monumental task of rebuilding as well.

I still have concerns with oversight policies of the National Flood Insurance Program. Thousands trust and rely on their flood insurance to restore property destroyed by flood waters. However, many have been disappointed to find that the claims adjustment process is unfair and inadequate.

Although the NFIP falls under FEMA, the majority of flood insurance policies are sold and administered by private insurance agencies. Most of the management and oversight functions have been contracted to the Computer Sciences Corporation, CSC. As a result, billions of dollars in policyholders' premiums and, ultimately the borrowing authority of the United States Treasury, pass through a few hands.

I believe that lack of oversight by FEMA has resulted in mismanaged and underpaid claims. A 2005 GAO study highlighted FEMA's oversight failures, stating that FEMA did not use a statistically valid method for sampling files to be reviewed in monitoring and oversight activities. As a result, FEMA cannot determine the overall accuracy of claims settled for specific flood events or assess the overall performance of insurance companies and adjustors in fulfilling their responsibilities to the NFIP.

This amendment is in line with GAO's recommendation and would direct FEMA to utilize a statistically appropriate sampling method for claims reviews and quality assurance purposes. I offer this amendment to improve the oversight of the National Flood Insurance Program.

My constituents, flood victims in Louisiana, Mississippi, Alabama, Texas, and Florida, and the American taxpayer deserve it; and I urge my colleagues to support this amendment.

Mr. OXLEY. Mr. Chairman, will the gentlewoman yield?

Mrs. JO ANN DAVIS of Virginia. I yield to the gentleman from Ohio.

Mr. OXLEY. Mr. Chairman, we are prepared to accept the amendment and congratulate the gentlewoman on her foresight and her amendment.

Mr. FRANK of Massachusetts. If the gentlewoman would continue to yield, we also find the amendment very acceptable.

Mrs. JO ANN DAVIS of Virginia. I thank my colleagues.

Mr. Chairman, I yield back.

The Acting CHAIRMAN. The question is on the amendment offered by the gentlewoman from Virginia (Mrs. JO ANN DAVIS).

The amendment was agreed to.

AMENDMENT NO. 13 OFFERED BY MRS. JO ANN DAVIS OF VIRGINIA

The Acting CHAIRMAN. It is now in order to consider amendment No. 13 printed in House Report 109–530.

Mrs. JO ANN DAVIS of Virginia. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 13 offered by Mrs. JO ANN DAVIS of Virginia:

At the end of the bill, add the following new section:

SEC. 20. EXTENSION OF DEADLINE FOR FILING PROOF OF LOSS.

(a) IN GENERAL.—Section 1312 of the National Flood Insurance Act of 1968 (42 U.S.C. 4019) is amended—

(1) by inserting ''(a) PAYMENT.—'' before ''The Director''; and

(2) by adding at the end the following new subsection:

''(b) FILING DEADLINE FOR PROOF OF LOSS.—

''(1) IN GENERAL.—In establishing any requirements regarding notification, proof, or approval of claims for damage to or loss of property which is covered by flood insurance made available under this title, the Director may not require an insured to notify the Director of such damage or loss, submit a claim for such damage or loss, or certify to or submit proof of such damage or loss, before the expiration of the 180-day period that

begins on the date that such damage or loss occurred.

''(2) EXCEPTIONS.—Notwithstanding any deadline established in accordance with paragraph (1), the Director may not deny a claim for damage or loss described in such paragraph solely for failure to meet such deadline if the insured demonstrates any good cause for such failure.''.

(b) APPLICABILITY.—Subsection (b) of section 1312 of the National Flood Insurance Act of 1968, as added by subsection (a)(2) of this section, shall apply with respect to any claim under which the damage to or loss of property occurred on or after September 18, 2003.

The Acting CHAIRMAN. Pursuant to House Resolution 891, the gentlewoman from Virginia (Mrs. JO ANN DAVIS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Virginia.

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

Mr. Chairman, Hurricane Isabel struck the eastern United States in September of 2003, one of the worst disasters in Virginia history. The financial damages exceeded $1.5 billion. Winds destroyed homes, knocked down trees and power lines, leading to massive power outages. Large storm surges flooded homes and properties across eastern Virginia, Maryland, North Carolina, and Pennsylvania.

Many residents in my district, the First District of Virginia, are still struggling to rebuild following Hurricane Isabel which struck them in 2003. Some are still living in FEMA trailers. Many have been shattered to learn that flood insurance won't cover their losses.

I have spoken to many misled policyholders who had their claims mismanaged by the National Flood Insurance Program. Claimants were reportedly pressured to sign adjustors' proof of loss within 60 days of the flood, even though they believed that the adjustors had underestimated both the scope of damage and the associated cost of repairs to their properties.

My amendment would extend the proof-of-loss filing deadline to 180 days and should not be used as a technical basis to deny a claim, and make it retroactive to September 18, 2003 to provide much-needed relief for Isabel victims.

I urge my colleagues to support this amendment.

Mr. OXLEY. Mr. Chairman, will the gentlewoman yield?

Mrs. JO ANN DAVIS of Virginia. I yield to the gentleman from Ohio.

Mr. OXLEY. Mr. Chairman, once again, I am prepared to accept the gentlewoman's amendment.

Mr. FRANK of Massachusetts. If the gentlewoman will yield, we also accept the amendment.

Mrs. JO ANN DAVIS of Virginia. I thank my colleagues.

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

The Acting CHAIRMAN. The question is on the amendment offered by the gentlewoman from Virginia (Mrs. JO ANN DAVIS).

The amendment was agreed to.

AMENDMENT NO. 14 OFFERED BY MR. ROHRABACHER

The Acting CHAIRMAN. It is now in order to consider amendment No. 14 printed in House Report 109–530.

Mr. ROHRABACHER. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 14 offered by Mr. ROHRABACHER:

At the end of the bill, add the following new section:

SEC. 20. RATES FOR PROPERTY AFFECTED BY FEDERALLY FUNDED FLOOD CONTROL PROJECTS.

Section 1308 of the National Flood Insurance Act of 1968 (42 U.S.C. 4015) is amended by adding at the end the following new subsection:

''(g) EFFECT OF FLOOD CONTROL PROJECTS.—Notwithstanding any other provision of law, in any case where a flood control project constructed with Federal assistance causes a property to become at greater risk for a flood than before the construction of the project, the chargeable rate for the property shall be—

''(1) the rate that the Director would have prescribed under subsection (a) if the flood control project had not been constructed; or

''(2) in the case of property that would not have been considered part of a flood-risk zone prior to construction of the flood control project, zero dollars.''.

The Acting CHAIRMAN. Pursuant to House Resolution 891, the gentleman from California (Mr. ROHRABACHER) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, I rise to offer this amendment for the purpose of bringing equitable treatment to people who have inadvertently been made subject to the National Flood Insurance Program by the unintended consequences of a Federal flood control project.

This amendment protects families who have been included in a flood zone due to the completion of a Federal flood control project in Southern California. I have seen this situation firsthand, where homeowners were required to purchase flood insurance, even though the home in which they reside and have lived in for decades has never been subject to flood insurance before.

Ironically, this new flood insurance obligation came after the completion of a massive flood control project within sight of their own home. The Santa Ana River Mainstream Project is a multi-billion dollar Army Corps of Engineers flood control project in California's Orange and San Bernardino Counties. As a consequence of this Federal project, new flood maps were redrawn. These redrawn maps designated hundreds of households to be at risk of flooding which were not previously so classified. Many of these fixed-income residents cannot readily afford the newly required flood insurance and must choose between the new costly insurance and other necessities of life.

This downside, of course, does not diminish the tremendous good that has come from this and other flood control projects. In my district alone, the Santa Ana River Mainstream Project has made thousands of families safer and guarded billions of dollars' worth of homes and other properties from damage and destruction, all of this achieved by the Army Corps of Engineers on time and under budget. So I applaud the Army Corps' dedication and professionalism and would like to thank them for a job well done. Those people in the floodplain have seen their insurance bills eliminated or reduced.

That said, it is still important not to accomplish something good for many at the expense of a small, yet significant, part of our community. As I have said, for some local people, upon completion of the flood control project, their flood liability inexplicably shot sky high. My amendment addresses this unfortunate and unintended consequence.

Under my amendment, homeowners not included in a flood zone prior to a Federal project but who become included in a Federal flood zone because of that project will be issued flood insurance at no cost to them. Households that were included in a flood zone prior to a Federal project but are put at greater flood risk because of the project will be provided flood insurance at a price formula that was in place before the Federal project was completed.

This is the least we can do to help these people out, making them whole, due to their suffering from a Federal project, especially when we realize that their neighbors enjoy the benefits of this Federal project in the form of lower or no insurance premiums and end up with safer houses and safer homes.

Mr. Chairman, we shouldn't be making a small group bear a huge burden in order to accomplish something good. My amendment will prevent the unintended harm done to a few as a result of a flood control project aimed at helping many. So I ask my colleagues to support this fairness amendment.

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

Mr. FRANK of Massachusetts. Mr. Chairman, I claim the time in opposition.

The Acting CHAIRMAN. The gentleman from Massachusetts is recognized for 5 minutes.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

First, to the extent there is an issue here, it is being addressed in the wrong place, that is, if we have decided to get benefits from the Federal flood insurance program, any cost that accrues from that ought to be part of the flood control program. That is, it does not make sense from the budgetary standpoint to give a hit to the Federal flood

insurance program because of a Federal flood control program.

That is what this amendment does in this structure, that is, we pay for the Federal flood control program over here, and that will result in some people under this amendment now getting Federal flood insurance and not paying anything for it. It will, therefore, undercut our efforts to make the Federal flood insurance program a fiscally sound one.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from California.

Mr. ROHRABACHER. Do you think if we have imposed a liability on someone, and they have not in any way contributed to that, that we should then——

Mr. FRANK of Massachusetts. No, the gentleman misses my point entirely. I was talking now, assuming that point, as to where the compensation should come from. I do not think it is reasonable to charge the Federal flood insurance program. We have problems with Federal flood insurance.

If in fact the gentleman wants to pursue that principle, it ought to be with regard to the financing of the flood control programs. That is, if as a consequence of flood control there is going to be this problem, I do not think, Mr. Chairman, that we ought to charge the Flood insurance program with it.

The second thing I would say is that the gentleman talked about people on fixed incomes. Several times today in the amendment by the gentleman from New Jersey (Mr. GARRETT) and an amendment that was going to be offered by the gentleman from Texas (Mr. GREEN), the question of some special consideration for lower-income homeowners has come up. I am all in favor of that. I think we should go forward with that. I think we ought to be looking at some kind of relief for lower-income people, and I would include those who will be affected this way and others.

But where we are talking about people who are quite prosperous, the Federal flood control programs are done for a good reason; and it may be, by the way, that while, yes, you, as a result of the Federal flood control program have some more costs, you may also get some benefits. I don't think you can do a general principle in that. You may benefit.

But the main problem I have is this: the result of this amendment, if adopted, would be to weaken the principle of the fiscal balance and integrity of the flood insurance program.

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It would say that people would get flood insurance who were at risk of flooding and either pay nothing for it or pay far less than they should be. I hope this amendment is defeated.

I would then be glad to join the gentleman in talking to the committee of jurisdiction, to say when you are doing a flood control program take this into account, and maybe you want to put some funding into that. But I do not want to weaken the fiscal integrity of the flood insurance program.

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

Mr. ROHRABACHER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, we are not talking about establishing policy here. This is not the government's money or the program's money. We are talking about the people's money. The money comes directly from people's pockets. I personally think a lot of people out there will personally resent being called affluent or what you hinted at, more affluent people.

Let me note for my colleague many people affected by this are lower-middle-income people who live in trailers and the like. Why should we have these people pay a hefty penalty in order to help other people? All they know is that the Federal Government has established policies that end up costing them, perhaps the money they need for their children, perhaps the money they need for their grandchildren.

These are the policies we are establishing for a small group of people. That is unfair, and we should not condone those policies.

This will not put at risk the insurance program. It will make it fairer, and it will mean in the future that these things will have to be taken into consideration instead of just robbing some small group of citizens.

I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 1¼ minutes.

Mr. Chairman, once again, the gentleman totally misrepresents my argument. I didn't say everyone was affluent. I said, in fact, that those who are of low income ought to get the relief here, as they should elsewhere in the program. But some will be affluent. The point, however, is this.

If you give some people flood insurance for free, as this amendment would do, then everybody else who gets flood insurance pays for it. The flood insurance program is supposed to be self-financing, so it will result in increases in flood insurance premiums.

The gentleman said, if it is going to impose costs, that should be taken into account. That was precisely my original point. The costs to people who will now have a flood insurance obligation ought to be taken into account when you do the benefit/cost analysis of the flood control program. But that is not what happens.

Under the gentleman's amendment, we have two separate processes. You decide to do flood control; and then, having done flood control, if that results in some people having to pay flood insurance, the flood insurance program gets stuck with it. It has nothing to do with the financial side of flood control.

I agree we should look at that but from the same source the flood control programs come in. Telling everyone who now pays flood insurance premiums that they will be subsidizing these people is also an unfairness.

As the gentleman said, if you start this principle of I was here first and then the flood came, I don't know how extendable that would be. I think it is a mistake to set the precedent that some people will get flood insurance for nothing.

Mr. ROHRABACHER. Mr. Chairman, I yield myself my final 30 seconds.

Mr. Chairman, let me just note we have a chance to undo a grave injustice here. Some people, yes, have large homes. Some people have small homes who have been done this injustice.

It is wrong, it is unjust to take money from people and force them into a flood insurance program when they had bought their property based on totally different circumstances and we have changed the circumstances on them. This is not fair.

We have a chance to rectify it now. We can sit here and argue what budget it should come out of. That doesn't do them any good.

We need to try to rectify the situation for hundreds of homes in my area where the homeowners bought property knowing that it was not under flood risk, and we, through our actions, put them in jeopardy.

Mr. FRANK of Massachusetts. Mr. Chairman, how much time is remaining for me?

The Acting CHAIRMAN. Forty-five seconds remain.

Mr. FRANK of Massachusetts. I yield to the gentleman from Oregon.

The Acting CHAIRMAN. The gentleman is recognized for the remaining time.

Mr. BLUMENAUER. This is not a unique circumstance. What is happening is that, when you have a situation where development that might be federally financed, it might be a freeway project, it might be something in a military base, it might be something in a flood control, that changes the circumstance that results in people being in a flood plain.

Mr. FRANK's point is that, regardless of the program, are you going to have the Federal Government somehow pay, are you going to stick four million flood insurance premium payers to pay the cost of the military or of the Corps of Engineers or of the road project? His point is, you shouldn't stick four million innocent flood insurance premium payers.

If you want to set a standard that the Federal Government will pay for these, then go ahead and do that. Finance it separately, but don't stick innocent people who have flood insurance..

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from California Mr. ROHRABACHER).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mr. ROHRABACHER. Mr. Chairman, I demand a recorded vote, and pending

that, I make the point of order that a quorum is not present.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from California will be postponed.

The point of no quorum is considered withdrawn.

AMENDMENT NO. 15 OFFERED BY MR. PEARCE

The Acting CHAIRMAN. It is now in order to consider amendment No. 15 printed in House Report 109–530.

Mr. PEARCE. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 15 offered by Mr. PEARCE:

Page 9, line 6, strike ''AND TRANSITION.—'' and all that follows through ''EFFECTIVE DATE''.

Page 9, strike line 13 and all that follows through page 10, line 15.

The Acting CHAIRMAN. Pursuant to House Resolution 891, the gentleman from New Mexico (Mr. PEARCE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New Mexico.

Mr. PEARCE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to offer an amendment to the Flood Insurance Reform and Modernization Act, H.R. 4973.

Chairman BAKER's bill make some great strides in helping insure the stability of our Nation's flood insurance system, yet, like most legislation, there is room for improvement. For that reason, I am offering an amendment that helps insure the National Flood Insurance Program has the resources it needs to cover all its costs.

We have a duty to find savings wherever possible to make sure the National Flood Insurance Program has sufficient resources to cover all its costs by phasing out subsidies for pre-FIRM nonresidential properties, vacation and secondary homes. The committee has already agreed that these subsidies are a luxury we can no longer afford. I agree with the committee's premise that these subsidies should be eliminated.

However, I believe that we can go further and eliminate these subsidies now. We should not wait another half decade to restore fiscal responsibility to the program. When the next flood strikes, how will we explain to those who have lost everything that help is tight because we are still subsidizing someone's vacation home? In the wake of the Katrina disaster, with the flood insurance program facing liabilities of between 23 and $25 billion, why should we continue to subsidize flood insurance for vacation homes? My amendment will inject $335 million into the flood insurance program next year.

While the committee predicts that their phase-in saves $1.5 billion from 2007 to 2016, I respectfully submit that the Pearce amendment will save much more much sooner. While I respect my chairman's commitment to phasing out these subsidies, I believe we can and should, for the good of the program, eliminate them now.

I hope my colleagues will join me supporting this amendment to eliminate those costly subsidies and help bring the NFIP back into sound fiscal condition.

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

Mr. FRANK of Massachusetts. Mr. Chairman, I claim the time in opposition.

The Acting CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. FRANK of Massachusetts. Mr. Chairman, we debated earlier an amendment by the gentleman from New Jersey, which as adopted would put residential properties into the phase-in. This would take nonresidential properties and second homes out of the phase-in.

I believe it would be a mistake and could result in a severe economic shock to a number of communities. We are talking about, in the bill, accomplishing the goal that this amendment accomplishes.

The question is, how quickly do you do it? We have a phase-in to full actuarial rates at 15 percent a year. For some individuals who may own an isolated second home, that is one thing. We have many communities in this country where the basis of their economy is second homes, vacation homes and also facilities that service vacation homes. To immediately raise all the insurance rates on all of those properties in that community seems to me to subject them to an economic shock which is unwise.

The 15 percent rate, we think, is an unreasonable one. We are talking about a period of years, 5 or 6 years, before you get to the full amount.

But that is the issue. Do you go to these communities, and, again, we do have, and that has been one of the issues here, people who bought under certain assumptions, people who paid for property figuring a certain amount. Vacation homes is one thing. People brought commercial properties. People figured out, okay, I bought this property. This is how I am going to make my living. How can I make money on this? What is the cash flow?

And the insurance premiums are a part of it. To increase those insurance premiums in 1 year, without a phase-in, could threaten the viability from small businesses, small business people who have been careful about calculating their risk.

We have given them the 15 percent increase. There was obviously resistance to that. There were people in shoreline communities and vacation communities and elsewhere who don't like the notion of getting to actuarial soundness.

But to do it without any phase-in at all, to do it overnight, is a problem, not just for the second homes, and maybe people are less sympathetic to people's vacations, but with noncommercial property small business owners. You are talking about a significant, immediate significant increase in the insurance of small business owners. That seems to me an unwise thing for us to do when we can get there a little bit slower but get there with the phase-in.

I would remind people that, even with the phase-in, the Taxpayers Union, Citizens Against Government Waste support this bill. I do not think it is a mistake for us to be gradual, not taking forever, 5 or 6 years, in hitting business owners, small business owners with a very significant increase in their flood insurance.

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

Mr. PEARCE. Mr. Chairman, as I listen to the arguments of the other side, I would just note that the people in the Second District of New Mexico generally average under $30,000 a year net income; $70,000 would buy most homes in the Second District of New Mexico. To explain to those people why they are subsidizing vacation homes on coastlines, many times they are seeing on TV the same reports that I am seeing that someone with a 4 or $500,000 home gets to rebuild it multiple times. It is very difficult for me to explain that to my constituents. Just understand and appreciate the gentleman's argument that it could provide a severe economic impact.

Frankly, to tax the lower income people of the rest of the country to avoid those impacts seems to me that we are making choices that are not ours to make.

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

Mr. FRANK of Massachusetts. Mr. Chairman, first, you don't get $500,000. There is a cap.

Secondly, we do agree that people should reach to full actuarial amounts. It depends on when.

Third, I would say, every time something comes up, there are cost subsidies.

People in my district don't grow much corn or much wheat, and we pay some subsidies. There are people who don't have any public transportation, and they do.

This is one country. The government is not a supermarket where you go in and pay for only exactly what you buy off the shelf. There is some joint effort.

But the other problem is the gentleman from New Mexico has not described his amendment completely.

What about small business people, he says, second homes and other properties? You have that problem with people who have businesses. What do you do with smaller businesses, people who have brought businesses in these vacation areas who are trying to make a living and who made a calculation based on insurance? What about them? These are not necessarily fat guys. What do you do to them when you immediately and without any phase-in at

all give them what could be a very significant increase in their insurance?

So that is the problem that we have. That is where we have the difference with our friend from New Mexico, not simply with regard to the second home but to the businesses.

Mr. Chairman, I would reserve the balance of my time.

Mr. PEARCE. Mr. Chairman, you have heard the gentleman from Massachusetts speak against this amendment. He highlights his interest in preserving a phase-in period included in the underlying bill. I have the utmost respect for him, but I must disagree.

At a time when the flood insurance program system is facing record borrowing and interest payments, we have the responsibilities to remove luxuries from the program.

The final point we should make is simple. This amendment will result in an additional $335 million in premium payments to the flood insurance program. This will help preserve the financial stability of the program and reduce the burden on taxpayers. This is a good amendment, and I urge all my colleagues to vote ''yes.''

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

Mr. FRANK of Massachusetts. Mr. Chairman, I reserve the balance of my time.

Mr. PEARCE. Mr. Chairman, I yield back the balance of my time.

Mr. FRANK of Massachusetts. Mr. Chairman, there are two aspects that have to be considered, one, the impact on vacation communities. It is not only wealthy people. You are talking about the businesses, the hotel owners, the small business people, the restaurant owners, the rooming house owners. They would get a heavy impact here. Cumulatively, if you affect all the commercial property in one of these areas, then you will also affect the whole area.

The economic impact on small business people and on entire communities of a 100 percent overnight significant increase in insurance is not something we ought to be inflicting on people. The phase-in is reasonable. They should be getting actuarial rates but at a reasonable pace.

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The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico (Mr. PEARCE).

The question was taken; and the Acting Chairman announced that the ayes appeared to have it.

Mr. FRANK of Massachusetts. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from New Mexico will be postponed.

AMENDMENT NO. 16 OFFERED BY MRS. MILLER OF MICHIGAN

The Acting CHAIRMAN. It is now in order to consider amendment No. 16 printed in House Report 109–530.

Mrs. MILLER of Michigan. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 16 offered by Mrs. MILLER of Michigan:

Page 24, after line 6, insert the following:

''(5) GREAT LAKES FLOOD LEVEL STUDY.—

''(A) IN GENERAL.—Not later than 90 days after the completion by the International Joint Commission of The Upper Great Lakes Study, the Director shall request the Corps of Engineers to complete a new inundation map for areas surrounding the upper Great Lakes and their interconnecting channels to assist the Director in the development of maps identifying 100- and 500-year flood inundation areas for those areas.

''(B) REQUIREMENTS.—The Director shall request the Corps of Engineers, in completing new inundation map under subparagraph (A), to—

''(i) utilize data and findings from The Upper Great Lakes Study by the International Joint Commission, including any changes to the International Joint Commission's Order of Approval at St. Mary's River; and

''(ii) accurately show the flood inundation of each property by flood risk in the floodplain.

''(C) VALIDITY OF STUDY.—The Director shall take such actions as may be necessary to ensure that the maps completed pursuant to the request under subparagraph (A) are valid and appropriate for use for purposes of the national flood insurance program.

''(D) COMPLETION OF STUDY.—In making the request under subparagraph (A), the Director shall request that the Corps of Engineers complete the new inundation map not later than 18 months after the date of the completion of The Upper Great Lakes Study by the International Joint Commission.

''(E) LIMITATION OF ELEVATION INCREASES.—The Director shall not increase the base flood elevation in any community surrounding the upper Great Lakes and their interconnecting channels until the Corps of Engineers completes the new inundation map pursuant to the request under subparagraph (A).

''(F) DEFINITIONS.—For purposes of this paragraph, the following definitions shall apply:

''(i) The term 'upper Great Lakes' means Lake Superior, Lake Michigan, Lake Huron, and Lake Erie.

''(ii) The term 'interconnecting channels' means the St. Mary's River, St. Clair River, Lake St. Clair, the Detroit River, and the Niagara River up to Niagara Falls.''.

Page 24, line 7, strike ''(5)'' and insert ''(6)''.

Page 24, line 18, strike ''(6)'' and insert ''(7)''.

The Acting CHAIRMAN. Pursuant to House Resolution 891, the gentlewoman from Michigan (Mrs. MILLER) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Michigan.

Mrs. MILLER of Michigan. Mr. Chairman, I yield myself as much time as I might consume.

Mr. Chairman, this amendment has the potential actually to impact millions of property owners, millions of them, property owners that live on, near or around the Upper Great Lakes, which is essentially everything in the Great Lakes Basin upstream from Niagara Falls. So Lake Superior, Lake Michigan, Lake Huron, Lake Erie, Lake St. Clair, and then the rivers of Saint Mary, the Saint Clair River, the Detroit River and the Niagara River.

Mr. Chairman, FEMA is currently engaged in doing what the Congress directed them to do, and that is to update and to modernize flood maps across the entire Nation. And I certainly recognize that with new technology, we can and we should update the maps to convert them into a user-friendly digital format which will account for property development and growth as well as changes in topography. So I certainly want to make clear that I support authorizing funds so that this important work continues.

However, I do believe that property owners on the Upper Great Lakes are being treated unfairly by this process, because I can show over and over and over again how these property owners, who very rarely flood nor have the potential to flood, are actually being abused by the National Flood Insurance Program. Just those in the current floodplain are already paying in substantially more in premiums than they will ever, ever receive in claims out. And now FEMA wants to include more. And they want more.

Mr. Chairman, I would submit that if any private insurance company was trying to get away with this, the State insurance commissioners in the Great Lakes States would be revoking their licenses to sell insurance. Let me just give you one example: in regards to FEMA's proposal for remapping in the Great Lakes region they are basing raising the base flood elevation an additional 14 inches, they say to accurately reflect the risk of flooding.

But this is predicated on data from 1988. This was 2 years after the absolute high recorded rate levels for the Great Lakes ever. And during that time, none of the new properties FEMA is talking about bringing into the floodplain actually flooded, nor was it in danger of flooding.

Since that time, in Lake St. Clair alone, the lake levels have dropped over 3 feet and they are now, it is now almost 5 feet below the current flood elevation. And most importantly, if you really want to look at historic averages, the lake level has only changed an average depth of less than 6 inches per year. Yet, if FEMA goes ahead with their proposal, the new base flood elevation will be 6 feet above the current lake levels. And for the lake levels to rise that much, I think that the polar ice caps would probably have to melt next year. And I don't believe even Al Gore is predicting something like that.

Mr. Chairman, the amendment simply asks for FEMA to do no more harm, to keep their status quo on the Great Lakes property owners and base their new maps on updated data.

My amendment would require that the Army Corps of Engineers would

have to wait until they have the results of a 5-year study, which is currently being undertaken by the International Joint Commission, the IJC. I believe they are 2 years into their 5-year study. This will be the most comprehensive lake level study completed. And certainly we can all agree that using sound science when literally hundreds of millions of dollars are about to be assessed against American property owners is the most prudent course of action. I would urge my colleagues to support the Miller amendment.

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

Mr. BLUMENAUER. Mr. Chairman, I claim the time in opposition.

The Acting CHAIRMAN (Mr. BONNER). The gentleman is recognized for 5 minutes.

Mr. BLUMENAUER. Mr. Chairman.

I yield myself 3 minutes.

Mr. Chairman, I rise in strong opposition to this amendment. Part of what I find a little ironic is the notion that these flood levels will never increase for the lakes. I have heard already in the last 24 hours here in Washington, D.C. as people say, ''my basement has never flooded before''. Welcome to the world of flood management.

The Gentlewoman referenced global warming. We don't know where we are going in terms of melting the ice caps. But the point is, we don't have to get that far into the future and invoke former Vice President Al Gore.

We are not treating anybody unfairly under the mapping program. The National Flood Insurance Program is a voluntary program. If a community really feels that the building insurance requirements are too burdensome, they don't have to participate. Participation in the NFIP and its requirements is not a malicious financial burden on communities. It is a privilege that provides the community with the resources it needs to protect itself from floods.

This amendment would have the effect of delaying the implementation of flood maps meant to protect communities and having Congress intervene. And I, with all due respect, think our record in approving projects, we just heard from Mr. ROHRABACHER, that actually increased flooding, is not a very strong record. For us to sit in judgment and second guess the experts, I think is wrong. It would be a terrible precedent.

Congress should not be involved with determining flood maps. FEMA determines base flood elevations using widely accepted statistical engineering analysis. Artificially preventing flood elevations from going up would be the same as underestimating flood risks and leading people to build homes that are not safe and putting Congress's stamp of approval.

There is no such thing as zero risk. A property in the 100-year floodplain has a 96 percent chance of being flooded in the next hundred years without global warming. The fact that several years go by without a flood does not change that probability. For example, water levels in the Great Lakes fluctuated. In 1986 the Great Lakes hit their highest levels in recorded history. This could happen again.

Raising the base flood elevations will not impact homes that were built before a revised map was issued. Nothing in the regulations requires a pre-existing home to be upgraded simply because a new map with a higher base flood elevation is produced. Only new buildings and substantially improved buildings that are started after the new maps become effective will be impacted.

We have heard after Katrina hit people were shocked. They didn't think they would be affected. We found out that we haven't done enough to include wide enough areas. This amendment would be a tragic and unnecessary step backwards.

Mrs. MILLER of Michigan. Mr. Chairman, I appreciate the arguments opposed to my amendment. I did not say that we never thought that the lake levels would ever rise or that we would flood. Obviously, I think there are a lot of factors that go into the lake levels rising. You have factors that are manmade, like the Chicago diversionary canal. You have got the Sault Locks. You have got the St. Laurence Seaway. The biggest factor has nothing to with man, and that is God. God makes the lake levels go up and down, I think.

But I would say this: I think this is an issue of financial fairness. I really do believe that. And the brutal reality is that FEMA actually needs more money to pay for all these flood insurance claims that they have had in recent years. Let me just cite this statistic, and let me ask anyone to tell me with a straight face that it is fair and equitable: between 1978 and 2002, there were 10 States that received more in claims than what they paid in policies, in fact, over $1.5 billion more. And the average premium for policyholders in those States was $223.

Michigan, on the other hand, paid almost $120 million more into the program than it received back in claims. Yet the average premium for our policyholders was $260. And this is a common element in all of the Great Lakes States, the same States that are paying year after year after year, decade after decade, much more than others. And I think they are being taken advantage of by the flood insurance program.

Again, I would urge my colleagues to support the Miller amendment. This is a good bill. I think my amendment makes a good bill better.

The Acting CHAIRMAN. The gentlewoman's time has expired.

The gentleman from Oregon is recognized for 2 minutes.

Mr. BLUMENAUER. Mr. Chairman, I yield myself 1 of the remaining 2 minutes.

The fact that Michigan has paid in more than they have received, or that 10 States have paid in more than they have received during the last 20 years is irrelevant. The point is that it is a flood insurance program. And some years you are going to get more; some years you are going to get less. And you don't look at it over a 10-year or a 20-year program.

We make it as fair as we can, and we look at the probabilities. We need to update all of the floodplain maps so that we minimize any fluctuation. If everybody who was upset that they got back less than they paid in was monkeying around with updating the maps, then the system would be more and more out of whack and there would be more and more inequity.

What we should do is allow FEMA, the Corps of Engineers, to do their job, to update all of the maps and make it fair. Make no mistake, make no mistake; if a tremendous flood comes, people are going to want their help now, and they will understand why they paid a little more at another time.

Mr. Chairman, I reserve the balance of my time, and I reserve the right to close.

The Acting CHAIRMAN. The gentlewoman's time has expired, so the gentleman is recognized to close.

Mr. FRANK of Massachusetts. Will the gentleman yield?

Mr. BLUMENAUER. I yield to the distinguished ranking member.

Mr. FRANK of Massachusetts. Mr. Chairman, I want to say, as I said before, we are running here a national program. And if it becomes 50 separate State programs or a couple of thousand separate county programs, you lose the insurance principle.

And it is also the case, and I understand that there are programs into which Massachusetts pays more than it gets back. Under Medicaid, we get a lower percentage of reimbursement than other States do. We have public transportation and we benefit. But we don't have much that is subsidized agriculturally.

I think the notion that every State can have a balance sheet destroys, the Articles of Confederation embody that principle, but not the Constitution.

You cannot run a national program based on need, based on response to situations on a nationwide basis if you have this kind of a balance thing.

So I agree, we should be pushing FEMA to do the right thing; but if we begin to pick and choose based on one State, you know, we will have a situation where every State will be looking to make money and none will be paying in, and pretty soon there won't be anything left.

Mr. LEVIN. Mr. Chairman, I rise in support of the Miller amendment. It is important that the record here today reflects that FEMA is proposing to revise base flood elevations using flawed methods and old data.

In my home state of Michigan, FEMA has proposed raising the base flood elevation, significantly in some areas. While FEMA should work to keep flood maps up-to-date, indeed updating these maps is one of the purposes of

this bill, it must do so in a responsible manner, utilizing accurate data. Unfortunately, that has not been true in this case.

FEMA's proposal for base flood elevations in Michigan is based on a study that is 18 years old. More to the point, the last year of data included in this 1988 study of Great Lakes water levels is the same year that the Great Lakes hit historic highs. Since then, water levels in the Great Lakes have fallen to historic lows. These elevations, which determine who is required to purchase flood insurance, need to reflect the actual risk of flooding. Commonsense, let alone science, should tell us very clearly that the risk of flooding is lower today that it was 18 years ago when this study was completed.

Right now, the International Joint Commission, or IJC, is conducting a comprehensive study of Great Lakes water levels that will be completed in 2010 or 2011. This study will take a more realistic view of factors affecting lake levels, including increased population, water consumption, environmental changes and higher flow through the Great Lakes system.

This amendment would require FEMA to use the more up-to-date and accurate data that the IJC study will provide. I am not arguing that Great Lakes states like Michigan should not have their flood maps updated, or that there should be some fixed ratio between premiums paid and damage claims received. What I am saying is that the revised flood maps should use the best data available, rather than 20-year old data that does not reflect the true flood risk.

Mr. Chairman, this bill is about reforming and improving the National Flood Insurance Program. In doing so, we must signal to FEMA that they must be responsible in setting these flood elevations. In Michigan, FEMA is proceeding on the basis of bad data, and that's going to lead to bad policy.

The Acting CHAIRMAN. The question is on the amendment offered by the gentlewoman from Michigan (Mrs. MILLER).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mrs. MILLER of Michigan. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from Michigan will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order:

Amendment No. 14 by Mr. ROHRABACHER of California.

Amendment No. 15 by Mr. PEARCE of New Mexico.

Amendment No. 16 by Mrs. MILLER of Michigan.

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 14 OFFERED BY MR. ROHRABACHER

The Acting CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from California (Mr. ROHRABACHER) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 98, noes 327, not voting 7, as follows:

[Roll No. 322]

AYES—98

Aderholt
Akin
Bartlett (MD)
Bass
Beauprez
Bilbray
Boehlert
Bono
Boozman
Bradley (NH)
Burton (IN)
Calvert
Campbell (CA)
Chabot
Coble
Cole (OK)
Culberson
Deal (GA)
Diaz-Balart, L.
Diaz-Balart, M.
Duncan
Ehlers
Emerson
Flake
Fossella
Foxx
Franks (AZ)
Gallegly
Gillmor
Gingrey
Gohmert
Graves
Green, Gene
Gutknecht
Hall
Hayworth
Hefley
Hostettler
Hulshof
Hunter
Hyde
Jenkins
Jindal
Kelly
King (IA)
King (NY)
Kingston
Kuhl (NY)
Lewis (CA)
Lewis (KY)
Linder
Lungren, Daniel E.
McCaul (TX)
McCotter
McHenry
McHugh
McKeon
Miller (MI)
Miller, Gary
Nadler
Norwood
Nunes
Oberstar
Obey
Otter
Paul
Pearce
Peterson (MN)
Petri
Pitts
Poe
Price (GA)
Radanovich
Rahall
Rehberg
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Schwarz (MI)
Sensenbrenner
Shadegg
Sherwood
Shuster
Sodrel
Souder
Stearns
Sweeney
Tancredo
Taylor (NC)
Tiahrt
Weldon (FL)
Weller
Westmoreland
Wicker
Wilson (SC)

NOES—327

Ackerman
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Barton (TX)
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehner
Bonilla
Bonner
Boren
Boswell
Boucher
Boustany
Boyd
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Butterfield
Buyer
Camp (MI)
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carter
Case
Castle
Chandler
Chocola
Clay
Cleaver
Clyburn
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Dent
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Edwards
Emanuel
Engel
English (PA)
Eshoo
Etheridge
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Foley
Forbes
Ford
Fortenberry
Frank (MA)
Frelinghuysen
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gonzalez
Goode
Goodlatte
Gordon
Granger
Green (WI)
Green, Al
Grijalva
Gutierrez
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hoyer
Inglis (SC)
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kirk
Kline
Knollenberg
Kolbe
Kucinich
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McCrery
McDermott
McGovern
McIntyre
McKinney
McMorris
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Nussle
Olver
Osborne
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (PA)
Pickering
Platts
Pombo
Pomeroy
Porter
Price (NC)
Pryce (OH)
Putnam
Ramstad
Rangel
Regula
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sessions
Shaw
Shays
Sherman
Shimkus
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stupak
Sullivan
Tanner
Tauscher
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (PA)
Wexler
Whitfield
Wilson (NM)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—7

Abercrombie
Cannon
Carson
Evans
Johnson, Sam
Ortiz
Strickland

□ 1641

Mr. CARDOZA, Mr. TAYLOR of Mississippi and Mr. SULLIVAN changed their vote from ''aye'' to ''no.''

Messrs. SHUSTER, POE, HALL, SODREL, GILLMOR, FOSSELLA, BOOZMAN, TIAHRT and GALLEGLY and Mrs. KELLY changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 15 OFFERED BY MR. PEARCE

The Acting CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from New Mexico (Mr. PEARCE) on which further proceedings

were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 76, noes 347, not voting 9, as follows:

[Roll No. 323]

AYES—76

Akin
Bachus
Barrett (SC)
Barton (TX)
Beauprez
Bilbray
Blackburn
Burgess
Campbell (CA)
Cantor
Chabot
Chocola
Cooper
Deal (GA)
Duncan
Everett
Feeney
Flake
Fortenberry
Foxx
Franks (AZ)
Garrett (NJ)
Gingrey
Gohmert
Goodlatte
Gutknecht
Hastings (WA)
Hayworth
Hensarling
Hoekstra
Hostettler
Inglis (SC)
Istook
Jenkins
King (IA)
Kingston
Kolbe
Lungren, Daniel E.
Marchant
McCotter
McHenry
McMorris
Miller (MI)
Musgrave
Myrick
Neugebauer
Northup
Norwood
Otter
Paul
Pearce
Pence
Petri
Pitts
Price (GA)
Radanovich
Ramstad
Rehberg
Renzi
Rogers (AL)
Rogers (MI)
Rohrabacher
Royce
Ryan (WI)
Schwarz (MI)
Sensenbrenner
Shadegg
Sherwood
Shuster
Sodrel
Stearns
Tancredo
Thornberry
Wamp
Westmoreland
Wu

NOES—347

Ackerman
Aderholt
Alexander
Allen
Andrews
Baca
Baird
Baker
Baldwin
Barrow
Bartlett (MD)
Bass
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carter
Case
Castle
Chandler
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Farr
Fattah
Ferguson
Filner
Fitzpatrick (PA)
Foley
Forbes
Ford
Fossella
Frank (MA)
Frelinghuysen
Gallegly
Gerlach
Gibbons
Gilchrest
Gillmor
Gonzalez
Goode
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall
Harman
Harris
Hart
Hastings (FL)
Hayes
Hefley
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Holden
Holt
Honda
Hooley
Hoyer
Hulshof
Hunter
Hyde
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (NY)
Kirk
Kline
Knollenberg
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lynch
Mack
Maloney
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCrery
McDermott
McGovern
McHugh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Nadler
Napolitano
Neal (MA)
Ney
Nunes
Nussle
Oberstar
Obey
Olver
Osborne
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Peterson (PA)
Pickering
Platts
Poe
Pombo
Pomeroy
Porter
Price (NC)
Pryce (OH)
Putnam
Rahall
Rangel
Regula
Reichert
Reyes
Reynolds
Rogers (KY)
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sessions
Shaw
Shays
Sherman
Shimkus
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stupak
Sweeney
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOT VOTING—9

Abercrombie
Bishop (UT)
Cannon
Carson
Evans
Johnson, Sam
Ortiz
Strickland
Sullivan

ANNOUNCEMENT BY THE ACTING CHAIRMAN

The Acting CHAIRMAN (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1648

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 16 OFFERED BY MRS. MILLER OF MICHIGAN

The Acting CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from Michigan (Mrs. MILLER) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 120, noes 304, not voting 8, as follows:

[Roll No. 324]

AYES—120

Aderholt
Akin
Bachus
Baldwin
Barrett (SC)
Barton (TX)
Bass
Bean
Beauprez
Bilirakis
Bishop (UT)
Blackburn
Boehlert
Bono
Bradley (NH)
Burton (IN)
Buyer
Camp (MI)
Cantor
Chabot
Chocola
Cole (OK)
Conyers
Davis, Tom
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dingell
Doolittle
Duncan
Ehlers
English (PA)
Feeney
Gerlach
Gillmor
Gingrey
Green (WI)
Hastings (WA)
Hayworth
Hefley
Herger
Higgins
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Jenkins
Johnson (CT)
Jones (NC)
Kaptur
Kildee
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
LaHood
Levin
Lewis (KY)
Lucas
Lynch
Manzullo
Marchant
McCaul (TX)
McCotter
McHenry
McHugh
McMorris
Mica
Miller (MI)
Moore (WI)
Moran (KS)
Myrick
Northup
Obey
Otter
Paul
Pearce
Petri
Pitts
Platts
Radanovich
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ryan (WI)
Schakowsky
Schwarz (MI)
Sensenbrenner
Shuster
Simmons
Simpson
Sodrel
Souder
Stearns
Stupak
Sullivan
Sweeney
Tancredo
Tiahrt
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weller
Whitfield
Wolf
Young (AK)
Young (FL)

NOES—304

Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baker
Barrow
Bartlett (MD)
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bishop (GA)
Bishop (NY)
Blumenauer
Blunt
Boehner
Bonilla
Bonner
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Butterfield
Calvert
Campbell (CA)
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carter
Case
Castle
Chandler
Clay
Cleaver
Clyburn
Coble
Conaway
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Doggett
Doyle
Drake
Dreier
Edwards
Emanuel
Emerson
Engel
Eshoo
Etheridge
Everett
Farr
Fattah
Ferguson
Filner
Fitzpatrick (PA)
Flake
Foley
Forbes
Ford
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gibbons
Gilchrest
Gohmert
Gonzalez
Goode
Goodlatte

Gordon
Granger
Graves
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hayes
Hensarling
Herseth
Hinchey
Hinojosa
Hobson
Holden
Holt
Honda
Hooley
Hoyer
Inglis (SC)
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jindal
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kilpatrick (MI)
Kolbe
Kucinich
Kuhl (NY)
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Lewis (GA)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lungren, Daniel E.
Mack
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McCrery
McDermott
McGovern
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Michaud
Millender-McDonald
Miller (FL)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Norwood
Nunes
Nussle
Oberstar
Olver
Osborne
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Pickering
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Rahall
Ramstad
Rangel
Reichert
Reyes
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schiff
Schmidt
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Spratt
Stark
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiberi
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (PA)
Westmoreland
Wexler
Wicker
Wilson (NM)
Wilson (SC)
Woolsey
Wu
Wynn

NOT VOTING—8

Abercrombie
Cannon
Carson
Evans
Johnson, Sam
Lewis (CA)
Ortiz
Strickland

ANNOUNCEMENT BY THE ACTING CHAIRMAN

The Acting CHAIRMAN (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1657

Mr. CONYERS and Mr. BURTON of Indiana changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

The Acting CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. BISHOP of Utah) having assumed the chair, Mr. BONNER, Acting Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4973) to restore the financial solvency of the national flood insurance program, and for other purposes, pursuant to House Resolution 891, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

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

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

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 416, nays 4, not voting 12, as follows:

[Roll No. 325]

YEAS—416

Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Flake
Foley
Forbes
Ford
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McKinney
McMorris
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Osborne
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Stupak
Sullivan
Sweeney
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Wexler
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—4

Higgins
Inglis (SC)
Rohrabacher
Tancredo

NOT VOTING—12

Abercrombie
Cannon
Carson
Evans
Garrett (NJ)
Johnson, Sam
King (NY)
Markey
Ortiz
Shuster
Strickland
Whitfield

□ 1719

Mr. FLAKE changed his vote from ''nay'' to ''yea.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 4973, FLOOD INSURANCE REFORM AND MODERNIZATION ACT OF 2006

Mr. NEY. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 4973, the Clerk be authorized to correct section numbers, punctuation, and cross references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House.

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

There was no objection.

PERMISSION TO REDUCE TIME FOR ELECTRONIC VOTING DURING CONSIDERATION OF H.R. 5672, SCIENCE, STATE, JUSTICE, COMMERCE, AND RELATED AGENCIES APPROPRIATIONS ACT, 2007

Mr. BOEHNER. Mr. Speaker, I ask unanimous consent that, during consideration of H.R. 5672 pursuant to House Resolution 890, the Chair may reduce to 2 minutes the minimum time for electronic voting under clause 6 of rule XVIII and clause 9 of rule XX.

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

There was no objection.

GENERAL LEAVE

Mr. WOLF. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 5672, and that I may include tabular material on the same.

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

There was no objection.

SCIENCE, STATE, JUSTICE, COMMERCE, AND RELATED AGENCIES APPROPRIATIONS ACT, 2007

The SPEAKER pro tempore. Pursuant to House Resolution 890 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 5672.

□ 1720

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5672) making appropriations for Science, the Departments of State, Justice, and Commerce, and related agencies for the fiscal year ending September 30, 2007, and for other purposes, with Mr. HASTINGS of Washington in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered read the first time.

The gentleman from Virginia (Mr. WOLF) and the gentleman from West Virginia (Mr. MOLLOHAN) each will control 30 minutes.

The Chair recognizes the gentleman from Virginia.

Mr. WOLF. Mr. Chairman, I yield myself 11 minutes.

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

Mr. WOLF. Mr. Chairman, I am pleased to begin consideration of H.R. 5672, making appropriations for fiscal year 2007 for Science, the Departments of State, Justice, Commerce, and related agencies. This bill provides a funding for programs whose impact ranges from the safety of people in their homes and communities to the conduct of diplomacy around the world and to the farthest reaches of space exploration.

The bill before the House today reflects the delicate balancing of needs and requirements. We have drafted what I consider a responsible bill for fiscal year 2007 spending levels for the Departments and agencies under the subcommittee's jurisdiction. We have carefully prioritized the funding in the bill and made hard choices about how to spend the scarce resources.

We have been very fair. We, the entire Committee, have been very fair with each and every Member that has approached the subcommittee as we went through this entire process.

I want to thank Chairman LEWIS for supporting us with what I believe is a fair allocation and helping us to move the bill forward. I also want to thank the ranking member, Mr. MOLLOHAN, who has been a very effective and valued partner and colleague on the bill. I appreciate his principled commitment and understanding of the programs in the bill.

I also want to thank members of the subcommittee for their help and assistance: CHARLES TAYLOR, MARK KIRK, DAVE WELDON, Tom DeLay, VIRGIL GOODE, JOHN CULBERSON, RODNEY ALEXANDER, JOSÉ SERRANO, BUD CRAMER, PATRICK KENNEDY, CHAKA FATTAH, and also Mr. OBEY, the ranking member of the full committee.

I truly appreciate the professionalism and cooperation of the minority staff. In particular, I want to thank David Pomerantz, Michelle Burkett, Sally Moorhead, Julie Aaronson and Rob Nabors from the Democratic staff, who have been an enormous help during all the long hours spent putting this bill together.

I also, Mr. Chairman, want to thank the members of the subcommittee staff on both sides for their long hours to produce the fiscal year 2007 Science, State, Justice, Commerce bill. I would like to particularly thank Mike Ringler, the clerk of the subcommittee, who has done an outstanding job and really spent hours and hours away from his family, as have the others, and who has led the subcommittee through the House appropriations process.

I also want to thank publicly and personally Christine Kojac, John Martens, Anne Marie Goldsmith, Clelia Alvarado, and Darryl Hill for their tireless efforts. Their work is very much appreciated. Only a handful of us know how much time and effort they have put in, but I want to thank them. And the record ought to show, frankly, when history looks back, who gets credit for a lot of what has taken place.

In my personal office, I would like to thank Dan Scandling, Janet Shaffron, J.T. Griffin, Samantha Stockman, and Courtney Schlieter for their efforts in working with the subcommittee; and from the minority, if I left out anybody, I mentioned, I think, Dave Pomerantz, Michelle Burkett, and Julie Aaronson, but also Rob Nabors for their efforts with regard to this.

We have worked in a bipartisan manner. And that is just not rhetoric for the CONGRESSIONAL RECORD, but it has truly been a bipartisan effort in putting the bill together. And as a former staff member up here on Capitol Hill, I personally want to thank each and every one of them. They have really done an outstanding job.

The bill contains $59.8 billion in discretionary spending. At a time of fiscal constraint, we have developed a bill that preserves critical domestic and international programs while living within our allocations. We have had to make some difficult choices and focus limited resources on programs that are most critical to the Nation. Program increases are focused on the most critical areas, including science and competitiveness, counterterrorism, and law enforcement.

For the Department of Justice, the bill includes $22.1 billion, $1 billion above the request. The bill includes a total of $2.57 billion for proven State and local law enforcement crime-fighting programs to keep our communities safe.

We have restored, and I stress the word ''restored,'' $1.1 billion above the request to the highest priority programs, including SCAAP, justice assistance grants, and juvenile justice programs, all which the Administration proposed to eliminate or dramatically reduce. That is $1.1 billion with a ''B.''

The bill also includes important new investments to fight the national epidemic of methamphetamine abuse; $367 million for justice assistance grants to support local drug task forces, a $50 million increase; $99 million in grants to combat meth, a $36 million increase; and $40 million for drug courts, a $30 million increase, which is a 300 percent increase in drug courts; and a $15 million increase for DEA to support State

and local efforts to fight international trafficking.

Gangs pose one of the greatest threats to the safety and security of all Americans. Today, gangs are more violent, more organized, and more widespread than ever before. This bill focuses funding on fighting gangs and gang violence. We have increased the FBI and the ATF antigang programs, and restored funding to the gang resistance training program. In addition, we have supported a $40 million gang program following the Project Safe Neighborhoods model that would allow each U.S. Attorney's Office to finance antigang strategies in cooperation with State and local law enforcement.

The bill also includes $6.04 billion for the FBI to include counterterrorism and counterintelligence capabilities, while continuing to fight crimes such as child exploitation, human trafficking, and gang violence. Again, programs we have increased far over the administration level.

I would also like to highlight that the bill continues funding for the eight faith-based rehabilitation programs in the Federal prison system and recognizes the success that faith-based programs have had in reducing recidivism. Before I got elected to Congress I was involved in a prison program. You must give these men and women hope and an opportunity. So, I think this is a very important program at all the State, local, and Federal levels.

Statistically, two out of every three inmates are likely to re-offend and end up back in prison, often with only days or months in their release. Therefore, it is critical we promote programs that help break this cycle, thereby improving the safety and the security of our communities. In light of the success the values-based programs have had in this regard, I encourage the Bureau of Prisons and state departments of correction to continue alternative treatment programming that emphasizes the teaching of positive social values and reform character.

It is immoral just to warehouse people and not give them any rehabilitation, faith-based programs, mental health or other programs. I have long been a supporter of these value-based types of programs and think they should be continued in Federal and State prisons. I hope that Congress will work to protect these programs.

If you take these programs away, faith-based, mental health, what type of society will we have?

In Science, the other focus in the bill this year is science and competitiveness. The capacity to innovate is the primary engine of our economy and our way of life. In order to sustain it, we must increase our investment in basic scientific research and strengthen science education.

For this reason, the bill fully funds the President's American Competitiveness Initiative, which includes a recommitment to doubling the funding for basic science research over 10 years.

We have dramatically increased the NSF and NIST.

For NASA, the bill includes $16.7 billion.

I want to thank NASA and NIST chairman SHERWOOD BOEHLERT and VERN EHLERS, who really played a major role in this, and Mr. MOLLOHAN.

In NASA, the bill restores $100 million of the cut proposed to the aeronautic research and responds to the lower than anticipated increases for space science programs.

The space shuttle is set to launch on Saturday, and the bill before you includes full funding for the shuttle program to support the completion of the International Space Station and continuation of the shuttle safety improvements.

In Commerce, we have dealt with critical functions of the National Weather Service and NOAA's weather and climate forecasting.

□ 1730

We have also included a 5.2 percent increase for the PTO and an increase of $72 million. For the State Department, and the broadcasting Board of governors, a recommendation of $9.66 billion within this Federal, $1.7 billion to provide full funding request for worldwide security and improvements.

We have included the requested funds for international peacekeeping to pay the assessed costs for missions in Sudan, Haiti and elsewhere. We have included language to require notification to the Committee that prevention and prosecution measures are taken to ensure zero tolerance in sexual abuse in peacekeeping. We also added language supporting the maintenance of a flat U.N. budget.

On the Small Business Administration, we have provided $90 million for small business development grants, a $2 million increase; also allows up to $17.5 billion in general 7(a) business loans, an unprecedented level, while requiring no appropriation.

In closing, a summary of the bill provides the increase necessary to maintain strength in critical law enforcement, fight terrorism, deal with drugs.

I again want to thank the staff and thank the committee.

SCIENCE, STATE, JUSTICE, COMMERCE, AND RELATED AGENCIES APPROPRIATIONS, FY 2007 (H.R. 5672)
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE I - DEPARTMENT OF JUSTICE					
General Administration					
Salaries and expenses	86,289	115,505	90,136	+3,847	-25,369
Office of Intelligence and Policy Review	36,577	---	---	-36,577	---
Subtotal	122,866	115,505	90,136	-32,730	-25,369
Justice information sharing technology	123,404	175,007	125,000	+1,596	-50,007
Tactical wireless communications	88,851	89,217	89,000	+149	-217
Administrative review and appeals	212,930	229,212	229,152	+16,222	-60
Detention trustee	1,206,392	1,332,326	1,331,026	+124,634	-1,300
Prior year unobligated balances	-45,000	---	-5,000	+40,000	-5,000
Direct appropriation	1,161,392	1,332,326	1,326,026	+164,634	-6,300
Office of Inspector General	67,922	70,558	70,558	+2,636	---
Total, General Administration	1,777,365	2,011,825	1,929,872	+152,507	-81,953
United States Parole Commission					
Salaries and expenses	10,859	11,951	11,500	+641	-451
Legal Activities					
General legal activities:					
Direct appropriation	653,505	684,324	668,739	+15,234	-15,585
Vaccine injury compensation trust fund (permanent)	6,252	6,333	6,292	+40	-41
National Security Division					
Salaries and expenses	---	66,970	66,970	+66,970	---
Antitrust Division	144,088	147,742	145,915	+1,827	-1,827
Offsetting fee collections - current year	-116,000	-129,000	-129,000	-13,000	---
Direct appropriation	28,088	18,742	16,915	-11,173	-1,827
United States Attorneys					
Salaries and expenses	1,579,565	1,664,400	1,664,400	+84,835	---
Emergency appropriations (P.L. 109-148)	9,000	---	---	-9,000	---
Project Seahawk (rescission)	---	-27,000	---	---	+27,000
Total, United States Attorneys	1,588,565	1,637,400	1,664,400	+75,835	+27,000
United States Trustee System Fund	211,664	236,116	223,447	+11,783	-12,669
Offsetting fee collections	-206,728	-229,000	-218,447	-11,719	+10,553
Interest on U.S. securities	-4,936	-5,000	-5,000	-64	---
Direct appropriation	---	2,116	---	---	-2,116
Foreign Claims Settlement Commission	1,303	1,559	1,431	+128	-128
United States Marshals Service					
Salaries and expenses	782,903	825,924	825,924	+43,021	---
Emergency appropriations (P.L. 109-148)	9,000	---	---	-9,000	---
Construction	8,769	---	---	-8,769	---
Total, United States Marshals Service	800,672	825,924	825,924	+25,252	---
Fees and expenses of witnesses	168,000	171,000	171,000	+3,000	---
Community Relations Service	9,536	10,229	9,882	+346	-347
Assets forfeiture fund	21,194	21,211	21,202	+8	-9
Total, Legal activities	3,277,115	3,445,808	3,452,755	+175,640	+6,947

SCIENCE, STATE, JUSTICE, COMMERCE, AND RELATED AGENCIES APPROPRIATIONS, FY 2007 (H.R. 5672)
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
Interagency Law Enforcement					
Interagency crime and drug enforcement	483,189	706,051	498,457	+15,268	-207,594
Federal Bureau of Investigation					
Salaries and expenses	3,395,906	3,680,664	3,651,634	+255,728	-29,030
Emergency appropriations (P.L. 109-148)	45,000	---	---	-45,000	---
Counterintelligence and national security	2,259,663	2,307,994	2,307,994	+48,331	---
Direct appropriation	5,700,569	5,988,658	5,959,628	+259,059	-29,030
Construction	37,128	51,392	80,422	+43,294	+29,030
Total, Federal Bureau of Investigation	5,737,697	6,040,050	6,040,050	+302,353	---
Drug Enforcement Administration					
Salaries and expenses	1,866,591	1,948,569	1,963,569	+96,978	+15,000
Emergency appropriations (P.L. 109-148)	10,000	---	---	-10,000	---
Diversion control fund	-201,673	-212,078	-212,078	-10,405	---
Total, Drug Enforcement Administration	1,674,918	1,736,491	1,751,491	+76,573	+15,000
Bureau of Alcohol, Tobacco, Firearms and Explosives					
Salaries and expenses	911,817	860,128	950,128	+38,311	+90,000
Emergency appropriations (P.L. 109-148)	20,000	---	---	-20,000	---
Legislative proposal	---	120,000	30,000	+30,000	-90,000
Legislative proposal	---	-120,000	-30,000	-30,000	+90,000
Total, Bureau of Alcohol, Tobacco and Firearms	931,817	860,128	950,128	+18,311	+90,000
Federal Prison System					
Salaries and expenses	4,830,161	4,987,059	4,987,059	+156,898	---
Buildings and facilities	88,961	117,102	88,961	---	-28,141
Emergency appropriations (P.L. 109-148)	11,000	---	---	-11,000	---
Subtotal	99,961	117,102	88,961	-11,000	-28,141
Rescission	---	-142,000	---	---	+142,000
Federal Prison Industries, Incorporated (limitation on administrative expenses)	3,322	2,477	2,477	-845	---
Total, Federal Prison System	4,933,444	4,964,638	5,078,497	+145,053	+113,859
Violence against women office	381,566	347,013	390,296	+8,730	+43,283
Office of Justice Programs					
Justice assistance	230,254	1,033,952	215,575	-14,679	-818,377
Public safety officers benefits, death benefits	---	65,000	---	---	-65,000
Total, Justice assistance	230,254	1,098,952	215,575	-14,679	-883,377
State and local law enforcement assistance:					
Justice assistance grants	411,159	---	558,077	+146,918	+558,077
Boys and Girls clubs	(83,914)	---	(75,000)	(-8,914)	(+75,000)
National Institute of Justice	(9,872)	---	---	(-9,872)	---
Byrne grants (discretionary)	---	---	(115,225)	(+115,225)	(+115,225)
Indian assistance	21,719	---	---	-21,719	---
Tribal prison construction	(8,885)	---	---	(-8,885)	---
Indian tribal courts program	(7,898)	---	---	(-7,898)	---
Indian grants	(4,936)	---	---	(-4,936)	---
State criminal alien assistance program	399,827	---	405,000	+5,173	+405,000
Southwest border prosecutors	29,617	---	30,000	+383	+30,000
Byrne grants (discretionary)	189,255	---	---	-189,255	---
Drug courts	9,872	---	40,000	+30,128	+40,000
Other crime control programs	840	---	---	-840	---
Assistance for victims of trafficking	9,872	---	21,488	+11,616	+21,488

SCIENCE, STATE, JUSTICE, COMMERCE, AND RELATED AGENCIES APPROPRIATIONS, FY 2007 (H.R. 5672)
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
Prescription drug monitoring	7,404	---	10,000	+2,596	+10,000
Prison rape prevention	17,943	---	22,943	+5,000	+22,943
State prison drug treatment	9,872	---	5,000	-4,872	+5,000
Intelligence sharing	9,872	---	2,000	-7,872	+2,000
Cannabis eradication	4,936	---	---	-4,936	---
Capital litigation	987	---	2,000	+1,013	+2,000
Mentally ill offender act	4,936	---	5,000	+64	+5,000
Sex Offender Registry	---	---	1,984	+1,984	+1,984
Emergency appropriations (P.L. 109-148)	125,000	---	---	-125,000	---
Undesignated	---	---	---	---	---
Total, State and local law enforcement	1,253,111	---	1,103,492	-149,619	+1,103,492
Weed and seed program fund	49,361	---	---	-49,361	---
Community oriented policing services:					
Training and technical assistance	3,949	3,997	3,997	+48	---
Bullet proof vests	29,617	---	20,000	-9,617	+20,000
Tribal law enforcement	14,808	31,065	31,065	+16,257	---
Meth hot spots	62,778	40,084	99,000	+36,222	+58,916
COPS technology	138,117	---	100,000	-38,117	+100,000
Interoperable communications	(9,872)	---	---	(-9,872)	---
Criminal records upgrade	9,872	---	4,873	-4,999	+4,873
DNA backlog/crime lab	107,145	---	175,568	+68,423	+175,568
Paul Coverdell forensics science	18,264	---	---	-18,264	---
Crime identification technology	28,407	---	---	-28,407	---
Project safe neighborhoods	14,808	---	54,808	+40,000	+54,808
Reduce gang violence	---	---	(40,000)	(+40,000)	(+40,000)
Offender reentry	4,936	---	4,936	---	+4,936
Reduce gang violence	39,489	---	---	-39,489	---
Weed and seed strategies	---	---	49,348	+49,348	+49,348
Management and administration	---	26,950	26,950	+26,950	---
Total, Community oriented policing services	472,190	102,096	570,545	+98,355	+468,449
Juvenile justice programs	338,361	---	280,739	-57,622	+280,739
Public safety officers benefits:					
Death benefits	64,000	---	65,000	+1,000	+65,000
Disability and education benefits	8,834	---	8,828	-6	+8,828
Total, Public safety officers benefits program	72,834	---	73,828	+994	+73,828
Total, Office of Justice Programs	2,416,111	1,201,048	2,244,179	-171,932	+1,043,131
Total, title I, Department of Justice	21,624,081	21,325,003	22,347,225	+723,144	+1,022,222
Appropriations	(21,395,081)	(21,494,003)	(22,347,225)	(+952,144)	(+853,222)
Rescissions	---	(-169,000)	---	---	(+169,000)
Emergency appropriations	(229,000)	---	---	(-229,000)	---
TITLE II - DEPARTMENT OF COMMERCE AND RELATED AGENCIES					
TRADE AND INFRASTRUCTURE DEVELOPMENT					
RELATED AGENCIES					
Office of the United States Trade Representative					
Salaries and expenses	44,207	42,197	46,207	+2,000	+4,010
International Trade Commission					
Salaries and expenses	61,950	64,200	62,575	+625	-1,625
Total, Related agencies	106,157	106,397	108,782	+2,625	+2,385

SCIENCE, STATE, JUSTICE, COMMERCE, AND RELATED AGENCIES APPROPRIATIONS, FY 2007 (H.R. 5672)
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
DEPARTMENT OF COMMERCE					
International Trade Administration					
Operations and administration	401,728	421,782	424,782	+23,054	+3,000
Offsetting fee collections	-8,000	-13,000	-13,000	-5,000	---
Direct appropriation	393,728	408,782	411,782	+18,054	+3,000
Bureau of Industry and Security					
Operations and administration	60,451	63,815	62,039	+1,588	-1,776
CWC enforcement	14,579	14,767	14,767	+188	---
Total, Bureau of Industry and Security	75,030	78,582	76,806	+1,776	-1,776
Economic Development Administration					
Economic development assistance programs	250,741	297,467	230,741	-20,000	-66,726
Salaries and expenses	29,691	29,700	29,700	+9	---
Total, Economic Development Administration	280,432	327,167	260,441	-19,991	-66,726
Minority Business Development Agency					
Minority business development	29,641	29,641	29,641	---	---
Total, Trade and Infrastructure Development	884,988	950,569	887,452	+2,464	-63,117
ECONOMIC AND INFORMATION INFRASTRUCTURE					
Economic and Statistical Analysis					
Salaries and expenses	79,278	80,482	79,880	+602	-602
Bureau of the Census					
Salaries and expenses	195,500	184,067	190,067	-5,433	+6,000
Periodic censuses and programs	606,363	694,092	694,092	+87,729	---
Total, Bureau of the Census	801,863	878,159	884,159	+82,296	+6,000
National Telecommunications and Information Administration					
Salaries and expenses	17,837	17,837	17,837	---	---
Public telecommunications facilities, planning and construction	21,719	---	---	-21,719	---
Total, National Telecommunications and Information Administration	39,556	17,837	17,837	-21,719	---
United States Patent and Trademark Office					
Current year fee funding	1,683,086	1,771,000	1,771,000	+87,914	---
Offsetting fee collections	-1,683,086	-1,771,000	-1,771,000	-87,914	---
Total, Economic and Information Infrastructure	920,697	976,478	981,876	+61,179	+5,398
SCIENCE AND TECHNOLOGY					
Technology Administration					
Salaries and expenses	5,923	1,485	2,000	-3,923	+515
National Institute of Standards and Technology					
Scientific and technical research and services	394,762	467,002	467,002	+72,240	---
(Transfer out)	(-987)	(-9,450)	(-9,450)	(-8,463)	---

SCIENCE, STATE, JUSTICE, COMMERCE, AND RELATED AGENCIES APPROPRIATIONS, FY 2007 (H.R. 5672)
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
Industrial technology services	183,624	46,332	92,000	-91,624	+45,668
Rescission (P.L. 109-148)	-7,000	---	---	+7,000	---
Construction of research facilities	173,651	67,998	67,998	-105,653	---
Working capital fund (by transfer)	(987)	(9,450)	(9,450)	(+8,463)	---
Total, National Institute of Standards and Technology	745,037	581,332	627,000	-118,037	+45,668
National Oceanic and Atmospheric Administration					
Operations, research, and facilities	2,727,930	2,587,843	2,375,464	-352,466	-212,379
(By transfer from Promote and Develop Fund)	(66,144)	(77,000)	(77,000)	(+10,856)	---
By transfer from Coastal zone management	2,962	3,000	3,000	+38	---
Emergency appropriations (P.L. 109-148)	17,200	---	---	-17,200	---
Total, Operations, research, and facilities	2,748,092	2,590,843	2,378,464	-369,628	-212,379
Procurement, acquisition and construction	1,109,919	1,024,467	996,703	-113,216	-27,764
Emergency appropriations (P.L. 109-148)	37,400	---	---	-37,400	---
Total, Procurement, acquisition and construction	1,147,319	1,024,467	996,703	-150,616	-27,764
Pacific coastal salmon recovery	66,638	66,825	20,000	-46,638	-46,825
Coastal zone management fund	-3,000	-3,000	-3,000	---	---
Fisheries finance program account	-9,000	-3,000	-5,000	+4,000	-2,000
Total, National Oceanic and Atmospheric Administration	3,950,049	3,676,135	3,387,167	-562,882	-288,968
Total, Science and Technology	4,701,009	4,258,952	4,016,167	-684,842	-242,785
OTHER					
Salaries and expenses, Departmental Management	46,860	56,999	52,760	+5,900	-4,239
Travel and tourism	3,949	---	---	-3,949	---
HCHB renovation and modernization	---	18,000	---	---	-18,000
Office of Inspector General	22,467	22,531	22,531	+64	---
National Intellectual Property Law Enforcement Coordination Council	---	990	---	---	-990
Total, Other	73,276	98,520	75,291	+2,015	-23,229
Total, Department of Commerce	6,473,813	6,178,122	5,852,004	-621,809	-326,118
Total, title II, Department of Commerce and related agencies	6,579,970	6,284,519	5,960,786	-619,184	-323,733
Appropriations	(6,532,370)	(6,284,519)	(5,960,786)	(-571,584)	(-323,733)
Emergency appropriations	(54,600)	---	---	(-54,600)	---
(By transfer)	(67,131)	(86,450)	(86,450)	(+19,319)	---
(Transfer out)	(-987)	(-9,450)	(-9,450)	(-8,463)	---
TITLE III - SCIENCE					
Executive Office of the President					
Office of Science and Technology Policy	5,493	5,369	5,369	-124	---
National Aeronautics and Space Administration					
Science, aeronautics and exploration	9,636,727	10,523,805	10,482,000	+845,273	-41,805
Exploration capabilities	6,577,901	6,234,922	6,193,500	-384,401	-41,422
Emergency appropriations (P.L. 109-148)	349,800	---	---	-349,800	---
Office of Inspector General	31,986	33,500	33,500	+1,514	---
Total, NASA	16,596,414	16,792,227	16,709,000	+112,586	-83,227

SCIENCE, STATE, JUSTICE, COMMERCE, AND RELATED AGENCIES APPROPRIATIONS, FY 2007 (H.R. 5672)
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
National Science Foundation					
Research and related activities (non-defense)	4,264,825	4,598,430	4,598,430	+333,605	---
Defense function	66,658	67,520	67,520	+862	---
Major research equipment and facilities construction	190,881	240,250	237,250	+46,369	-3,000
Education and human resources	796,693	816,220	832,432	+35,739	+16,212
Salaries and expenses	246,807	281,822	268,610	+21,803	-13,212
National Science Board	3,949	3,910	3,910	-39	---
Office of Inspector General	11,353	11,860	11,860	+507	---
Total, National Science Foundation	5,581,166	6,020,012	6,020,012	+438,846	---
Total, title III, Science	22,183,073	22,817,608	22,734,381	+551,308	-83,227
Appropriations	(21,833,273)	(22,817,608)	(22,734,381)	(+901,108)	(-83,227)
Emergency appropriations	(349,800)	---	---	(-349,800)	---
TITLE IV - DEPARTMENT OF STATE AND RELATED AGENCY					
DEPARTMENT OF STATE					
Administration of Foreign Affairs					
Diplomatic and consular programs	3,633,018	3,856,703	3,709,914	+76,896	-146,789
(Transfer out)	(-3,949)	(-4,000)	(-4,000)	(-51)	---
Worldwide security upgrades	680,716	795,170	795,170	+114,454	---
Emergency appropriations (P.L. 109-148)	16,000	---	---	-16,000	---
Rescission (P.L. 109-148)	-10,000	---	---	+10,000	---
Total, Diplomatic and consular programs	4,319,734	4,651,873	4,505,084	+185,350	-146,789
Capital investment fund	58,143	68,298	58,143	---	-10,155
Centralized IT modernization program	68,482	---	---	-68,482	---
Office of Inspector General	29,646	32,508	32,508	+2,862	---
Educational and cultural exchange programs	426,275	474,288	436,275	+10,000	-38,013
Representation allowances	8,175	8,201	8,175	---	-26
Protection of foreign missions and officials	9,270	9,288	9,270	---	-18
Embassy security, construction, and maintenance	591,152	640,161	605,652	+14,500	-34,509
Worldwide security upgrades	898,574	899,368	899,368	+794	---
Rescission (P.L. 109-148)	-20,000	---	---	+20,000	---
Emergencies in the diplomatic and consular service	9,872	4,940	4,940	-4,932	---
Emergency appropriations (P.L. 109-148)	15,000	---	---	-15,000	---
(By transfer)	(3,949)	(4,000)	(4,000)	(+51)	---
(Transfer out)	(-987)	---	---	(+987)	---
Repatriation Loans Program Account:					
Direct loans subsidy	703	695	695	-8	---
Administrative expenses	599	590	590	-9	---
(By transfer)	(987)	---	---	(-987)	---
Total, Repatriation loans program account	1,302	1,285	1,285	-17	---
Payment to the American Institute in Taiwan	19,499	15,826	15,826	-3,673	---
Payment to the Foreign Service Retirement and Disability Fund	131,700	125,000	125,000	-6,700	---
Total, Administration of Foreign Affairs	6,566,824	6,931,036	6,701,526	+134,702	-229,510

SCIENCE, STATE, JUSTICE, COMMERCE, AND RELATED AGENCIES APPROPRIATIONS, FY 2007 (H.R. 5672)
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
International Organizations					
Contributions to international organizations, current year assessment	1,151,318	1,268,523	1,151,318	---	-117,205
Contributions for international peacekeeping activities, current year	1,022,275	1,135,327	1,135,327	+113,052	---
Total, International Organizations and Conferences	2,173,593	2,403,850	2,286,645	+113,052	-117,205
International Commissions					
International Boundary and Water Commission, United States and Mexico:					
Salaries and expenses	27,643	28,453	28,453	+810	---
Construction	5,232	5,237	9,237	+4,005	+4,000
American sections, international commissions	9,911	9,587	9,587	-324	---
International fisheries commissions	23,694	20,651	20,651	-3,043	---
Total, International commissions	66,480	63,928	67,928	+1,448	+4,000
Other					
Payment to the Asia Foundation	13,821	10,000	13,821	---	+3,821
Center for Middle Eastern-Western dialogue	5,923	750	375	-5,548	-375
Eisenhower Exchange Fellowship program	494	500	500	+6	---
Israeli Arab scholarship program	370	375	375	+5	---
East-West Center	18,994	12,000	3,000	-15,994	-9,000
National Endowment for Democracy	74,042	80,000	50,000	-24,042	-30,000
Total, Department of State	8,920,541	9,502,439	9,124,170	+203,629	-378,269
RELATED AGENCY					
Broadcasting Board of Governors					
International Broadcasting Operations	633,257	617,338	651,279	+18,022	+33,941
Broadcasting to Cuba	---	36,279	---	---	-36,279
Broadcasting capital improvements	10,753	18,286	7,624	-3,129	-10,662
Total, Broadcasting Board of Governors	644,010	671,903	658,903	+14,893	-13,000
Total, title IV, Department of State and Related Agency	9,564,551	10,174,342	9,783,073	+218,522	-391,269
Appropriations	(9,563,551)	(10,174,342)	(9,783,073)	(+219,522)	(-391,269)
Emergency appropriations	(31,000)	---	---	(-31,000)	---
(Transfer out)	(-4,936)	(-4,000)	(-4,000)	(+936)	---
(By transfer)	(4,936)	(4,000)	(4,000)	(-936)	---
TITLE V - RELATED AGENCIES					
Antitrust Modernization Commission					
Salaries and expenses	1,157	462	462	-695	---
Commission for the Preservation of America's Heritage Abroad					
Salaries and expenses	493	493	493	---	---
Commission on Civil Rights					
Salaries and expenses	8,933	9,309	8,933	---	-376
Commission on International Religious Freedom					
Salaries and expenses	3,258	3,000	3,000	-258	---

SCIENCE, STATE, JUSTICE, COMMERCE, AND RELATED AGENCIES APPROPRIATIONS, FY 2007 (H.R. 5672)
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
Commission on Security and Cooperation in Europe					
Salaries and expenses	2,004	2,110	2,110	+106	---
Congressional-Executive Commission on the People's Republic of China					
Salaries and expenses	1,876	2,000	2,000	+124	---
Equal Employment Opportunity Commission					
Salaries and expenses	326,998	322,807	322,807	-4,191	---
Federal Communications Commission					
Salaries and expenses	289,758	302,542	294,261	+4,503	-8,281
Offsetting fee collections - current year	-288,771	-301,500	-293,261	-4,490	+8,239
Direct appropriation	987	1,042	1,000	+13	-42
Federal Trade Commission					
Salaries and expenses	210,079	223,000	213,079	+3,000	-9,921
Offsetting fee collections - current year	-116,000	-129,000	-129,000	-13,000	---
Offsetting fee collections, telephone database	-23,000	-18,000	-23,000	---	-5,000
Direct appropriation	71,079	76,000	61,079	-10,000	-14,921
HELP Commission					
Salaries and expenses	---	1,000	1,250	+1,250	+250
Legal Services Corporation					
Payment to the Legal Services Corporation	326,578	310,860	313,860	-12,718	+3,000
Marine Mammal Commission					
Salaries and expenses	2,883	2,133	2,000	-883	-133
National Veterans Business Development Corporation					
National Veterans Business Development Corporation	1,481	---	---	-1,481	---
Securities and Exchange Commission					
Salaries and expenses	888,117	904,846	900,517	+12,400	-4,329
Prior year unobligated balances	-25,000	-14,000	-20,000	+5,000	-6,000
Direct appropriation	863,117	890,846	880,517	+17,400	-10,329
Small Business Administration					
Salaries and expenses	309,031	303,550	303,550	-5,481	---
Legislative proposal	---	-7,000	---	---	+7,000
(Transfer out)	---	---	(-1,000)	(-1,000)	(-1,000)
Office of Inspector General	13,722	14,355	13,722	---	-633
Emergency appropriations (P.L. 109-148)	5,000	---	---	-5,000	---
Surety bond guarantees revolving fund	2,824	2,970	2,824	---	-146
Business Loans Program Account:					
Direct loans subsidy	1,283	---	---	-1,283	---
Administrative expenses	123,706	126,136	123,706	---	-2,430
(By transfer from SBA salaries and expenses)	---	---	(1,000)	(+1,000)	(+1,000)
Total, Business loans program account	124,989	126,136	123,706	-1,283	-2,430

SCIENCE, STATE, JUSTICE, COMMERCE, AND RELATED AGENCIES APPROPRIATIONS, FY 2007 (H.R. 5672)
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
Disaster Loans Program Account:					
Direct loans subsidy	---	85,140	85,140	+85,140	---
Emergency appropriations (P.L. 109-148)	264,500	---	---	-264,500	---
Transfer from FEMA (emergency)(P.L. 109-174)	712,000	---	---	-712,000	---
Administrative expenses	---	113,850	113,850	+113,850	---
Emergency appropriations (P.L. 109-148)	176,500	---	---	-176,500	---
Total, Disaster loans program account	1,153,000	198,990	198,990	-954,010	---
Total, Small Business Administration	1,608,566	639,001	642,792	-965,774	+3,791
State Justice Institute					
Salaries and expenses	3,455	---	2,000	-1,455	+2,000
United States - China Economic and Security Review Commission					
Salaries and expenses	2,962	4,000	4,000	+1,038	---
United States Senate-China Interparliamentary Group					
Salaries and expenses	149	---	---	-149	---
United States Institute of Peace					
Operating expenses	22,064	26,979	26,979	+4,915	---
Total, title V, Related agencies	3,248,040	2,292,042	2,275,282	-972,758	-16,760
Appropriations	(2,090,040)	(2,292,042)	(2,275,282)	(+185,242)	(-16,760)
Emergency appropriations	(1,158,000)	---	---	(-1,158,000)	---
TITLE VII - RESCISSIONS					
DEPARTMENT OF JUSTICE					
Violent crime reduction trust fund (rescission)	---	---	-8,000	-8,000	-8,000
General Administration					
Working capital fund (rescission)	-2,500	---	---	+2,500	---
Telecommunications Carrier Compliance Fund(rescission)	---	---	-39,000	-39,000	-39,000
Legal Activities					
Assets forfeiture fund (rescission)	-102,000	-120,000	-152,787	-50,787	-32,787
Federal Bureau of Investigation					
Salaries and expenses (rescission)	-25,000	---	---	+25,000	---
Office of Justice Programs					
Office of Justice programs (rescission)	-110,500	-127,500	-127,500	-17,000	---
Community oriented policing services (rescission)	-86,500	-127,500	-127,500	-41,000	---
DEPARTMENT OF COMMERCE					
National Oceanic and Atmospheric Administration					
Rescission	-25,000	---	---	+25,000	---

SCIENCE, STATE, JUSTICE, COMMERCE, AND RELATED AGENCIES APPROPRIATIONS, FY 2007 (H.R. 5672)
(Amounts in thousands)

	FY 2006 Enacted	FY 2007 Request	Bill	Bill vs. Enacted	Bill vs. Request
Departmental Management					
Emergency steel guaranteed loan program account (rescission)	---	-48,607	-38,607	-38,607	+10,000
Department of State					
Center for Middle Eastern-Western Dialogue Trust Fund (rescission)	---	---	-10,000	-10,000	-10,000
RELATED AGENCIES					
Federal Communications Commission					
Salaries and expenses (rescission)	-25,300	---	---	+25,300	---
Federal Trade Commission					
Salaries and expenses (rescission)	-12,000	---	---	+12,000	---
Marine Mammal Commission					
Salaries and expenses (rescission)	-920	---	---	+920	---
Small Business Administration					
Salaries and expenses (rescission)	-3,000	-6,100	-6,100	-3,100	---
Business Loans Program Account (rescission)	-4,000	-5,000	-5,000	-1,000	---
Disaster Loans Program Account (rescission)	---	-3,700	-3,700	-3,700	---
GENERAL PROVISIONS					
Across-the-board cut (1%) (rescission) (P.L. 109-148)	492	---	---	-492	---
Total, title VII, Rescissions	-396,228	-438,407	-518,194	-121,966	-79,787
Grand total:					
New budget (obligational) authority	62,803,487	62,455,107	62,582,553	-220,934	+127,446
Appropriations	(61,303,815)	(62,935,014)	(62,973,247)	(+1,669,432)	(+38,233)
Emergency appropriations	(1,822,400)	---	---	(-1,822,400)	---
Rescissions	(-322,728)	(-479,907)	(-390,694)	(-67,966)	(+89,213)
(Transfer out)	(-5,923)	(-13,450)	(-14,450)	(-8,527)	(-1,000)
(By transfer)	(72,067)	(90,450)	(91,450)	(+19,383)	(+1,000)

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

Mr. MOLLOHAN. Mr. Chairman, I yield myself such time as I might consume.

Mr. Chairman, I first want to compliment Chairman WOLF on his efforts with regard to this bill. He has had a really tough job balancing the subcommittee's portfolio, which is considerable, with diverse important programs. He has managed in a very tough budgetary climate. I truly admire his passion, and his conviction, which are all evident in this bill.

Chairman WOLF characteristically does an excellent job, and certainly his experience working for a number of years on this bill has served him well in a very difficult situation. He is to be complimented here today.

There are very definitely some great things, Mr. Chairman, that can be said about this bill. Federal law enforcement is fully funded. Many of those accounts, such as the U.S. Attorney's account, the Drug Enforcement Administration, the Bureau of Prisons, are all funded above the President's requested level. Some are funded at the requested level, such as the U.S. Marshal's service and the Federal Bureau of Investigation.

This funding is a priority. It is important, and I support the Chairman's efforts to provide it.

The bill also fully funds the American Competitiveness Initiative, which in this bill will double over 10 years the research and development lines for physical science and engineering at NIST and the National Science Foundation.

Two significant funding improvements were made during full committee. The chairman accepted an amendment to increase funding for the Survey of Income and Program Participation by $10 million and accepted an amendment providing partial funding for the SBA Microloan program. These are two programs that many Members expressed concern about, and I am pleased the amendments were adopted after being accepted by the chairman.

Mr. Chairman, a number, around 80 to 90 at last count, of well-meaning Members will offer amendments today. We ought to be offering amendments to increase law enforcement funding. We ought to be offering amendments to restore science funding at NASA and to help NASA with the expensive and numerous tasks on its plate. We ought to be offering amendments to increase funding for the Economic Development Administration.

The list of programs needing more funding in this bill goes on and on. But the funding just isn't there. The offsets just aren't there. These well-intentioned amendments will come at the cost of important programs when they are offered up as offsets, important programs such as the census, U.N. peacekeeping efforts, salaries and expenses at the Department of State, the Department of Justice, and the Department of Commerce, which have already been cut back.

I just want to take a moment, Mr. Chairman, to remind Members about why many of these amendments will need to be opposed. It is because the insufficient budget resolution that was passed on this floor has resulted in a narrow allocation for this bill that will not allow us to fund all of the priorities that Members will advocate for on the floor.

As a matter of fact, the number of amendments that are being offered today is the greatest number that I can ever remember being offered on this bill. But they have been increasing every year as that budget allocation has become smaller and smaller because of the budget resolutions that we passed at the beginning of this process.

The number of amendments offered here today is in and of itself, I think, one of the best indicators that we are not providing enough money for domestic discretionary programs. Members are recognizing that program by program by program. Members are offering amendments, trying to increase funding for those programs, those worthy programs that I just mentioned.

It is beginning to really hurt. It is beginning to really hurt law enforcement, beginning to really hurt NASA and other science programs. It is beginning to really hurt economic development programs.

For example, I know the chairman is committed to providing adequate funding for our Nation's law enforcement, the men and women who put their lives on the line every day in the name of public safety back in our communities. The President's budget cut $1.3 billion out of State and local law enforcement, about half of the funding provided in fiscal year 2006.

Now, let me repeat that. The request that the President of the United States sent to the United States Congress cut $1.3 billion out of State and local law enforcement, about half the funding that we provided last year. These funds are important resources to the men and women who are keeping our districts safe, our communities safe.

Chairman WOLF restored $1.1 billion of this funding, for a total of $2.3 billion for Federal assistance to State and local law enforcement. That is what is in this bill, $2.3 billion for Federal assistance to State and local law enforcement.

Last year, Mr. Chairman, the Congress provided $2.5 billion for State and local law enforcement. That was $1 billion above the President's request then, but $300 million below the 2005 level. The 2005 level that we passed here was $1.2 billion above the request, but $200 million below the 2004 level. The 2004 level was $500 million below the 2003 level, and the 2003 level was $500 million below the 2002 level. The 2002 level was $400 million below the high water mark for Federal assistance to State and local law enforcement of $4.4 billion in 2001.

While we see what is happening here, the bottom line is that we have cut about $2 billion in funding for State and local law enforcement since 2001. Well, do we care about that? Does that have an effect? Well these cuts, Mr. Chairman, are not without consequences.

Preliminary data from the FBI's uniform crime report for 2005 indicate that violent crime rates have increased 2.5 percent from 2004 to 2005. This is the largest increase since 1992. Is anyone surprised? Certainly not.

Violent crime rates fell steadily from 1993 to 2002, and this nearly coincides with the establishment of the community policing program known as the COPS program under the Clinton administration. The Office of Community Oriented Policing Services, COPS, was created in 1994; 100,000 police officers were put on the beat by funds provided under the COPS program.

Consider these facts. COPS funded its 100,000th community policing professional in May of 1999, and violent crime rates continued to fall. Congress funded State and local assistance programs at $4.4 billion, their highest level in 2001. Violent crime rates dropped between 2001 and 2002. Congress decreased State and local law enforcement funding in 2002 by $400 million, as I mentioned before, and violent crime rates increased in 2003 and rose again in 2004 and rose again dramatically in 2005, coinciding with the lack of assistance coming from the Federal Government to help our State and local law enforcement.

Well, Mr. Chairman, there is a correlation between the funding we provide here in this committee for State and local law enforcement and incidents of violent crime. There is a relationship.

With respect to this bill, Mr. Chairman, the President's fiscal 2007 budget, for the second year in a row, contained a .02 cents per pound tax on the users of explosives. My State, due to its extraction industry, would bear the largest share of the burden with this tax. The repeated proposal of this tax by the President, coupled with the inadequate allocation provided our subcommittee, has resulted in an insufficient budget resolution; and this placed the chairman, Chairman WOLF, in a very difficult position. So he used part of that tax, understanding that in the process this would be challenged, and at the appropriate point, Mr. Chairman, during consideration of this bill, I intend to make a point of order against this tax. We appreciate the Rules Committee not protecting this provision.

Well, anyone on this subcommittee knows of the chairman's passion for helping the weakest and most vulnerable in our society. To that end, Chairman WOLF restored $367 million to the Justice Assistance Formula Grant Program funds that helps our youngest and our most troubled citizens. These funds were zeroed out by the President, and I applaud Chairman WOLF for restoring them.

Further, in continuance of his commitment to assisting law enforcement with the ever-increasing gang epidemic in this country, Chairman WOLF has restored $25 million cut from the President's budget from the anti-gang initiative in the COPS program.

In the Department of Commerce, the funding provided for the American Competitiveness Initiative came at a price. One of the programs that couldn't be fully restored is the Manufacturing Extension Partnership. This program is very important to basic industry areas across this country. Mr. Chairman, the President slashed the funding for this program but the chairman doubled it, bringing it to $92 million, about $17 million below last year's enacted program.

Another program that suffers is the Advanced Technology Program, which was eliminated by the President. We are able to fully fund the decennial census and the American Community Survey. I well remember the problems that arose during the last census and the fight for emergency funding for census on the floor, and full funding this year keeps us on track for the future.

In NASA, the President's budget request again made dramatic reductions to science and aeronautics funding, as NASA tries to fit in these programs and the return to flight, the International Space Station and the Moon-Mars proposal at the same time it fails to deliver on promised funding. The chairman again is forward-looking in his restoration of $75 million to the science programs and $100 million to aeronautics, which is a huge contributor to the American economy. Despite these increases, however, funding levels will still generate cause for alarm from our science community.

The bottom line is, for all of these programs and numerous others that I have not mentioned, $59.8 billion is simply not enough. The chairman has been extremely responsive to Members and to the needs of the people who benefit from these programs, restoring and increasing where he was able to do so in this tight allocation. But, despite these noble efforts, we have seen for the past several years and will see again this year programs being whittled away through attrition by the administration that is reducing necessary discretionary spending in the name of balancing a budget which, in truth, these actions would demonstrate the administration has no intention of balancing.

One could easily make the argument that this bill needs several billion dollar in additional funding, increased funding for the Economic Development Administration, for the Small Business Administration Microloans, for Legal Services Corporation, for funding above the restoration that the Chairman provided for State and local justice programs, funding for OSHA and for fisheries programs in the National Oceanic and Atmospheric Administration, a program supported by so many Members here. More funding is needed for life sciences funding at NASA and biology funding at the National Science Foundation and the perceived need to accelerate the Crew Exploration Vehicle at NASA to maintain the United States' access to space after shuttle retirement. These all add up quickly.

Each of these is a need for which I have heard support, either from constituents or from the community at large or from other Members.

□ 1745

And each of these needs has meritorious arguments for funding. I would hope all Members would view favorably any opportunity to seek an increased allocation to support these critical programs.

I would like to again note how fortunate we are to have had such a principled chairman for the past 6 years. It has been an honor to work with you, Mr. Chairman, and I look forward to working with you again next year, regardless of whether you remain on this subcommittee or move to another one.

And, Mr. Chairman, I would like to note that every member of the minority on this subcommittee has equally high regard for the chairman, as he has worked with more than one of us as his ranking member.

I also would like to thank the majority staff, Mike Ringler, Christine Kojac, John Martens, Anne Marie Goldsmith, Clelia Alvarado and Darryl Hill, as well as J.T. Griffin from the chairman's personal staff, for the fair and open way in which they have worked with the minority in crafting this bill. Our input and the chairman's output was accepted at every turn.

I also want to thank the minority appropriations staff, David Pomerantz, Michelle Burkett, and Chris Martin for their tireless efforts. And I want to thank Sally Moorhead and Julie Aaronson, of my personal staff, for their valuable work on this bill.

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

Mr. WOLF. Mr. Chairman, I yield such time as he may consume to Mr. LEWIS, the chairman of the full Committee.

Mr. LEWIS of California. Mr. Chairman, I rise in support of H.R. 5672, the Science, State, Justice, Commerce Appropriations bill for fiscal year 2007.

This is the 10th of 11 bills the committee has brought to the House floor as we go to the Fourth of July recess. I want to praise especially Chairman WOLF as he goes about his sixth bill for this subcommittee, and Ranking Member MOLLOHAN. These two, working together, have been a model reflective of the best of bipartisan effort in the appropriations process.

In total, this measure provides $59.8 billion in discretionary spending. The bill contains critical funding to make America more competitive by investing in science. NASA is funded at $16.7 billion, which is $462 million above last year's level. The National Science Foundation receives $6 billion, the full amount requested as part of the American Competitiveness Initiative, and an increase of $439 million from last year.

This legislation also continues the critical effort to fight the scourge of meth and prosecute the war on terror. It also provides $2.6 billion for State and local law enforcement, including $405 million to reimburse States for the cost of incarcerating illegal aliens.

The bill also includes vital funding for the Department of Commerce, the State Department, the Small Business Administration and other Federal entities.

I would like to make two additional points about this measure. First, the Members should know the SSJC bill provides $387 million for Member projects, $1.3 billion less than last year's enacted level.

Secondly, this year's bill terminates eight programs resulting in $159 million taxpayer savings.

Mr. Chairman, I would like to make one final point. Last year, the House Appropriations Committee successfully eliminated 53 programs, for a savings of $3.5 billion. Building on that record in this year's 11 spending bills, the House Appropriations Committee has proposed eliminating 95 wasteful or redundant programs, saving the American taxpayer nearly $4 billion.

Mr. Chairman, this bill is a fine product worthy of your support. I want to especially commend Mr. MOLLOHAN for his cooperative work with the chairman and have the entire House recognize Mr. WOLF for his work on this year's bill.

Mr. MOLLOHAN. Mr. Chairman, I yield such time as he may consume to the distinguished ranking member, Mr. OBEY.

Mr. OBEY. Mr. Chairman, first of all, I would like to alert Members to a practical fact associated with this bill. We have pending, once general debate is over, about 100 amendments. If we assume that each one of them will be debated for only 10 minutes, and that is a risky assumption, but it is nonetheless to be hoped for, but if we assume that we can get that kind of unanimous consent agreement, that means that, with slippage and the time it takes to transact business, we are talking about 25 hours of debate, not counting any time consumed by roll calls. So we could very easily hit 30 hours of activity on the House floor. I think Members need to understand that.

If they expect to get out of here at a reasonable time this week, I would suggest that perhaps some people might conclude that at least some of those amendments are duplicative, and that Members would choose not to offer them.

I don't mean that about all amendments. I think some amendments are deserving and need to be offered. But I would ask Members to look at this with a very dispassionate eye to see

whether or not an amendment needs to be offered and whether any useful message will be sent by its offering.

Secondly, I want to repeat or emphasize what the gentleman from West Virginia said about the gentleman from Virginia, the chairman of the subcommittee, Mr. WOLF. One of the things I most appreciate about him is that he is not one of those laid back, super cool people who so many people seem to think should dominate politics and government these days. He has passion, and I think that he often has passion about the right things. And I, for one, want to say that I respect greatly the job the gentleman has done as chairman of this subcommittee the last 6 years. I think that we are all proud to have been able to serve with him.

And thirdly, I would like to address this bill for just a moment, if I could, Mr. Chairman. I know that the chairman from Virginia has done his dead level best to produce a decent bill. I know the gentleman from West Virginia has done the same.

But I want to point out that as the gentleman from West Virginia says, there will be a good many amendments offered in the next 3 days. And I think it is clear, because of the number of amendments, that Members recognize that there are so many useful things, so many important things that this bill needs to do that it will not be able to accomplish because of the budget number assigned to it under the budget resolution.

Sometimes I hear people bemoaning the fact that the subcommittee doesn't have enough resources. And you would think that somehow this ceiling was imposed anonymously from on high. It was imposed from on high all right, but it wasn't anonymously. And in my view, every person who voted for the budget resolution has a responsibility for some of the important cuts in law enforcement, in Earth-based sciences, in legal services, and in other areas that this bill is forced to make because of that budget resolution. I want to point to just two.

With respect to law enforcement, what has been going on is a Kabuki dance between us and the White House over the past 5 years. The White House proposes draconian cuts; they slash deeply in law enforcement grants. The committee then restores about two-thirds of that funding. We all say, ''Oh, what good boys and girls are we.'' We pat ourselves on the back. But in the end, we haven't been able to salvage those programs, and we see that this bill is $2.1 billion below where law enforcement grants would have been in 2001.

Secondly, with respect to legal services, about which I will offer an amendment at a later point in the debate, that bill a decade ago was funded at $400 million. That program today is funded at slightly over $320 million, a slight increase over the President's request, but still a cut from last year, and a substantial reduction from where it was a decade ago.

Since that time, inflation has eaten up a significant portion of the purchasing power of that program. We should not be doing that to people in this society who, without this program, will have very little ability to take advantage of the court system when they feel that they have been abused, and they will be boxed out of our justice system simply because they have no money. I don't think that Congress ought to allow that to happen, and I regret that this bill contributes to this problem.

Having said that, I respect the work that both gentlemen have done.

Mr. WOLF. Mr. Chairman, I recognize Mr. KIRK, a member of the committee, for 2 minutes.

Mr. KIRK. Mr. Chairman, I rise to compliment my chairman, Mr. WOLF, and our ranking minority member, Mr. MOLLOHAN.

This bill will help small businesses to comply with the Sarbanes Oxley Act under a new bipartisan provision which establishes an ombudsman at the Securities and Exchange Commission. Both Minority Leader PELOSI and the Speaker have called for help in this area, and the bill does that.

With regard to our critical relationship with China, we recommended retaining the current U.S. embassy site even after the new embassy is complete. This is a wise step to allow for the expansion of the U.S. Government in China, especially to help protect the Olympic Games in 2008 from terrorists.

We also took action in this bill to preserve the Turkish Service of the VOA, a critical media market for the United States bordering Iran during these days of crisis. Our action will help stabilize that NATO ally.

At USTR, we called in this bill for stronger action to stop the theft of American intellectual property in China. And while the central government in Beijing has made the right promises, Congressman RICK LARSEN and I noted in our U.S. China Working Group work that this key trade issue between China and America remains unresolved at the local level. And this bill provides clear direction to the USTR in that area.

This bill also provides new resources to Federal law enforcement. ATF, the lead Federal antigang agency in this bill, gets $950 million, a $48 million increase from last year. We also provide a $15 million increase for DEA, and I applaud Chairman WOLF for approving new funding for a DEA aircraft to collect intelligence overseas against drug traffickers.

This bill funds a critical integration of DEA into the intelligence community. And in my experience, DEA has some of the best information on terror financing in the U.S. Government.

The bottom line on this bill is it funds key Federal law enforcement operations in Chicagoland, backing Andy Traver, the special agent in charge of ATF, Robert Grant, the special agent in charge of the FBI, and Rick Sanders, the special agent in charge of DEA. And that is a good thing, especially when they all support our legendary U.S. attorney, Patrick Fitzgerald.

It also provides $85 million more for U.S. Attorneys—61 more Assistant U.S. Attorneys—giving more resources to our legendary U.S. Attorney for the Northern District of Illinois—Patrick Fitzgerald—and his crusade against terror on the Sears Tower and public corruption in Illinois.

Mr. MOLLOHAN. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from New York (Mr. SERRANO), who served as the ranking member on this subcommittee in the last several years.

Mr. SERRANO. Mr. Chairman, I rise in support of this bill, and before I go any further, I want to join the well-deserved chorus of folks who have praised the chairman, Mr. WOLF. For 4 years I was his ranking member, and I have never met a gentleman who can be, in the middle of differences on issues, so fair and so humane. And Chairman WOLF knows that on many issues we didn't disagree and still don't disagree. But the way in which he handled them, the way in which he treated me, and the way in which he treated the minority party really says a lot about who you are. And if we took a poll over here, you would find out that we wish we could change the rules to make sure you remain in your position, as ranking member next year, but certainly in your position. And that is the kind of person that you are.

It is also a great pleasure for me to work with our ranking member, Mr. MOLLOHAN. And the respect that we have for each other has really made our working together a good experience. And I thank you for that.

□ 1800

This bill is such a huge bill that a lot of times when we stand on the floor and we speak about it we will say that there are 25 good things in it, then we will say there are 10 things that need fixing or vice versa, and people will say, well, they are being negative about a bill. But the public and a lot of Members just do not realize how many agencies are covered by this bill; and, in spite of what at times is a very difficult allocation, Chairman WOLF, with the assistance of Ranking Member MOLLOHAN, has been able to do wonders within this bill.

Just to give you some of the things that I pay attention to: A large increase in funding for the National Science Foundation as part of the American Competitive Initiative. Funding levels on which we can build for NOAA as we move through conference and full funding for the National Weather Service. Full funding for the crucial work that the Census Bureau must do in preparation for its next census, which we all know is mandated by the Constitution.

And if I may add to the comments that the ranking member made before,

there will be many amendments tonight, and I take this opportunity to say that some of those amendments will have offsets, I think, hurting the Census Bureau and hurting the Bureau's ability to conduct the next census. So I hope when Members put forth amendments, they will realize where the offset is coming from. It is not just this particular one but other agencies that would be hurt by the offsets. We all want to put money in certain areas. I surely will speak about that tonight. But we have to be careful where those dollars come from.

Forty million dollars in funding for the Drug Courts, which is at the fiscal year 2005 level. The full amount requested on the Diplomatic and Consular Programs for worldwide security upgrades and for security projects under the Embassy Security, Construction and Maintenance account.

Now, within the Department of Justice account, I continue to be concerned about the dwindling level of support we are providing to our State and local governments. And here is where the issue is and it is such a difficult issue. We, since September 11, and I come from New York City and I understand this issue well, have focused a lot of attention, and rightfully so, on the war on terrorism. But if you get the FBI and speak to them, they will even admit that they have had to focus a lot of their attention from other issues that they used to go after, other crimes, to focus on the war on terror.

So when you represent a district like I do in the South Bronx, you wonder just how long we can go without paying full attention to the war on drugs, to the war on crime, to the war on blue collar crime, to the war on crime in our streets. That is why recently, as we know, the FBI admitted that violent crime had spiked for the first time last year since 2001, and I believe it is a direct consequence of the war on terror. So one of our challenges for the future is to see how we can deal with and strike that balance.

Although the full amount requested was provided for international peacekeeping activities, I worry that there will not be sufficient funding for what we all know will be additional peacekeeping needs as we move forward in the fiscal year. I also regret the inability to fully fund our membership obligations to international organizations.

And, lastly, I have joined our committee ranking member, Mr. OBEY, in saying that the Legal Services Corporation is a program that needs to get the full funding that it deserves. We have come a long way when you realize that I am standing here defending a program that was created by Richard Nixon but which affects a community like ours to a great extent, the ability to have people who ordinarily cannot afford a lawyer be represented in the court.

As I said before, the bill strikes a balance. We wish, as we all know, that we had more funding. But in spite of the shortcomings, the bill that was put together by the committee and under the leadership of Mr. WOLF is a good bill and one that I will support and vote for.

Mr. WOLF. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. BOEHLERT), chairman of the Science Committee.

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

Mr. BOEHLERT. Mr. Chairman, I rise in strong support of this bill; and I want to thank my friend, Chairman FRANK WOLF, for working so closely with me on the science portions of the bill.

The passage of this bill may be looked back on as a landmark moment in American history. Now, that probably sounds like a lot of hyperbole, but I mean it. This bill puts us on course to enact the American Competitiveness Initiative, which will double the combined budgets of three key science agencies: the National Science Foundation, the National Institute of Standards and Technology, and the Department of Energy Office of Science, which already received appropriations in the Energy and Water bill.

These agencies, which are not exactly on the tip of the tongue of most Americans, are keystones of our Nation's economic future. Our Nation will remain strong and prosperous only if we remain innovative, and we will only remain innovative if we have the most robust research and education enterprise in the world. And it is these agencies that help enable the U.S. to lead the world in science, math, and engineering education and in research.

And I want to especially thank Chairman WOLF for supporting education funding as well as research funding in this bill, particularly for supporting the Noyce Scholarship Program at NSF, which attracts top science and math majors into teaching.

I also want to thank the chairman for the way he handled appropriations for the National Aeronautics and Space Administration. I have said repeatedly, and the authorization act we passed last year says clearly, that NASA must be a multi-mission agency. With this bill, the House will be putting money where its mouth is. Without interfering with the lunar mission, this bill puts desperately needed funding back in science and aeronautics.

I would like to see even more money going into science, particularly Earth science, but this is a good start, and I am especially pleased that the bill text includes explicit funding levels for science and aeronautics.

Finally, giving the competing priorities, I think the bill does the best it can for the National Oceanic and Atmospheric Administration, although, of course, I hope that, as in the past years, the final numbers are a little bit higher. I appreciate the language Chairman WOLF included in the report, drawing attention to the concerns we all share about the future of the polar satellite program, NPOESS.

So I urge my colleagues to support this forward-looking landmark bill.

Guess what? It all boils down to one thing. This bill is about my favorite four-letter word. And do not get nervous. You can say it on the House floor. You can say it in polite company. That favorite four-letter word is ''jobs.'' We must remain competitive. We must retain as much opportunity for our people here at home. This bill opens the door for that opportunity.

Mr. MOLLOHAN. Mr. Chairman, I am pleased to yield 2 minutes to the distinguished gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT of Virginia. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I would like to speak to two different issues. One is the potential amendment to the Voting Rights Act, where a suggestion may be made to withhold funding for the enforcement of the Voting Rights Act. The Voting Rights Act is one of the most important civil rights pieces of legislation in the history of the United States, and we should not do anything to avoid the full and fair enforcement of the Voting Rights Act.

That bill should be coming up in a few days. We do not know exactly when. There has been an agreement with leadership that the bill be adopted as it came out of committee. It came out of committee 31-1, so we would hope that the leadership would bring it to the floor.

Mr. Chairman, there is another issue that is extremely important, and that is the Legal Services Corporation. If we are going to have people enjoy the rights that they have throughout America, we have to make sure that they have access to courts. The legal Services Corporation, primarily legal aid programs across the country, are extremely important; and we need to make sure that they are fully funded. The bill includes a provision where the number is lower than it should be, and we need to make sure that the amendments to increase Legal Services are adopted.

So, Mr. Chairman, I appreciate the gentleman's giving me the opportunity to bring these two issues to the floor.

Mr. WOLF. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio (Mr. HOBSON), who has really done a lot of work on a very important issue with Mr. ROGERS.

Mr. HOBSON. Mr. Chairman, I rise to engage in a colloquy with the gentleman from Michigan and the gentleman from Virginia on the FBI's Field Office Supervisory Term Limit Policy, commonly referred to as the Up and Out Policy.

This policy would require that Supervisory Special Agents who have served 5 years to transfer to headquarters and be assigned overseas or compete for an Assistant Special Agent in Charge position. If a Supervisory Special Agent

does not want to be transferred, they would be demoted at a substantial pay cut in some instances.

Representative ROGERS and I have been working with Chairman WOLF and the FBI on the implementation of this policy to minimize the significant financial burden it has on Special Agents, particularly those who became supervisors before this policy went into effect. Based on our discussions, we have a commitment from the FBI to seek legislation to ensure that the retirement benefits of Supervisory Special Agents who choose to step down are not negatively impacted.

In addition, the FBI is committed to creating a pilot housing allowance program for employees in the D.C. metro area. This pilot program will improve the FBI's ability to attract talented agents to come to headquarters and will help agents manage the burden of living in a high-cost city and will improve morale.

Mr. Chairman, I now yield to the gentleman from Michigan (Mr. ROGERS).

Mr. ROGERS of Michigan. Mr. Chairman, I thank the gentleman for yielding.

I appreciate the hard work from Mr. HOBSON, Chairman WOLF, and the FBI to address the potentially devastating impact of the FBI's Up and Out Policy on agents in the field who have given decades of public service to protect our Nation. I cannot thank enough Chairman WOLF and Mr. HOBSON for the long hours of negotiation that allowed us to stand with the men and women who stand in harm's way in protection of the United States.

It is critical that the Federal Government protect the retirement benefits of Supervisory Special Agents who have honorably served their country, and I look forward to working with you to address this issue this year.

Further, I am very pleased that the FBI is committed to establishing a housing allowance pilot program here in Washington, D.C., within the funds provided in this bill. We ask a lot of our agents in the field, agents who risk their lives every single day to put mobsters in jail, break up terrorist plots across America, protect the public integrity by Federal, State, and local officials, and so much more. The least we can do is give them the fair compensation that allows them to provide for their family and have a home that is not hours away from their field office. By creating this first-ever housing allowance within the Bureau, agents will be able to reduce their commute time, giving them more time to take a son to a swim meet or a daughter to a dance recital. But perhaps most importantly, Mr. Chairman, this program will be a morale boost and will allow FBI agents to focus on their vital work to protect America and all Americans.

I look forward to continuing to work with the FBI, Chairman WOLF, and yourself, Mr. HOBSON, on ensuring that FBI agents are compensated fairly; and I thank you for your strong leadership on this important issue.

Mr. HOBSON. Mr. Chairman, reclaiming my time, I want to thank Chairman WOLF for his help on this. He has lived up to the discussions that we had.

And I see Mr. KINGSTON has arrived, who wanted to make a comment on this, with Chairman WOLF's indulgence.

Mr. Chairman, I yield to the gentleman from Georgia.

Mr. KINGSTON. Mr. Chairman, I thank Mr. HOBSON for yielding; and I wanted to thank you and Mr. ROGERS for your leadership and Mr. WOLF for working together to come up with a suitable solution to this or at least a step in the right direction.

But I have been very concerned that the middle-aged middle American professional FBI leader would be forced to either take less than a leadership position with the FBI or do a stint in Washington, in which many of them have already done that, and they will do it at the same pay salary that they are, disrupting their wife's career or their spouse's career or disrupting their own career and taking a pay cut effectively, which I believe would run off a lot of our good and seasoned FBI employees. Their other choice would be to stay at home and have somebody with less experience become their boss, and it just does not make sense. We have too many good people in the field with careers running from 15 to 20, 25 years; and we do not want to lose them.

□ 1815

They are the professionals who are running the FBI and doing the good work. So I commend all of you guys for the hard work that you have done on this.

Mr. HOBSON. Mr. Chairman, I thank Mr. KINGSTON, and I thank Chairman WOLF.

Mr. WOLF. Mr. Chairman, I thank Mr. HOBSON. I want to thank Mr. HOBSON, Mr. ROGERS and Mr. KINGSTON for their leadership. This should be called the Hobson-Rogers-Kingston bill to help the FBI. They have done a great service.

I support the establishment of a Housing Allowance Program within the level of funds provided for the FBI in the bill and look forward to working to protect the retirement benefits of the supervisory special agents. Mr. HOBSON, Mr. ROGERS and Mr. KINGSTON, thank you very much.

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

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the distinguished gentleman. Let me take an appropriate time to thank both of the proponents of this bill, the ranking member, Mr. MOLLOHAN, for his consistent leadership and caring attitude toward these issues; and, Mr. WOLF, let me thank you very much for the 6 years of service that you have given. Obviously, you have a great passion for so many issues that deal with the improvement in the quality of lives, not only for those in this country, but around the world.

I do want to raise a number of issues, Mr. Chairman, and as I thank both the full committee chairman, Mr. LEWIS, and then the ranking member, Mr. OBEY, I am really disappointed as to where we find ourselves with the NASA funding. I know the choices have been made with the Moon to Mars account having risen 30 percent, but I think it is important to note that the President requested some 14 percent less for NASA education, $25 million, compared to 2 years ago, from $178.9 million to $153.3 million.

NASA's education programs capitalize on the excitement of NASA's discoveries and missions to inspire future generations of space scientists. I know in speaking to Historically Black Colleges, this has had a terrible impact.

In fact, one of the programs that was authorized under the NASA authorization that the Science Committee, of which I am a member, voted unanimously for, the Dr. Mae C. Jemison Program, the first African American female astronaut still remaining in history, a program named after her to encourage math and science among minority girls. Certainly with the brain drain that we have and the lack of scientists that we are producing in this country, this is an important program.

Might I also mention that in a few days we will launch another space shuttle. But I am concerned, and I have raised this with the director and have sent him a letter, that this shuttle is going in spite of the opposition of safety engineers at NASA. I believe that this record must not close on an appropriation bill without requiring answers from NASA, and I hope to get those answers in the next 24 hours.

Mr. WOLF. I yield 1 minute to the gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Chairman, I thank the chairman for yielding. I want to join with others in commending him and the ranking member on producing a very good bill. There are a lot of important priorities in this legislation. We are funding critical agencies involved in the war on terror, the Department of Justice, the Department of State, as well as our critical problems with methamphetamine abuse and gangs.

But I want to particularly commend the chairman on his work in the NASA account. NASA continues to be a very, very important component of the fabric of our society. We are a Nation of explorers. It has become part of our culture. The heroics of the efforts of people involved in programs like Mercury and Gemini continue on to this day.

We are now in a critical phase where we are developing a new manned vehicle to replace our aging, venerable space shuttle fleet with the Crew Exploration Vehicle, with its planned

agenda to support operations of someday going back to the Moon and possibly on to Mars.

So I commend the chairman. This is a very important component in the account.

Mr. WOLF. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan (Mr. EHLERS).

Mr. EHLERS. Mr. Chairman, I rise in support of this excellent bill and to thank my good friend and colleague, Chairman FRANK WOLF, for his tireless leadership in funding for basic scientific research in the fiscal year 2007 budget.

In a tough budget environment, Chairman WOLF has fought hard to ensure that the President's American Competitiveness Initiative is fully funded. I appreciate the chairman's hard work on an issue that is so important to the Nation.

I spent my career in Congress championing the need for investment in basic research to help keep our Nation on the leading edge of science and innovation. We have gained so much benefit from basic research, ranging from MRIs, through laser technology, human genome mapping, fiberoptics, and GPS systems. The President has recognized the necessity of this investment through his American Competitiveness Initiative, which includes much needed funding for the National Science Foundation.

I very much appreciate that Chairman WOLF has recognized this need and has done as much as he could within the constraints of the budget to provide this funding.

Also I should mention NIST and the great work they do, as well as NOAA and the National Weather Service. In these difficult budgetary times, the chairman has done a marvelous job, and I am very pleased by the funding levels for these entities. I urge my colleagues to support this bill, and again thank Chairman WOLF for his leadership on important science research and education issues.

Mr. WOLF. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. CALVERT).

Mr. CALVERT. Mr. Chairman, this Nation's investment in the sciences is not only the right thing to do; it is critical to our very survival as a global leader. Throughout the 20th century, one of the strengths of the United States was our knowledge-based resources, particularly science and technology. But now we are at a crossroad and we have the ability to continue to strengthen the scientific and technological foundations of our economic leadership, which appear to be eroding at a time when many other nations are building their innovative capacity.

Recently, Chemical and Engineering News reported that 75 percent of all new R&D sites are planned to be established in China and India over the next 3 years. Currently, China awards 59 percent of its undergraduate degrees in the areas of science and engineering, compared with 32 percent in the United States.

As chairman of the Space and Aeronautics Subcommittee, I believe the National Aeronautics and Space Administration should be funded at a higher level than the President's request, but I know the realities of funding allocations.

Aviation is currently the country's largest manufacturing export. The average sales in the aerospace industry is about $200 billion a year. It is one of the main contributors to our global competitiveness. We are main contributors to our global competitiveness. We are facing an increasing economic challenge from abroad and cannot take a chance of faltering. If we begin to slip in the wrong direction, reversing directions is even more difficult.

As my friend, Dr. Neil DeGrasse Tyson, astrophysicist for the Hayden Planetarium, has told me, ''Much work remains to convince the public and Congress of America's need for sustained investment in NASA, with returns on education, the economy and the security. It is not just about Tang and Velcro; it is about a way of enabling the future we all want to occupy.''

The House Appropriations Committee has done a great job in trying to funnel funding into the science agencies within its jurisdiction, despite its very tight allocation. I want to commend those members of the committee and ask this body to support this carefully balanced appropriations bill. We cannot move funding from science to the other areas, and we cannot rob Peter to pay Paul by moving funding from one science agency to another.

I urge my colleagues to vote against any amendments that would strip NASA of funding to add to other accounts, regardless of how well-intended those other programs may be.

Mr. WOLF. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. POE).

Mr. POE. Mr. Chairman, I rise for the purpose of a colloquy with the chairman regarding the importance of the Crime Victims Fund and programs authorized in Justice for All Act.

Mr. Chairman, I know you understand the importance of the Crime Victims Fund, which provides funding for victim services programs and compensation for victims of crime from Federal criminal court fines, forfeitures and special assessments, not taxpayer dollars. For the second year in a row, your committee rejected the administration's proposal to permanently rescind the $1.2 billion in the fund, and for that I thank you.

The bill places a limit on obligations in the Crime Victims Fund at $625 million. I want to ensure that all of that money is used for crime victim programs and that the limitation does not include any obligation that may be made under the Antiterrorism Emergency Reserve.

Is that the chairman's understanding?

Mr. WOLF. Yes, that is my understanding. The Antiterrorism Reserve is a separate portion of the Crime Victims Fund, and there is a statutory authority allowing obligations to be made on top of any limitation carried in this bill.

Frankly, the administration never sent a rescission up again with regard to this.

Mr. POE. I want to thank the chairman. I also want to highlight the programs under the Justice for All Act of 2004 which authorizes funding to increase victims notification programs, DNA backlog programs, and Sexual Assault Forensic Exam grants.

This bill provides a significant investment for programs authorized in the act, but I want to call special attention to the Sexual Assault Forensic Exam grant program so that training, technical assistance, education, equipment and information regarding the collection, preservation and analysis of DNA in sexual assault cases can be enhanced.

I ask the chairman's help in supporting this grant program through the funds provide for the Justice For All Act.

Mr. WOLF. Mr. Chairman, if the gentleman will yield, I thank my colleague from Texas. The bill includes $10.69 million specifically for victims programs authorized by the Justice for All Act, which is $1 million above the President's request, and includes $176 million for DNA grants not earmarked, which is $68 million above the current level. As we work with the Senate in conference, we will work to ensure the highest level possible for all the programs authorized by the Justice for All Act.

Mr. POE. I thank the chairman on behalf of victims of crime and the Victims Rights Caucus and the criminal justice professionals, and I thank you for your support.

Mr. WOLF. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule.

During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Clerk will read.

The Clerk read as follows:

H.R. 5672

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2007, and for other purposes, namely:

TITLE I—DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for the administration of the Department of Justice, $90,136,000,

of which not to exceed $3,000,000 shall remain available until expended.

Mr. KENNEDY of Rhode Island. Mr. Chairman, I move to strike the last word.

Mr. Chairman, first let me commend the chairman and ranking member for their work on this bill. Today I rise to bring attention to a very critical issue, and that is how to provide evidence-based treatment for prisoners with mental illness and substance abuse disorders.

Nearly 74 percent of those arrested test positive for drugs and alcohol at the time of arrest. The disease of alcoholism and addiction is obviously a very important one in our justice system, and hence if we are going to reduce recidivism rates and reduce the revolving door of people going in and out of prison, we must tackle this issue of both trying to reduce the stigma and the access to treatment of those with alcoholism and addiction.

A study by the National Institute on Drug Abuse has said that prison-based substance abuse treatment programs combined with aftercare reduces recidivism. Those who have not received these programs have recidivism rates up to 75 percent of the time. Those who have had treatment have recidivism rates under 27 percent of the time. Seventy-five percent recidivism without treatment, 27 percent recidivism with treatment.

So the fact of the matter is, we can make an enormous difference in helping to reduce not only the lives lost, but also the cost to our prison system. We are going to add $90 million in this bill for new prison construction. How many people out there as taxpayers want to pay for new prison construction, when over half the people in prison today are there for simple possession of drugs and alcohol.

I would like to ask the chairman of the committee to engage in a colloquy, and first commend him for increasing the amount for the drug courts over 300 percent in this budget, recognizing the importance of reducing recidivism and keeping people out of the prison system, and ask him whether he would work with me to make sure that we tie in the National Institute on Drug Abuse, obviously the Substance Abuse and Mental Health Services Administration, and, of course, HHS, to help us address this overall issue that does not just lie in the justice system, but rather lies around an interagency approach to this subject.

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Mr. WOLF. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Rhode Island. I yield to the gentleman from Virginia.

Mr. WOLF. Mr. Chairman, I thank the gentleman from Rhode Island, a member of our subcommittee, for raising this very, very important issue.

As you mentioned, dealing with the issues of substance abuse and prisoners is a critical component of ensuring that they do not repeat their crimes. Reducing recidivism of prisoners is a goal that those of us on both sides of the aisle can support.

I appreciate the gentleman's commitment. We will see what we can do with regard to coordination. The gentleman has been very faithful in raising this over and over. We will try to help in every way possible.

Mr. KENNEDY of Rhode Island. I know the gentleman will. I thank him for all of his work in this area, and I thank him for his 6 years of service as chairman on the committee.

Mr. DOGGETT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, over the last year, I have mentioned to Chairman WOLF on a number of occasions that I think of him every time that it rains. With the torrential downpours that we have had here in the Northeast over the last several days, I have been thinking of him even more, and thanking him, thanking him sincerely as well as thanking Ranking Member MOLLOHAN and their respective staffs for responding to the great potential for preventable flooding disaster in the part of the country that I represent along our southern border in Texas.

I very much appreciate the subcommittee including $6.4 million in this bill for improvements to the levees along the Rio Grande River. This means that construction can begin for vital protection for the cities of McAllen, Hidalgo, Pharr and Granjeno.

Thank you for reassuring the families in these communities that, despite both the very tough competition for Federal dollars and our inability to get the Administration to really place a priority on flood protection, that you heard and answered their plea for help. This is a significant increase in support that will help ensure that, in the event we have a hurricane or even a very strong tropical storm, that thousands of families will not find their homes flooded, their businesses closed, their drinking water polluted and relief efforts hampered as both the local airport and highways are inundated.

In the spring of last year, as I first began representing the Rio Grande Valley, I made what was, until recently, the only request for more levee rehabilitation dollars. I appreciate the 39 local governments, school districts and economic development corporations that endorsed this call for life-saving Federal investment.

While today's bill nearly triples the Administration request for levees, I know the subcommittee is fully aware that much more is needed every year for the next decade to ensure rehabilitation for these levees, which are up to 9 feet short, geologically flawed, structurally unsound and could be overtopped along 38 river miles.

The millions that we invest today are the beginning of a vital investment that, when repeated in future years, will save us billions in flood relief and untold human misery.

But for the fate of nature, the hurricane that hit New Orleans could just as easily have tracked west instead of tracking east and caused a similar disaster in Texas. Until the entire rehabilitation program of the International Boundary and Water Commission is completed, at a total cost that is a mere fraction of what Congress has already approved for New Orleans, we remain at very great risk.

Now the Valley looks to our Texas Senators and to the Administration to fully support what this subcommittee has done and to add funds to what is being approved here in this bill so that together we can ensure a reasonable level of safety and avoid another Katrina-style disaster.

Mr. ETHERIDGE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to enter into a colloquy with the chairman.

Mr. Chairman, as you remember, 6 years ago I came to this floor and shared with the body about a Hurricane Summit that I had held in the Second District of North Carolina. It was in response to devastation that took place from a major hurricane by the name of Floyd.

That hurricane was the strongest and most devastating storm to hit the United States in more than 25 years. When Floyd roared across the east coast from the Carolinas to New England and through Virginia and Washington, D.C., in September of 1999, it took 56 lives and upward of $6 billion in devastation.

Floyd showed us that much more damage, death and destruction can be created by the unexpected inland flooding of fresh water, more so than what happens on the coast. North Carolina was a good example of that. My district is an inland district and suffered greatly from that storm.

Last summer, this was displayed again with devastating intensity during Hurricanes Katrina and Rita. When, as we all witnessed, the damage that was done, that did not just limit itself to the areas on the Gulf Coast.

After the storm pushed inland in Louisiana, Mississippi and Alabama, in the weeks that followed, we saw the severe flooding and the anguish and the problems that was wrought by it. And just this past weekend we saw it right here in Washington, D.C.

That Hurricane Summit brought together metrologist experts from universities, the National Hurricane Center and the National Weather Service to develop more accurate indexes for inland flooding monitoring. The purpose of this index, simply put, is to save lives. Too many times these storms hit and bring harm to people who have a false sense of security because they believe they live far inland and too far inland to escape flooding.

With information that was gathered at that summit, we drafted legislation, as you remember, Mr. Chairman, and it ensured that NOAA and the National Weather Service would make significant improvements to the Inland

Flooding Warning System. That bill was H.R. 4826, the Inland Flood Forecasting and Warning System Act of 2002, that passed the 107th Congress, and it enjoyed wide bipartisan support.

The legislation directed NOAA to do three things: Improve the capacity to forecast inland flooding associated with tropical storms and hurricanes; two, to develop a distinctive inland flooding warning system for emergency management officials that clearly defines inland flood risks and dangers; and, third, train emergency management officials, National Weather Service personnel and metrologists to use these improved forecasting techniques on inland flooding.

And the important part of this legislation required the National Weather Service and NOAA to report annually to Congress on the progress of this new index. Mr. Chairman, this week we saw, as I said, what could happen here.

I would like to work with you and the members of the Appropriations Committee to ensure that NOAA provides these reports to Congress in a timely manner. Congress must provide the proper oversight to NOAA to ensure that the progress to develop this important index is done and it is accomplished as soon as possible to save lives.

I thank the chairman. I yield.

Mr. WOLF. Mr. Chairman, I agree with the gentleman. Just look at the weather we have been having here in the Washington, D.C., area the last several days.

I would like to thank the gentleman from North Carolina for his leadership on the issue. We look forward to working with him on the issue as the bill moves forward.

Mr. COSTA. Mr. Chairman, I move to strike the last word for the purpose of engaging in a colloquy with the chairman.

Mr. Chairman, I would like to first commend the chairman and the ranking member for the good work that they have done on this legislation.

Mr. Chairman, as you know, there is a Federal Bureau of Prisons facility that has been authorized and appropriated in a small farming community in my district, in Mendota, California. In May, 2000, the Bureau of Prisons proposed to build a medium security correctional institute in the U.S. Western Region and selected Mendota as the site. This facility, when completed, would house 1,152 beds that are needed in a system that is already over 37 percent over capacity.

In fiscal 2001 and fiscal 2002, $158.9 million was appropriated for the site planning, development, construction of the Mendota facility. However, rescissions of $57 million in fiscal year 2002 and 2004 have jeopardized this project. To maintain the existing contract, the final option must be exercised by this year, October 8, 2006.

Should this contract expire, a new bid is expected to increase the cost of the facility by over 20 percent more. Over $100 million in Federal funds has already been spent on the facility. It now sits empty, and 40 percent of the construction is completed.

If this rescission is allowed to stand, it will stand as a testament to the Federal Government's response of being penny wise and pound foolish.

Mr. Chairman, is it your understanding that the $89 million included in this bill for construction and maintenance of Federal prisons is not directed to specific facilities?

Mr. WOLF. The gentleman from California is correct.

Mr. COSTA. Then, Mr. Chairman, if the Bureau of Prisons deems this project a priority, would the chairman agree to work with me to try to make funds available to continue this facility so that it is not left half completed and therefore wasted Federal funds would have been spent?

Mr. WOLF. The committee is aware of the circumstances surrounding the Mendota facility and will work with the gentleman from California.

Mr. COSTA. Mr. Chairman, reclaiming my time, I would like to thank the gentleman from Virginia for his comments.

With the permission of the Chair, I will now submit for the RECORD an additional statement detailing the situation at this Mendota facility and commit to continue to work with you.

Chairman WOLF and Ranking Member MOLLOHAN, I commend you for your leadership and good work on the Science State Justice Commerce Appropriations measure, given the limitations of the budget. I was particularly pleased with the report language addressing the Administration's shortsighted request to rescind prison construction funds bearing in mind the increasing demands on our already overcrowded federal prisons.

Mr. Chairman, on behalf of my constituents in the small rural town of Mendota, I would like to call your attention to an issue of pressing concern in the congressional district I am proud to represent. At its core this is an issue of smart budgeting, addressing security demands, and the federal government following through on its commitments.

In May of 2000, the City of Mendota was approached by the Federal Bureau of Prisons proposing to build a medium security federal correctional institution in Mendota, California. The required environmental impact study followed, after which Mendota was selected. The local elected officials and community leaders have been strong supporters of the project, proud to provide a public service to the country and encouraged by the economic stimulus the prison would create.

The demand for such a prison is imperative and the Mendota facility will provide much needed bed space for 1,152 medium-security male inmates. With crowding at medium-security facilities currently 37 percent over capacity, this institution is of critical importance. Worse yet, an additional 7,500 new federal inmates are expected to enter our federal prisons annually.

Today, California's Corrections Institutions are the second-largest prison system in the nation after the Federal Bureau of Prisons. California's prison population, according to a June 11, 2006, report in the Washington Post, "has surged in recent months to more than 173,000, resulting in the worst overcrowding in the country and costing taxpayers more than $8 billion a year." Just today, The Sacramento Bee reported that California "prisons are more overcrowded than ever, some 200 percent of design capacity." In response, California Governor Arnold Schwarzenegger called for a special legislative session and proposed an initiative to expedite the construction of State prisons.

The funding history for the Mendota facility is an embarrassment. Should the Administration get its way in the FY2007 budget, it is the American taxpayer that will bear the burden of increased costs. Funding for this facility includes $11.9 million in FY2001 for site and planning development and $147 million in FY 2002 for remaining construction funding. However, rescission of $5.744 million in FY 2002 and $51.895 million in FY 2004 has jeopardized the entire project. To maintain the existing contract, the final option must be exercised by October 8, 2006. Should this contract expire, it is anticipated that any new contract will cost at least 20 percent more.

However, the President's FY2007 Budget contained no funding for the completion of the Mendota facility.

The federal government has made a long term commitment to construct and operate the Mendota facility. Over $100 million in federal funds has already been spent on the facility with 40 percent of the construction complete. To bring this project to a virtual halt at this stage would be unfair to the citizens of Mendota, a city with an 18.6 percent unemployment rate and 42 percent living below the poverty line. Mendota is counting on the government to keep its promise.

Mr. BONILLA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to ask the gentleman from Virginia to engage in a colloquy. I would ask the gentleman from Virginia to do that. This would involve the provision in the bill's committee report that relates to the Federal Bureau of Prisons.

I am thankful that the committee has included language in the fiscal year 2007 bill with the intent to direct the Bureau of Prisons to renew the intergovernmental agreements with four West Texas communities, including Reeves County, which are set to expire in 2007, if these local governments offer the Bureau of Prisons fair and reasonable prices and their facilities meet the Bureau of Prisons' standards.

Further, I am pleased that it is the intent of the committee that this language be binding upon the Bureau of Prisons under application of this appropriations bill.

It is also my understanding that there is a misprint in the committee report accompanying the 2007 Science, State, Justice, Commerce Appropriations Bill. The language in the report should read, as passed by my amendment during full committee markup, that the Bureau of Prisons is directed to renew agreements with local governments housing Federal criminal aliens, if these facilities meet Bureau of Prisons' standards and a fair and reasonable price is offered.

I am hopeful that the chairman will acknowledge that this is the language that was intended.

Mr. WOLF. I thank the gentleman from Texas, who is very, very, very persistent. I agree with his description of the intent of the language and acknowledge that the report should reflect what was passed by the committee last week as described by gentleman from Texas.

Mr. BONILLA. Mr. Chairman, I thank the gentleman from Virginia for his support on this issue of great importance to my constituents and the people of the State of Texas.

Ms. MOORE of Wisconsin. I move to strike the last word.

Mr. Chairman, would the chairman of the Science, State, Justice and Commerce Appropriations subcommittee engage me in a colloquy?

Thank you for yielding and engaging in this colloquy on the Small Business Administration's New Markets Venture Capital Program.

Mr. Chairman, we have talked before about the many small businesses located in low-income urban and rural areas that lack access to capital in the form of equity, and that presents a serious barrier to growth.

Although it is widely recognized that small businesses create 75 percent of all new jobs and account for 99 percent of all employers, conventional venture capital firms simply overlook low-income areas; and it handicaps these businesses' ability to leverage resources needed to expand existing operations and hire and train qualified employees.

The Small Business Administration's New Markets Venture Capital Program was established precisely for this purpose, to fill the access to capital gap that exists for a number of these small businesses in these communities. The program was designed for the purpose of making equity investments in growing small businesses located in economically stressed urban and rural regions through the creation of privately managed new market venture capital companies.

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The overall objective of these equity investments is to provide patient capital to help promote economic development and the creation of wealth, not for individuals but wealth to support employment opportunities in underserved areas, as well as among the residents living in such neighborhoods.

Six new market venture companies were created during the initial phase of this program, Mr. Chairman; and these firms are still operating and making critical equity investment in small businesses, primarily located in low-income urban and in rural areas. It is imperative that the new market venture capital program is given a chance to succeed in order to continue its mission in bringing much-needed equity investment capital to small businesses in these communities that need them the most.

Mr. WOLF. Mr. Chairman, will the gentlewoman yield?

Ms. MOORE of Wisconsin. I yield to the gentleman from Virginia.

Mr. WOLF. Mr. Chairman, I thank the gentlewoman from Wisconsin for her very, very hard work and leadership on this issue.

The committee shares her concern of providing sources of capital for small businesses and makes a very compelling point. The committee supports this small business investment company, SBIC, program, another SBA program that provides equity investments to small businesses. The committee also understands that the NMVC program is still operational and that the SBA is still monitoring the work of the existing NMVC companies.

Ms. MOORE of Wisconsin. Mr. Chairman, I thank you for your concern. As you may know from our previous conversations, my congressional district includes the City of Milwaukee, a city that currently ranks 48th out of the 50 largest U.S. cities in venture capital investment dollars, 7th among the poorest cities in the Nation, and has a 52 percent unemployment rate among African American men.

I recognize that these SBICs offer another source of equity capital for small businesses. However, as you can see, more needs to be done to ensure that these investment dollars are specifically geared toward those urban and rural neighborhoods that continue to be left behind. It is so crucial that we do our part to provide the necessary incentives to encourage venture capital investments in these communities, and I respectfully ask for your help in this effort.

Mr. WOLF. Mr. Chairman, if the gentlewoman would yield, the committee notes your concern; and we will do everything we can to help.

Ms. MOORE of Wisconsin. Thank you so much, Mr. Chairman; and I look forward to working with you.

Mrs. SCHMIDT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise today to engage in a colloquy with the esteemed chairman of the subcommittee, Mr. WOLF.

Mr. Chairman, in January, I introduced legislation to require the Department of Justice to make available on the Internet the documents related to the Foreign Agents Registration Act, called FARA. It is imperative that we make FARA documents available on the Internet. This will increase public access to information about foreign lobbyists and, in turn, increase public confidence in Congress.

I know the subcommittee chairman has been working with the Department of Justice to accomplish this. I am told that this process is under way and may be completed by the end of the year. I thank the subcommittee chairman for his continuing leadership and for including report language urging the Department of Justice to complete this effort as quickly as possible. I would like to work with the subcommittee chairman to ensure that this important project is completed this year.

Mr. WOLF. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHMIDT. I yield to the gentleman from Virginia.

Mr. WOLF. Mr. Chairman, I most certainly will work with the gentlewoman from Ohio on this project. This is very, very important.

You had lobbyists downtown lobbying for the Khartoum government on the issue of Darfur, where this House has voted, saying that what is taking place in Darfur is genocide, and yet you actually had a high-level official who had worked at the State Department and National Security Council out there representing the Khartoum government.

You also have a number of law firms in this city that are now representing China, and I do not know how you live with yourself if you represent China and you are an American citizen. We had a meeting yesterday and we found out there are now 40 Catholic bishops and priests in jail in China today, 40. There are 4 to 6,000 evangelical house church people in jail today in China, and yet some of the big law firms downtown are representing China.

And then the beat goes on. You have them representing China with regard to what is taking place in the Uighurs, what is taking place with the Dalai Lama and in Tibet.

So I think the gentlewoman's amendment and position is exactly right. We will do everything we can to make sure that it is on line so we can find out who has the audacity to represent Sudan and the Khartoum government during the days of genocide and the same thing with regard to China.

So we will look forward to working with the gentlewoman.

Mrs. SCHMIDT. Mr. Chairman, I thank the subcommittee chairman for his remarks and look forward to working with him and the rest of the Congress.

Mr. REICHERT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, let me begin by expressing my gratitude to you for your leadership and the hard work that you and your staff have put into the fiscal year 2007 Science, State, Justice, Commerce Appropriations bill.

Mr. Chairman, I also want to thank you for your great work in helping local law enforcement and for working to increase funding in the COPS program, which is desperately needed. While there are many ways the Federal Government protects us, ultimately local law enforcement is on the front lines in our neighborhoods when it comes to fighting crime and, now, in fighting terrorism; and the COPS program provides vital assistance to them in these efforts.

I spent 33 years of my life in law enforcement and served as a patrol officer all the way to the sheriff of the King County Sheriff's Office in Seattle, Washington, one of the largest law enforcement agencies in the country. As

a sheriff, I have witnessed how the COPS program provided much-needed funding to King County, from school resource officers to new law enforcement technology.

Mr. Chairman, the Federal Government is constantly telling local law enforcement in this new post-9/11 age that we must work in partnership, that we must work together to keep our Nation safe. After all, catching a terrorist in Seattle who may want to kill people in Los Angeles is not just a local problem; it is a national problem.

However, the word ''partnership'' rings hollow if the vital funds necessary to implement that partnership are not there. If local law enforcement upholds its end of the program, the vital funding is required. Too often, this funding comes from their budget without any Federal assistance. The local agencies are faced with a dilemma of either not participating in vital terror-fighting activities and programs, or joining in those efforts and shortchanging local programs that keep our families safe.

Starting in 2002, funding for local law enforcement under the COPS program decreased. The COPS program received $929 million in 2003, $411 million in 2006. This does not send the right message to our local law enforcement about the commitment of Congress to work with that partnership.

However, I am very grateful to you, Mr. Chairman, for being willing to listen and to work on this issue with me. With your help, this year's bill will increase total funding for the COPS program to $570.5 million. This is the first increase in COPS funding in 5 years and something to be thankful for and proud of. In addition, $99 million is included in the bill to address meth cleanup.

Adequately funding the COPS program in this bill sends the right message to our local law enforcement community that the Federal Government is an equal partner and that the Federal Government is giving local police backup in this fight.

While we still need to work to continue to increase funding for local law enforcement efforts in the fight against meth, I believe that this increase is a positive step in the right direction. Tight budget constraints make it impossible to fully fund every program, and I thank the chairman for recognizing the importance of local law enforcement and providing an increase in the COPS program.

Mr. WOLF. Mr. Chairman, will the gentleman yield?

Mr. REICHERT. I yield to the gentleman from Virginia.

Mr. WOLF. Mr. Chairman, I thank the gentleman from Washington for raising this issue. He has talked to me so many times, and I appreciate his persistence.

I want to thank him for his leadership on issues important to law enforcement and the fight against meth and the spread of gangs in our communities. I understand your perspective on this concern as a former law enforcement officer, and I am glad I was able to work with you to provide increased funding under the COPS program; and, frankly, if we could do more when we get to conference, we will be glad to do that.

Mr. REICHERT. Mr. Chairman, I thank the chairman. I look forward to working with you.

Mr. WOLF. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. TERRY) having assumed the chair, Mr. HASTINGS of Washington, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5672) making appropriations for Science, the Departments of State, Justice, and Commerce, and related agencies for the fiscal year ending September 30, 2007, and for other purposes, had come to no resolution thereon.

LIMITING AMENDMENTS DURING FURTHER CONSIDERATION OF H.R. 5672, SCIENCE, STATE, JUSTICE, COMMERCE, AND RELATED AGENCIES APPROPRIATIONS ACT, 2007

Mr. WOLF. Mr. Speaker, I ask unanimous consent that during further consideration of H.R. 5672 in the Committee of the Whole, pursuant to House Resolution 890, notwithstanding clause 11 of rule XVIII, no further amendment to the bill may be offered except: pro forma amendments offered at any point in the reading by the chairman or ranking minority member of the Committee on Appropriations or their designees for the purpose of debate; amendments printed in the RECORD and numbered 2, 3, 5, 7, 11, 12, 13, 16, 17, 18, 20, 21, 22, 23, 24 and 25; an amendment by each of the following specified Members:

Mr. REICHERT, regarding funding for the Justice Assistance grant program, which shall be debatable for 20 minutes;

Ms. BROWN-WAITE, regarding funding for VAWA program;

Ms. VELÁZQUEZ, regarding funding for the SBA, which shall be debatable for 20 minutes;

Mr. HINCHEY, regarding funding limitation on implementation of medical marijuana laws, which shall be debatable for 20 minutes;

Mr. WOLF or Mr. MOLLOHAN, regarding funding for State and local law enforcement assistance;

Mr. OBEY, regarding funding for Legal Services Corporation;

Mr. BOSWELL, regarding funding for criminal records upgrades;

Mr. WYNN, regarding funding for drug courts;

Mrs. JOHNSON of Connecticut, regarding funding for FBI salaries and expenses;

Mr. MOLLOHAN, regarding funding for various programs and tax law changes;

Mr. KENNEDY of Minnesota, regarding funding for Justice Assistance grant program;

Mr. KENNEDY of Minnesota, regarding funding for Justice Assistance grant program;

Mr. BARROW, regarding funding for SCAAP;

Ms. MILLENDER-MCDONALD, regarding funding for drug courts;

Mr. GARRETT of New Jersey, regarding funding for Justice Assistance grant programs;

Mr. REYES, regarding funding for the Southwest Border Initiative;

Mr. FOSSELLA, regarding funding for COPS bulletproof vest program;

Mr. LYNCH, regarding funding for COPS bulletproof vest program;

Mr. RENZI, regarding funding for tribal law enforcement;

Ms. JACKSON-LEE of Texas, regarding funding limitation on targeting segments of the Muslim and Arab communities for national security investigations;

Ms. JACKSON-LEE of Texas, regarding funding limitation on State and local anti-drug task forces that do not collect data on the racial distribution of convictions;

Mr. BROWN of Ohio, regarding USTR funding for China enforcement;

Mr. BROWN of Ohio, regarding ITA funding for the Office of China compliance;

Mr. ROGERS of Michigan, regarding funding for the Manufacturing Extension Partnership Program;

Ms. EDDIE BERNICE JOHNSON of Texas, regarding funding for NOAA;

Mr. GILCHREST, regarding funding for certain NOAA programs;

Mr. THOMPSON of California, regarding funding for Pacific Coastal salmon recovery;

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Mr. BROWN of Ohio, regarding funding for NASA aeronautics research;

Ms. JACKSON-LEE of Texas, regarding funding for NASA education programs;

Ms. WATSON, regarding funding for the Bureau of Economic and Business Affairs;

Mr. MURPHY, regarding funding reduction for FCC unless certain rulemaking occurs;

Mrs. DAVIS of California, regarding funding for the National Veterans Business Development Corporation;

Mr. OBEY, amending FLSA with respect to the minimum wage;

Mr. ANDREWS, regarding funding limitation on revisions to OMB circular A–76;

Mr. BAIRD, regarding funding limitation on motions filed under section 3730 of title 31;

Mr. CAPUANO, regarding funding for young witness assistance grants;

Mr. CARDOZA, regarding funding for drug endangered children grant program;

Mr. CULBERSON, regarding funding limitation on activities in contravention of section 1373 of title 8;

Ms. DEGETTE, regarding funding for Internet Crimes Against Children task forces;

Ms. DELAURO, regarding funding for sexual assault services grants;

Mr. ENGEL, regarding funding limitation on energy efficiency standards;

Mr. ETHERIDGE, regarding the Hometown Heroes Act;

a funding limitation by Mr. FLAKE on each of the following: Rochester, New York Tooling and Machining Association for a workforce development program;

Bronx Council for marketing of local business arts initiatives;

Arthur Avenue Retail Market for local business requirements and improvements;

Wisconsin Procurement Initiative;

JARI for a regional business incubator;

Fairmont State University for a small business development initiative;

Fairplex Trade and Conference Center;

Southern and Eastern Kentucky Tourism Development Association;

JARI Workforce Development Program and Small Business Technology Center;

Oil Region Alliance of Business, Industry and Tourism;

Mr. FRANK of Massachusetts, regarding funding limitation on manned space mission to Mars;

Mr. GARRETT of New Jersey, requiring annual report on U.S. contributions to the U.N. and affiliated entities;

Mr. GINGREY, regarding funding limitation on participation under the Visa Waiver program;

Mr. HINCHEY, regarding funding limitation on ''Knock and Announce'' policies;

Mr. HINCHEY, regarding medical marijuana and transfers of funds for certain State and local programs;

Mr. HINCHEY, regarding funding limitation for FCC licenses based on ownership;

Mr. HINCHEY, regarding funding limitation on private phone records from data and credit brokers;

Mr. INSLEE, regarding funding for children and youth programs and the national tribal sexual offender registry;

Ms. EDDIE BERNICE JOHNSON of Texas, regarding funding for juvenile justice programs;

Ms. EDDIE BERNICE JOHNSON of Texas, regarding funding for the juvenile delinquency prevention block grant program;

Mrs. JONES of Ohio, regarding funding limitation on the EEOC National Contact Center;

Mr. KING of Iowa, regarding funding for enforcement of section 642 of the IIRIRA;

Mr. KUCINICH, regarding funding limitation on NASA involuntary separations;

Mr. LIPINSKI, regarding funding for Law Enforcement Tribute Act;

Mr. MCCAUL of Texas, regarding funding limitation on U.N. peacekeeping missions in which U.N. employees under investigation have not been removed;

Mr. MCCAUL of Texas, regarding funding limitation on the U.N. Human Rights Council unless certain members are removed;

Mr. MCCOTTER, regarding funding limitation on filing under FARA unless certain conditions are met;

Mr. NADLER, regarding funding for the Jessica Gonzalez Victims Assistance Program;

Mr. NADLER, regarding funding for FBI salaries and expenses;

Mr. NADLER, regarding funding limitation on issuance of NSA letters to health insurance companies;

Mr. SHERMAN, regarding funding limitation on detention of enemy combatants;

Mr. SODREL, regarding funding limitation on enforcement of the final judgment issued in Hinrichs v. Bosman;

Mr. TIAHRT, regarding competitiveness;

Ms. WATSON or Mr. ISSA, regarding funding limitation on accession of the Russian Federation into the WTO unless USTR makes certain certifications;

Mr. WAXMAN, regarding funding limitation on Industry Trade Advisory Committee on Chemicals unless certain membership requirements are met;

Mr. WEINER, regarding funding for COPS hiring program; and

an amendment or amendments by Mr. WOLF.

Each such amendment may be offered only by the Member named in this request or a designee, or by the Member who caused it to be printed in the RECORD or a designee, shall be considered as read, shall not be subject to amendment except that the chairman and ranking minority member of the Committee on Appropriations and the Subcommittee on Science, the Departments of State, Justice, and Commerce, and Related Agencies each may offer one pro forma amendment for the purpose of debate; and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole.

Except as otherwise specified, each amendment shall be debatable for 10 minutes, equally divided and controlled by the proponent and an opponent. An amendment shall be considered to fit the description stated in this request if it addresses in whole or in part the object described.

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

Mr. OBEY. Reserving the right to object, Mr. Speaker, I want to make the point again that if all of these amendments are offered, we could be here for as much as 25 hours.

So I would hope that Members would consider whether or not these amendments are duplicative and that some of them might not be offered, if we are going to finish this in a timely fashion.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

SCIENCE, STATE, JUSTICE, COMMERCE, AND RELATED AGENCIES APPROPRIATIONS ACT, 2007

The SPEAKER pro tempore. Pursuant to House Resolution 890 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 5672.

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IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 5672) making appropriations for Science, the Departments of State, Justice, and Commerce, and related agencies for the fiscal year ending September 30, 2007, and for other purposes, with Mr. HASTINGS of Washington in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose earlier today, the bill had been read through page 2, line 8.

Pursuant to the order of the House of today, no further amendment to the bill may be offered except those specified in the previous order of the House of today, which is at the desk.

AMENDMENT OFFERED BY MR. WOLF

Mr. WOLF. Mr. Chairman, I move to strike the last word.

My amendment proposes to move $1 million from Justice General Administration in order to restore funding eliminated from the budget request for the Missing Alzheimer's program. This program is critical to supporting law enforcement efforts to find missing adults suffering from the terrible disease of Alzheimer's.

This is very important because Alzheimer's is a very difficult situation for both the individual with Alzheimer's and the family members. I offer it on behalf of Mr. MOLLOHAN, and I know Congresswoman Maxine Waters strongly, strongly supports the adoption of the amendment.

The CHAIRMAN. Does the gentleman intend to offer an amendment?

Mr. WOLF. I do, Mr. Chairman.

Mr. Chairman, I have an amendment at the desk.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. WOLF:

Page 2, line 7, after the dollar amount, insert the following: ''(reduced by $1,000,000)''.

Page 23, line 4, after the dollar amount, insert the following: ''(increased by $1,000,000)''.

The CHAIRMAN. Pursuant to clause 2(f) of rule XXI, the Chair must query

whether any Member raises a point of order against provisions of the bill addressed by the amendment but not yet reached in the reading: to wit, the paragraph beginning on page 22, line 18.

If not, the gentleman from Virginia is recognized for 5 minutes on his amendment.

Mr. WOLF. Well, I won't repeat myself. The amendment proposes to move $1 million from Justice General Administration in order to restore funding eliminated from the budget request for the Missing Alzheimer's program. It is a very important and very needed program.

Mr. Chairman, with that, I reserve the balance of my time.

Mr. MOLLOHAN. Mr. Chairman, how is the time controlled on this amendment; and how much time is on the amendment?

The CHAIRMAN. There are 10 minutes of debate. Nobody has claimed the time in opposition as of yet.

Mr. MOLLOHAN. We have no opposition, Mr. Chairman, but I will claim the 5 minutes.

The CHAIRMAN. Does the gentleman ask unanimous consent, notwithstanding the fact he is not opposed, to have the time in opposition?

Mr. MOLLOHAN. Yes, Mr. Chairman.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. MOLLOHAN. Mr. Chairman, I yield myself such time as I may consume, and I rise in strong support of the amendment.

There are 4.5 million Americans suffering from this terrible disease, Alzheimer's, and by 2050 we are looking at over 16 million potential victims of this dementia disease.

Wandering is a terrible condition and of great concern to the loved ones of individuals with Alzheimer's. This program addresses that and addresses it very effectively. I compliment the chairman for the amendment and compliment our colleague from California, Ms. WATERS, who has been a champion in this field.

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

Mr. WOLF. Mr. Chairman, I reserve the balance of my time on this side. I know my colleague has a group who want to speak.

Mr. MOLLOHAN. Mr. Chairman, I yield such time as she may consume to the gentlewoman from California (Ms. WATERS).

Ms. WATERS. Mr. Chairman, I would like to thank the gentleman from Virginia (Mr. WOLF) for offering this amendment with me to restore funding for the Safe Return Program for Alzheimer's patients. I would also like to thank him and my colleague from West Virginia (Mr. MOLLOHAN) for all their hard work on this bill.

Mr. Chairman and Members, I did become rather alarmed when I learned the Science, State, Justice, Commerce bill for fiscal year 2006 reported out of the Appropriations Committee had not funded Safe Return, and I am just so appreciative for Mr. WOLF's leadership and Mr. MOLLOHAN's leadership in agreeing to make sure that this funding was restored.

An estimated 4.5 million Americans have Alzheimer's disease, including one in 10 individuals over 65, with nearly half of those over 85. Sixty percent of Alzheimer's patients are likely to wander from their homes. Wanderers are vulnerable to dehydration, weather conditions, traffic hazards, and individuals who prey on those who are defenseless. Up to 50 percent of wandering Alzheimer's patients will become seriously injured or will die if they are not found within 24 hours.

The Safe Return Program for Alzheimer's patients is a Department of Justice program that helps local communities and law enforcement officials identify wandering Alzheimer's patients quickly and ensures their safe return home. Under the Safe Return Program, patients are enrolled in a confidential national computerized database and provided with an identity bracelet or other identifying materials, such as necklace, key chain, wallet card, or clothing labels. The identifying materials contain the patient's name and a toll free number to contact their family.

Since its inception 10 years ago, the Safe Return Program has registered over 143,000 individuals who may wander, and has united over 11, 200 wanderers with their families. The Safe Return Program was able to carry out its lifesaving work with an appropriation of $840,000 in fiscal year 2006. Unfortunately, this had, I guess, been overlooked for a while. But now that our colleagues have provided the leadership to put in $1 million, this program will remain in the budget. The Wolf-Waters amendment would restore the funding for this critical program and provides $1 million in fiscal year 2007, a slight increase over the 2006 funding level.

I know that we are all very pleased about this, so let me just remind my colleagues that we have families now, working families, and sometimes their parents, both parents, have Alzheimer's disease. We have many families that are struggling to take care of their children, go to work every day, and take care of their parents. This program helps so much because they will wander away. But with this funding and the Alzheimer's Association, working with the Justice Department, they can return many of these wanderers back to their families, and of course keep them safe.

I thank you so very much.

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Mr. MOLLOHAN. Mr. Chairman, I yield back the balance of my time.

Mr. WOLF. Mr. Chairman, I rise in strong support of the amendment again, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia (Mr. WOLF).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. OBEY:

Page 2, line 7, after the dollar amount, insert: ''(reduced by $6,736,000)''.

Page 62, line 12, after the dollar amount, insert: ''(reduced by $20,000,000)''.

Page 86, line 17, after each of the dollar amounts, insert: ''(increased by $25,000,000)''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Wisconsin (Mr. OBEY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, this amendment simply adds $25 million to the Legal Services Corporation, returning it to the 2003 level from which it has fallen since that time. We have a bipartisan letter to Chairman WOLF from Ranking Member MOLLOHAN signed by 160 Members of this House led by Representatives RAMSTAD and DELAHUNT, calling on the committee to restore funding for this program.

This bill cuts LSC by $12.7 million below last year's level. LSC-funded programs are the Nation's primary source of legal assistance to women who are the victims of violence. Seventy-three percent of those seeking assistance under this program are women.

This budget has declined from $400 million in 1996, and we are not even restoring it to that level. We are simply asking to restore $25 million of the massive cut that has occurred since that time.

Because of the cuts already incurred by this program, 16 field offices have already been closed. I don't think we want to see any more of that.

The offsets are very simple. We are taking $6.7 million from the Department of Justice general administration funds. The account is below the request, but the mark funds an 18 percent rent increase for management.

We would secondly take the rest of the funding out of the Department of State Administration of Foreign Affairs, Diplomatic and Consular Programs. The account includes a $76.9 million increase over the current year. This cut leaves in place increases for Intelligence and Research, Public Diplomacy, Foreign Language Training, Reconstruction and Stabilization and Border Security.

Mr. Chairman, we stand on this floor every day, and we recite the pledge of allegiance to the flag. In the process of doing that, we pledge to support ''liberty and justice for all.''

You simply cannot have justice in this country if you do not have adequate access to its court system. It seems to me that this amendment is on its face self-evident. There is no reason

why we cannot, with all of the money we spend for so many other programs, there is no reason that we cannot provide such a small restoration of funding for people who have nowhere else to go to be able to participate in what is supposed to be a system that produces equal justice for all.

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

Mr. WOLF. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Virginia is recognized for 5 minutes.

Mr. WOLF. Mr. Chairman, I want to salute the gentleman. He made some very important points. But we have had to make some difficult decisions putting this bill together.

The bill already includes $314 million for the Legal Services Corporation. This used to be politicized. It has not been politicized. It is an increase of $3 million above the President's request. That means we cut $3 million from some other part of the bill to increase funding for the Legal Services Corporation.

There are a number of areas in the bill that we would increase funding for if we didn't have to restore $1.1 billion for State and local law enforcement.

Unlike the Legal Services, which is funded above the request, we have already cut from the request of State Department's Diplomatic and Consular Affairs operations account by $147 million. Our bill provides a modest increase of $77 million or 2.1 percent to cover pay and inflationary costs for the Department.

The only increases that the funding supports are new positions for critical posts around the world to support our national interests in emerging nations like India, China, Egypt and Indonesia.

In addition, we have supported an increase for the Office of Stabilization and Reconstruction and for new critical language training positions.

We are in a global war on terror. This amendment cuts into already reduced amounts to support the diplomatic side of this effort. North Korea has just threatened to test a nuclear weapon. Iran continues its efforts to develop a nuclear program.

Further, this amendment would cut $5 million from the Department of Justice administration account. The bill already reduces that request for general administration by $25 million or 22 percent below the request. The Acting Assistant Attorney General for Administration has written us to inform us that, at the current level of funding in the bill, 58 positions will be eliminated at the Department of Justice headquarters.

Additional cuts will hinder the Department's abilities to effectively manage more than $20 billion in appropriations, operate hundreds of DOJ facilities, manage 100,000 employees and coordinate public policy.

We have done the best we can. We have also got the Manufacturing Extension Program up. We have increased drug courts by 300 percent. So a bill that treats the diverse accounts within our jurisdiction, I think, has been done as fairly as we can. Therefore, I urge the rejection of the amendment.

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

Mr. MOLLOHAN. Mr. Chairman, I rise to strike the last word.

Mr. Chairman, I rise in strong support of this amendment. The gentleman's amendment would increase the Legal Services Corporation by $25 million. That is up to the recent high water mark of $338 million that was enacted in fiscal 2003.

Since that high water mark, the funding trend for the Legal Services Corporation has been disappointing. It has decreased incrementally until this year, like a lot of other domestic discretionary programs in this bill, but none more important than Legal Services Corporation.

If we are to fulfill the promise of this great Nation that everybody in our society has equal access to the law, obviously having the resources to have access to the law is extremely important. That is what this program does for those who are the least able to pay for legal services, to afford legal representation in time of need. It is often this group of people who have a lot of legal problems. They need a lot of assistance.

This year, we see a precipitous drop in the funding as it plummets by $13 million below last year's level.

Forgive me for citing West Virginia's example, but I think it is a good one which reflects this downward trend and what its disastrous effect is. Since 2003, due to the census adjustment and decreased funding, the program has laid off 13 to 18 staff members in my State. The program currently has 92 staff members, including 37 lawyers. The layoffs are about 16 percent of the workforce. The program has lost $400,000 in funding, had to close four or five services in small counties in southern West Virginia.

In 2002, Legal Aid of West Virginia closed 6,145 cases. In 2005, that number decreased to 5,257 cases. The West Virginia program has estimated that it is unable to serve approximately 15,000 people a year due to lack of resources. That is a lot of people, Mr. Chairman, who are unable to access the legal system for want of resources. All of us can appreciate the hardship that that entails.

I rise in strong support of the amendment.

Mr. Chairman, I yield to the distinguished gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT of Virginia. Mr. Chairman, I will be introducing, at the appropriate time, a letter from the national Legal Aid & Defender Association that says, in part, that the LSC-funded program simply cannot keep up with the demand for services. Documenting the Justice gap, a year-long study released by the LSC in October of 2005 revealed that at least 50 percent of eligible clients were turned away from LSC-funded programs due to a lack of resources.

In other words, for every client served, at least one eligible client was turned away. This statistic reflects the vast unmet need and is, nonetheless, an underestimate and does not take into account the countless people, eligible people, who did not seek assistance because they were not aware that the LSC programs could help them.

This letter says that we are extremely concerned that cuts to LSC-funded programs will have a harmful effect on our judicial system, our economy and businesses, and our society in general.

Mr. Chairman, it is significant that this letter is signed by approximately 60 general counsels of our Nation's leading corporations who are asking for this kind of amendment. Actually, they are asking for more resources, but at least this modest amendment ought to be adopted in response to this letter.

NATIONAL LEGAL AID & DEFENDER ASSOCIATION,
Washington, DC, June 26, 2006.

Hon. ROBERT C. SCOTT,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE SCOTT: As the general counsel of some of our nation's leading corporations, we are asking for your help. The Legal Services Corporation (LSC), the primary legal lifeline to millions of Americans in times of need, is in jeopardy of having its already inadequate funding further eroded. Today, LSC's funding is less than one-half of the inflation-adjusted dollars that Congress appropriated in FY 1980, and ten million dollars less than the FY 2003 appropriation. In his FY 2007 budget request, President Bush has proposed an additional 4.6 percent decrease from the current $326.6 million appropriation to $310.9 million. We are asking you to reverse this diminution of critical funds by supporting the Corporation's FY 2007 budget request of $411.8 million.

Due to recent cuts to the LSC appropriation and rising inflation rates, LSC-funded programs have struggled to help the growing number of our country's impoverished. Poverty statistics show that between 2002 and 2004, the number of people eligible for LSC services increased from 47 million to 49.7 million, which is about one in every six Americans. Sadly, of these nearly 50 million people, more than one third of them are children. To put clients' need in perspective: a family of four must earn a meager $25,000 or less to qualify.

LSC-funded programs simply cannot keep up with the demand for services. Documenting the Justice Gap, a year-long study released by LSC in October 2005, revealed that at least 50 percent of eligible clients were turned away from LSC-funded programs due to a lack of resources. In other words, for every client served, at least one eligible client is turned away. While this statistic reflects the vast unmet need, it is, nonetheless, an underestimate and does not take into account the countless eligible people who did not seek assistance because they were not aware that LSC-funded programs could help them.

We are extremely concerned that cuts to LSC funding will have a harmful affect on our judicial system, our economy and businesses, and our society in general. While we

are mindful of the severe fiscal constraints under which the Congress finds itself, we ask you to act now to ensure that essential civil legal services continue to make differences in the lives of those in need. Please support a FY 2007 LSC appropriation of $411.8 million and join us in upholding the American promise of ''justice for all.''

Sincerely,

Kenneth C. Frazier, Merck & Co., Inc., Chair, NLADA Corporate Advisory, Committee; Peter Arakas, LEGO Systems, Inc.; Richard N. Baer, Qwest Communications Corporation; Theodore N. Bobby, H.J. Heinz Company; Paula Boggs, Starbucks Corporation; Charles Burson, Esq., Monsanto Company; Carl J. Busch, Northrop Grumman Corporation; Jim Carter, Nike Inc.; Robert J. Cindrich, UPMC, University of Pittsburgh Medical Center; Mike Cockrell, Sanderson Farms, Inc.; Bert Cornelison, Halliburton Company; Julie A. Davis, Retail Ventures Inc.; Morris Davis, Temple-Inland, Inc.; Dodds M. Dehmer, W.G. Yates & Sons Construction Company; Catherine A. Lamboley, Shell Oil Company, Immediate Past Chair, NLADA, Corporate Advisory Committee; Nancy C. Loftin, Pinnacle West Capital Corp. and APS; Louis M. Lupin, QUALCOMM Incorporated; Charles W. Matthews, Jr., ExxonMobil Corporation; Ron McCray, Kimberly-Clark Corporation; Kevin M. McDonald, Anadarko Petroleum Corporation; John H. McGuckin Jr., Union Bank of California; Lee R. Mitau, U.S. Bancorp; O. Kendall Moore, U-Save Auto Rental of America, Inc.; Richard Olin, Costco Wholesale Corporation; Patrick T. Ortiz, PNM Resources, Inc.; Joy Lambert Phillips, Hancock Bank; Thomas E. Richardson, Town Pump, Inc.; Scott E. Rozzell, CenterPoint Energy, Inc.;

Deborah Dorman-Rodriguez, Blue Cross and Blue Shield of New Mexico; Paul Ehrlich, adidas International, Inc.; Glenn M. Engelmann, AstraZeneca Pharmaceuticals LP; Stephen F. Gates, ConocoPhillips; Craig B. Glidden, Chevron Phillips Chemical Company LP; Storrow Gordon, Electronic Data Systems Corporation; Thomas A. Gottschalk, General Motors Corporation; Andrew D. Hendry, Colgate-Palmolive Company; Jim Hornstein, Moldex Metric, Inc.; Michael Jines, Reliant Energy, Inc.; James J. Johnson, The Procter & Gamble Company; Murray L. Johnston Jr., Zachry Construction Corporation; Guy Kerr, Belo Corp.; Ky Lewis, Sharp HealthCare System; Mark I. Litow, Esq., Enterprise Rent-A-Car Company; Dan D. Sandman, United States Steel Corporation; David A. Savner, General Dynamics Corporation; John Schulman, Warner Bros.; William F. Schwind, Jr., Marathon Oil Corporation; Karen E. Shaff, The Principal Financial Group; Lauri M. Shanahan, Gap Inc.; Laura Stein, The Clorox Company; Ronald Taylor, Blue Cross and Blue Shield of Texas; Vivian Tseng, Welch Foods Inc., A Cooperative; John E. Tucker, First Tower Corp.; Rita Tuzon, Fox Cable Networks; Jack VanWoerkom, Staples, Inc.; Jennifer L. Vogel, Continental Airlines, Inc.; Michael T. Williams, Sony Electronics Inc.; Wayne Withers, Esq., Emerson Electric Company; Christopher J. Littlefield, AmerUs Group.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. OBEY).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. OBEY. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Wisconsin will be postponed.

AMENDMENT OFFERED BY MR. REICHERT

Mr. REICHERT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. REICHERT:

Page 2, line 7, after the dollar amount, insert the following: ''(reduced by $10,000,000)''.

Page 23, line 4, after the dollar amount, insert the following: ''(increased by $25,000,000)''.

Page 23, line 9, after the dollar amount, insert the following: ''(increased by $25,000,000)''.

Page 46, line 11, after the dollar amount, insert the following: ''(reduced by $15,000,000)''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Washington (Mr. REICHERT) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from Washington.

Mr. REICHERT. Mr. Chairman, first, I would like to thank the gentleman from Virginia (Mr. WOLF) for his great work in helping local law enforcement officials strengthen their efforts to combat drugs in their communities.

I rise today to offer an amendment to increase funding for local law enforcement communities to reinforce efforts to keep drugs out of our communities.

During my 33 years in law enforcement, I have seen how Byrne-Justice Assistance Grants have help local law enforcement fight the war on drugs. Washington State received $9.6 million under the Byrne grant formula. Without this funding, our State would not have been able to effectively reduce violent and drug-related crimes in our communities.

However, since 2001, funding for the Byrne-Justice Assistance Grants program has declined from over $1 billion in 2001 to less than $412 million in 2006. The efforts of State and local law enforcement officers account for over 90 percent of all drug arrests and prosecutions. We cannot afford to turn our backs on law enforcement if we want to continue to achieve success in the fight against drugs and gangs.

My amendment would increase funding for drug task forces under Byrne JAG grants by $25 million. The offset would be $10 million from the Department of Justice salaries and expense administration accounts and $15 million from program support, operations, research and facilities under NOAA.

I have the greatest respect for the President's efforts and members of the Appropriations Committee to scale back government spending. However, adequate funding for law enforcement and anti-drug task force efforts are critical in order for our police officers to protect our communities against drugs.

I am not alone in my efforts to increase funding for Byrne JAG grant funding. Many Members from both sides of the aisle have been leaders in the fight to fully fund our local drug task force.

I would like to especially thank the gentleman from Nebraska (Mr. TERRY) and the gentleman from Indiana (Mr. SOUDER) for their leadership in support of local law enforcement efforts in their fight against drugs and meth.

Mr. Chairman, I yield 2 minutes to the gentleman from Nebraska.

Mr. TERRY. Mr. Chairman, I want to thank the gentleman from Washington for introducing this modest amendment to help families across the Nation that are dealing with meth issues, and not only the families that have to deal with them but the law enforcement community, the people on the front line.

I want to thank you for your leadership, Mr. REICHERT. Your experience and background as a law enforcement officer, somebody on the front line, has been instrumental to us in the United States Congress in this fight to empower our local police officers.

But I also want to thank the chairman of the appropriations subcommittee in charge, because Chairman WOLF knows what drugs has done to our families. The budget that was sent over to us zeroed these out, eliminated them. The chairman fought to get as much put back as he could, but we still need more. So I appreciate your efforts.

In Omaha, we have a real meth problem. It is affecting suburban housewives, teenagers, all segments and demographics of our community. I have personally seen how it ravages these families. I think it is important that we step up our efforts to rid this nasty drug from our communities. The only way to rid it from our communities is to empower the local law enforcement agencies.

Now, we have passed a meth law in this House that allows for pseudoephedrine to be put behind the counter. That makes it hard to do the labs now. Frankly, in States like Nebraska, Iowa, Oklahoma and Missouri that have done that, they have seen the number of labs go down. But now we have got gangs running meth from super labs in Mexico.

□ 1930

So as we take labs down, we still get inundated in our communities from these drugs from gangs now. And so it is extremely important that those people that know the gang members, know what they are doing can run the task forces. And here is a chart up here that shows just with meth, from the task

forces funded by this 5.54 kilos of meth taken off.

The National Association of Counties reports that 58 percent of counties ranked methamphetamine as their No. 1 drug problem in 2005, and CDC estimates at least 20,000 Americans die each year from drug abuse/overdose.

Byrne-JAG grants incentivize multi-jurisdictional drug enforcement and cooperation between local, state and federal law enforcement agents. These grants are the primary federal funds to discourage domestic production of methamphetamine.

The White House's 2007 budget request to Congress again eliminates funding for Byrne. In 2004, Congress provided $634 million to law enforcement agencies nationwide. Last year, the Senate voted to provide $900 million—closer to the original funding level for this program—but the proposed bill provides just $367 million.

Since FY01, funding has been cut from over $1 billion to less than $367 million in the H.R. 5672. The effect of these cuts has been clear: many States have been forced to cut or completely eliminate their gang and drug task forces.

The $558 million reported as the funding level of Byrne-JAG includes $115 million in discretionary earmarks, and $75 million for Boys and Girls Clubs—leaving $367 million for state formula grants supporting drug and violent crime task forces.

The proposed $367 million funding level would cripple the effectiveness of drug task forces nationwide, and jeopardize the gains made in reducing nationwide violent crime to a 30-year low. The collaborative task forces built over the past 15 years to combat drugs cannot be easily rebuilt.

State and local agencies will take the brunt of meth investigations without federal assistance. More than 90 percent of drug arrests nationwide are made by state and local law enforcement.

Tom Constantine, former head of the Drug Enforcement Agency (DEA) testified that the majority of DEA cases begin as referrals from local and multi-jurisdictional drug investigations. He was unaware of any major DEA case during his tenure that did not originate from information gathered at the state and local level.

Last year, Byrne task forces nationwide seized 5,600 meth labs, 55,000 weapons, and massive quantities of narcotics, including 2.7 million grams of meth. These results demonstrate the power of using federal dollars to leverage state and local partnerships.

Nebraska will be forced to eliminate 9 of 11 task forces unless Byrne-JAG funding is increased; Texas has already eliminated its task forces due to lack of funding, and New Jersey is considering the same course of action. Minnesota may be forced to discontinue its rural drug task forces, and only three of Missouri's 28 Byrne task forces would survive on state funding alone.

The fight against meth is the frontline of the Nation's war on drugs. The fastest-growing drug in the Nation, meth has produced a wider and more expensive array of problems than any other narcotic we have ever faced. And midwestern states such as Nebraska bear much of the brunt.

According to Nebraska Attorney General Jon Bruning, 60 percent of inmates in Nebraska jails have problems with meth. The number of people in Nebraska jails for possessing, selling or manufacturing meth has more than doubled since 1999.

Jails are overcrowded with meth addicts, many of whom require special medical care. Meth labs quickly become toxic waste dumps that can only be cleaned up with large amounts of manpower and financial resources. Worst of all, children in homes where meth is used or made are more often violently abused and neglected, and exposed to highly toxic chemicals.

Nationwide, law enforcement officers have dismantled more than 50,000 clandestine meth labs since 2001. Nearly half of those incidents occurred in just nine Midwestern and Plains states, including Nebraska.

The number of meth labs in Nebraska rose from 37 in 1999 to almost 300 in 2004. Fortunately, my State joined a growing coalition of States fighting against meth by enacting a new law in September to restrict the sale of pseudoephedrine. Since that time, the number of meth labs has fallen by a phenomenal 70 percent.

However, the problem is far from being solved since 80 percent of the meth in Nebraska is being trafficked from Mexico. This meth is far more addictive than what can be cooked in a typical "Mom and Pop" meth lab.

Thanks to Nebraska's new law, instead of using 80 percent of their resources to fight the home labs that comprised only 20 percent of the State's meth problem, Nebraska narcotic officers can now use more of their time to stop the inflow of Mexican meth.

Congress has played a role in combating the Nation's growing meth problem through Edward Byrne Justice Assistance Grants for State and local law enforcement agencies. Unfortunately, these grants are endangered by the failure at the White House to recognize the significance of Byrne grants in combating meth and other illegal drugs nationwide.

Byrne task forces are the underpinning of our Nation's successful drug control strategy that brought us the lowest violent crime rates in 30 years. We must not turn back the clock in the war on drugs.

Mr. MOLLOHAN. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from West Virginia is recognized for 10 minutes.

Mr. MOLLOHAN. Mr. Chairman, I rise in opposition to the amendment, not because it doesn't increase funding for a worthy program. I am extremely supportive of the Justice Assistance Grants Program. But understand that it increases the Justice Assistance Formula Grants Program from $367.8 million to $392.8 million, by $25 million, if my math is correct there. And that is all well and good.

The difficulty is that this amendment increases a general grant program for which this money could go for anything. It could go for meth; it could go for any law enforcement purpose. And again, I repeat, it is all good and well. The problem is the offset. And that is the problem with so many of these amendments that will come forward. It is $10 million from the Department of Justice General Administration Salaries and Expenses account. Well, the Department of Justice does have to run these programs. It has to operate these programs and it has general administration and salaries and expenses costs. This subcommittee has very carefully looked at the needs of the General Administration and Salaries and Expenses Account and determined that it needs the amount of money that is appropriated. This is already a tight budget; so funding in that account is tight.

And to then offset $15 million from the National Oceanic and Atmospheric Administration's operations, research and facilities really hurts an agency that is already $514 million below fiscal year 2006-enacted level. So we are $514 million below and we are taking another $15 million off that. At the current mark level, NOAA will be required to RIF over 700 employees; at the current mark level, program cuts are estimated to cost the U.S. economy $1 billion to $2 billion per year.

The proposed reduction will only further compound these impacts to NOAA's critical public safety and stewardship mission. Great amendment, terrible offset. I would just suggest that the gentleman think about these tough budget decisions when this budget resolution next comes to the floor. We just don't have enough money in this bill. And his amendment is for a worthy cause. But his offsets are too damaging to the agencies that they hurt.

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

Mr. REICHERT. Mr. Chairman, I yield as much time as he may consume to the gentleman from Virginia (Mr. WOLF).

Mr. WOLF. Mr. Chairman, there is a lot I want to say. I don't know if I can say it in that much time. The gentleman's amendment would increase Justice Assistance grants by $25 million, reduce Justice General Administration by $10 million, and NOAA by 15. I understand and I appreciate the gentleman's passion for law enforcement. These programs have helped a lot. The bill already includes a $50 million increase for JAG, and an increase of $1.1 billion for local law enforcement above the request. Sometimes it doesn't matter, but it is above the request. And the gentleman's offsets would create some difficulties at Justice and NOAA.

But the gentleman has worked. I think he has made a good point in crafting the amendment. I know he and others would actually prefer higher amendments. There were other amendments rolling around here in the 40 to $50 million range. Somehow, this Congress is going to have to deal with the issues of all of the spending that is coming on and how do we get control.

Now, there will be others to come up, some that are actually good amendments, because they really help people. But we are going to devastate other programs. And it is sort of like Dietrich Bonhoffer with Cheap Grace. You can go into some general administration area that nobody understands

or knows anything about, and then there will be no money for general administrations.

I have introduced a bill, I sent out a Dear Colleague letter asking people to cosponsor a national commission based on the base closing commission with everything on the table to deal with these issues, because it is fundamentally immoral for one generation to live on the next generation and our children and our grandchildren and the whole spending issue. I share what the gentleman from West Virginia said, on some of these amendment passes, and then there is no money for administration, no money for this, and no money for that.

But there is probably not a more sincere individual on this issue, probably because of his work. And my father was a policeman in the city of Philadelphia. I understand these issues, and we want to give our law enforcement the resources, particularly with crime growing up.

So I have no objection to the gentleman's amendment.

Mr. REICHERT. Mr. Chairman, I reserve the balance of my time.

Mr. MOLLOHAN. Mr. Chairman, I yield back the balance of my time.

Mr. REICHERT. Mr. Chairman, I would like to thank the chairman and express my gratitude to him for his leadership and hard work that his staff and my staff have put into this amendment, and I appreciate his willingness to help us and assist us and look forward to working with him on other issues in the coming year.

I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington (Mr. REICHERT).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BOSWELL

Mr. BOSWELL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BOSWELL:

Page 2, line 7, after the dollar amount, insert the following: ''(reduced by $1,500,000)''.

Page 26, line 6, after the dollar amount, insert the following: ''(increased by $1,500,000)''.

Page 27, line 5, after the dollar amount, insert the following: ''(increased by $1,500,000)''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Iowa (Mr. BOSWELL) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Iowa.

Mr. BOSWELL. Mr. Chairman, before I begin, I too would like to thank the chairman of the subcommittee, Mr. WOLF, and Mr. MOLLOHAN for their hard work and leadership in these very challenging times and these issues.

Once again, we find ourselves faced with a budget that is less than favorable, and they both have done a tremendous job in funding priorities when faced with this reality, and I thank them for that.

Mr. Chairman, I rise to amend something similar to what I did a year ago. I offered this amendment and it was accepted by the chairman and ranking member when the House considered fiscal year 2006 Science, State, Commerce, Justice appropriations bill.

Last year I requested an increase in funding for the Criminal Records Upgrade Program by $2.5 million. This year, considering the budget we are dealing with, I am asking for even less.

Mr. Chairman, my amendment proposed to increase the Criminal Records Upgrade Program by $1.5 million, offsetting this increase with a reduction in the Department of Justice General Administration Salaries and Expense Account by the same amount.

Mr. Chairman, the goal of this program is to ensure that accurate records are available for use in law enforcement and to permit States to identify, among other things, persons ineligible to hold positions involving children. This program helps States build their infrastructure to connect to the national record check systems, both to supply information and to conduct requisite checks.

I firmly believe that having accurate criminal records are essential in a State's ability to protect children from those who wish to do them harm and those who have histories of causing such harm. We must continue to provide law enforcement agencies across the Nation with as much information as they need to stop sex offenders and others who have a history of violence and exploitation of our children.

Mr. Chairman, there will be other amendments offered during the course of debate on this bill asking for tens of millions of dollars. But my amendment is not one of them. Times are tight when it comes to spending, and I am not asking to move the mountain. But anything we can spare to ensure that our States and our communities can have access to information that can be used to protect the children of our Nation must be spared.

With that, I urge the adoption of the amendment.

Mr. WOLF. If the gentleman would yield, it is a good amendment. We accept the amendment. I think we took it last year too, if I recall. And I thank the gentleman for offering it. And on this side we strongly accept it.

Mr. BOSWELL. Thank you, Mr. Chairman.

I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. BOSWELL).

The amendment was agreed to.

AMENDMENT OFFERED BY MS. GINNY BROWN-WAITE OF FLORIDA

Ms. GINNY BROWN-WAITE of Florida. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. GINNY BROWN-WAITE of Florida:

Page 2, line 7, after the dollar amount, insert the following: ''(reduced by $5,000,000)''.

Page 20, line 1, after the dollar amount, insert the following: ''(increased by $10,000,000)''.

Page 40, line 10, after the dollar amount, insert the following: ''(reduced by $5,000,000)''.

Page 40, line 11, after the dollar amount, insert the following: ''(reduced by $2,500,000)''.

Page 40, line 12, after the dollar amount, insert the following: ''(reduced by $2,500,000)''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentlewoman from Florida (Ms. GINNY BROWN-WAITE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Florida.

Ms. GINNY BROWN-WAITE of Florida. Mr. Chairman, I rise today to offer an amendment that will increase funding for the Violence Against Women Act, also known as VAWA. It increases it by approximately $10 million.

Congress has recognized the importance of these programs in bringing hope and a safe future to women across our great Nation by reauthorizing VAWA last year.

Although the committee increased funding for this program, there are still a number of vital programs within it that are not going to be adequately funded by the bill. Such programs include funding to assist children exposed to domestic violence, such as the various counseling and education programs, the Sexual Assault Services Program, and also inclusion of Indian tribes in the national sex offender registry.

As a cochair of the Congressional Caucus on Women's Issues, and also serving on a local shelter board, I know firsthand the reprehensible effects of domestic violence on a woman's dreams and success.

Every rape crisis center and domestic violence program in my district has brought hope to women and children who have been devastated by assaults.

As you know, domestic violence affects our most vulnerable constituents, battered women and their families. Evidence suggests that VAWA has been effective in reducing violence. For example, the rate of domestic violence against females over the age of 12 in the United States actually showed a slight decline.

But domestic violence is not just a man-against-woman phenomenon. When a man hits a woman or vice versa, often children and young adults are left with lasting impressions of that violence. Studies show that men who are exposed to domestic abuse are much more likely to be abusers themselves in the future. And young women who see abuse are much more prone to be victims of abuse as adults themselves.

This vicious cycle is one that we can genuinely affect through violence against women programs that provide education support networks, increased law enforcement and certainly a very important component of family counseling.

It is frustrating but realistic for policymakers to know that we can't just wave a magic wand and eradicate violence in our society. Yet, I firmly believe that this amendment is a step in the right direction.

The amendment takes funding from the Department of Justice's General Administration Fund and the Census Bureau and helps to fund the violence against women programs.

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This add-on actually helps in the fight against domestic violence without breaking the bank or tipping the very careful balance that Chairman WOLF and Ranking Member MOLLOHAN crafted in the underlying bill.

Chairman WOLF, you have done a great job, and Members on both sides of the aisle respect you and the work product that we have before us.

I urge all of my colleagues to support the amendment to increase funds for VAWA programs.

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

The CHAIRMAN. Does any Member seek time in opposition?

Mr. WOLF. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment.

The gentlewoman's amendment would increase funding for grants to prevent violence against women by $10 million by decreasing funds for the Justice Department's General Administration by $5 million and the Census Bureau by $5 million.

I understand and appreciate the gentlewoman's passion for her efforts to prevent violence against women. The bill already, though, includes a $9 million increase for these programs, but we recognize that an increased investment is important.

I just wanted to say, for the record, although it will be difficult for the Census Bureau, this offset will neither impact the ramp up of the 2010 decennial census nor the American Community Survey.

With that understanding, I have no objection to the amendment.

Ms. GINNY BROWN-WAITE of Florida. Mr. Chairman, I thank the chairman for his support, and I urge a favorable vote.

Mr. SHAYS. Mr. Chairman, I rise in support of the Inslee-Brown-Waite amendment which would fund three newly authorized programs under the Violence Against Women Act.

Domestic violence, dating violence, sexual assault and stalking are crimes of epidemic proportions, exacting terrible costs on individual lives and our communities. Nearly one in four U.S. women report that they have been physically assaulted by an intimate partner during their lifetimes and one in six have been the victims of attempted or completed rape.

Without full funding for VAWA programs, families cannot access the services they need to escape from violence. The continued support of Congress is crucial to helping victims and their children find safety and security and build self-sufficiency.

Ms. GINNY BROWN-WAITE of Florida. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Florida (Ms. GINNY BROWN-WAITE).

The amendment was agreed to.

AMENDMENT OFFERED BY MS. VELÁZQUEZ

Ms. VELÁZQUEZ. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. VELÁZQUEZ:

Page 2, line 7, after the dollar amount, insert ''(reduced by $10,000,000)''.

Page 50, line 21, after the first dollar amount, insert ''(reduced by $10,000,000)''.

Page 62, line 12, after the dollar amount, insert ''(reduced by $10,000,000)''.

Page 89, line 17, after the first dollar amount, insert ''(reduced by $10,000,000)''.

Page 91, line 12, after the dollar amount, insert ''(increased by $40,000,000)''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentlewoman from New York (Ms. VELÁZQUEZ) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentlewoman from New York.

Ms. VELÁZQUEZ. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, when we talk about targeted policies that are aimed at improving the economic environment for small businesses, we are talking about this amendment. This is a bipartisan measure that has passed the House for the past 2 years.

Lowering the cost of the Small Business Administration's 7(a) loan program is a fiscally responsible, commonsense solution that will result in job growth and increased revenue.

The truth is that the program is simply too costly for this Nation's small businesses. The cost for start-up loans has increased by nearly $1,500 to $3,000, and for more established small businesses, the total cost can be as high as $50,000. This is money our Nation's small businesses are paying directly to the Federal Government.

As a result, entrepreneurs today are getting a more expensive loan that is almost 50 percent smaller than what it was just a few years ago, limiting their ability to start and expand their ventures. In fact, recent SBA figures show that the program is doing $160 million less than it was during the same time the previous year, showing how these rising costs are having an impact on lending.

This amendment would reverse this effect and would lower the cost of the 7(a) loan program.

To compound the problem further, entrepreneurs are also finding that they have fewer places to go to access this financing. In fact, the number of lenders willing to offer 7(a) loans has dropped in half over the past several years, leaving small firms scrambling to find vital sources of capital.

Today is an opportunity for us to take action to help relieve our small businesses of these burdens.

Fees have been raised four times over the past 2 years and are already at their maximum level. If we were to see a significant increase in interest rates, experience an economic downturn, or a regional crisis like what we saw in the gulf coast, this program would not be able to support itself. The result would be caps, limits on loan sizes, and even the shutdown of the program altogether. The adoption of this measure will enable us to avoid this type of lending crisis in the future.

This amendment is fiscally responsible and uses offsets from four different salaries and expense accounts so that no one agency is disproportionately harmed. In fact, it only takes $10 million from each agency, which amounts to less than 1 percent of the four S&E accounts.

Nearly 20 prominent small business groups are in support of this amendment, up from 14 last year, illustrating the demand from our Nation's small businesses for this type of action.

This is a program that is now doing nearly a half billion dollars less since the fees were raised. It is clearly not doing better, and it is certainly not benefiting this Nation's small businesses.

A ''yes'' vote is a vote to help this Nation's small businesses move forward as the drivers of our economy. I strongly urge my colleagues to vote for this amendment.

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

Mr. WOLF. Mr. Chairman, I rise to claim the time in opposition to the amendment.

The CHAIRMAN. The gentleman from Virginia is recognized for 10 minutes.

Mr. WOLF. Mr. Chairman, I yield myself such time as I may consume.

I rise in strong opposition to this amendment. The 7(a) program has been operating at record levels without subsidy appropriations since the beginning of 2005. If this amendment passes, do not ever go home and say that you are going to balance the budget. Just forget it. This is the ''forget to balance the budget and get control of the budget'' amendment. We have had record loans with no 7(a) fees, and now we want to do this.

The SBA administrator continues to assure us that the program is running strong. I have a letter from them confirming the success at redesigning the 7(a) program so it does not require a subsidy. No good deed goes unpunished. It does not require a subsidy, and we are going to spend all these millions of dollars? How would you ever explain it? How would you say we have got record

numbers, but we are going to subsidize it? Forget it. We would never, ever, ever, ever solve the deficit of this Nation.

The new model has brought down the stability of the lending community and borrowers. This is a ''bail-out the banks'' amendment. Bail out the banks. Only the bankers care about this, a small portion of the bankers, and I do not know if the bankers are writing us about the deficit either.

Demand has skyrocketed. Since lending levels are no longer tied to an appropriation, the program has been able to meet the demand. That, by not being tied, has been able to meet the demand. This is a good government success story.

There is much more that I could say. It goes on and on and on, but I just urge Members, do not pass this amendment. This is the ''how do you spend $100 million without needing to spend it,'' and I guess the question is if we really care about the future generations of our children and our grandchildren. We will never get control of it. I mean, I cannot even believe we are out here doing this. If this were the Violence Against Women or some of the programs that are here that your heart goes out to but you do not have the money, but there is no need for it and they are at record numbers.

I urge a ''no'' vote against this amendment.

U.S. SMALL BUSINESS ADMINISTRATION,
Washington, DC, June 27, 2006.

Hon. FRANK WOLF,
Chairman, Subcommittee on Commerce, Justice, State, the Judiciary, and Related Agencies, Committee on Appropriations, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I want to thank you again for your support of America's small businesses. I would also like to take this opportunity to reiterate the Administration's strong support for a zero subsidy rate for the U.S. Small Business Administration's (SBA) 7(a) loan program. In what will certainly be another tight appropriations cycle, a zero subsidy rate for 7(a) will save the taxpayers approximately $170 million, while at the same time providing unprecedented stability to the program.

In the past, some have expressed unrealized concerns that zero subsidy would stifle the 7(a) loan program because of a very slight fee increase required. As you can see from the enclosed explanation and charts, 7(a) lending has increased significantly while taxpayer dollars have been saved. Further, current 7(a) fees—previously a source of significant industry concern—are in line with historical rates. Like other costs in business, these fees fluctuate based on market conditions. In fiscal year (FY) 2007 there will need to be a slight fee change of .5 basis points. This equates to approximately $2.80 per month on an average loan size of $160,000.

It is also important to note that zero subsidy is not only good for the taxpayer but for the stability of the program, the most crucial aspect of the program according to borrowers and lenders. (Zero subsidy began in FY 2001.). As you know, in January 2004 the SBA was forced to temporarily close the 7(a) program because it had exhausted its funding under the Continuing Resolution. Once the program was restarted, and after Congress passed the Consolidated Appropriations Act for FY 2004, the SBA was forced to manage the program through restrictive loan caps because demand continued to outpace the program's funding level. Regardless of the amount Congress appropriates for 7(a) in any given fiscal year, there will be the chance that demand could exceed that level, forcing either another shutdown or caps on loan amounts. By eliminating the need for an appropriation, potential program ''shortfalls'' may be avoided. Program levels in the form of authorization limits would still apply, of course.

It should also be noted that SBA's other major loan programs, Section 504 Guarantee Program and Small Business Investment Company (SBIC) Guarantee Program., have functioned at zero subsidy for several years. This provides our lending partners with what they want most from our loan programs—consistency and continuity.

Mr. Chairman, zero subsidy for the 7(a) program is a simple, common-sense approach that has brought the program in line with our other major financial programs. Zero subsidy is still the best policy for the long-term stability and growth of the 7(a) loan program. We have been able to maintain record lending during the past few years under zero subsidy. Lending has not been hampered by appropriations shortfalls, such as those that occurred in 2003 and 2004. For these reasons the Administration urges you to continue the successful zero subsidy policy in the FY 2007 Appropriations bill.

Sincerely,

HECTOR V. BARRETO,
Administrator.

ZERO SUBSIDY—THE BEST POLICY

Zero subsidy is still the best policy for the long term stability and growth of the Small Business Administration's various loan programs. The SBA has been able to maintain record lending during the past few years under the zero subsidy policy. The benefits of zero subsidy also results in a funding structure that adds stability and independence while ensuring that the lending process is not hampered by appropriations shortfalls such as those which occurred in 2003 and 2004.

In FY 2005, the SBA served more small businesses than ever before. In SBA's two major loan programs, they increased the numbers of loans funded by 22% in one year. These record level lending numbers are possible because of the zero subsidy policy that was adopted at the beginning of FY 2005.

The SBA guaranteed a record number of loans last year, with double digit increases in the percentage of loans to women, Hispanics, African Americans and Asian Americans. Maintaining zero subsidy will allow the SBA to build on the success they've had in these important loan programs, and will provide more businesses with the capital needed to start up and expand.

Moving to zero subsidy allowed the Agency to continue to meet the financing demands of small businesses without the need for taxpayer subsidy. In today's tough budget environment, SBA has proven their ability to provide more loans to small businesses and entrepreneurs while reducing the burden on taxpayers.

Mr. WOLF. Mr. Chairman, I yield 4 minutes to the gentleman from Illinois (Mr. MANZULLO), chairman of the Small Business Committee, who has convinced me of the merits of this.

Mr. MANZULLO. Mr. Chairman, the 7(a) program at the Small Business Administration has operated on full cylinders, breaking record after record of program usage throughout all demographic and regional groups.

Look at this chart and look at the number of 7(a) loan approvals. It is going off the charts ever since the subsidy got removed. In fact, there have been more 7(a) loans made thus far in the 9 months of fiscal year 2006 than in all of fiscal year 2001. By removing the 7(a) loan subsidy from the uncertainties of the annual appropriations process, this has produced a stable and predictable program.

When the 7(a) program has subsidies, then it is subjected to yearly shutdowns when there is not enough money, as what happened in December of 2003. When the subsidies get removed and taxpayers save $40 to $100 million a year, no shutdown will ever occur because the program will never run out of money. So why would you want to subject a good program to a shutdown by running out of money? It simply does not make sense.

The noble intent of the Velázquez amendment is to reestablish a lower 7(a) fee structure exactly as it existed in 2003 and 2004. However, with a higher 7(a) program level, an appropriation of $168 million would be required, according to the SBA. The $40 million in the Velázquez amendment would not result in the cutting of any fees to small businesses. The Velázquez amendment directs the funds to pay for the salaries and expenses of the employees at the SBA who work in the business loan division, not to the 7(a) business loan subsidy account.

This amendment would not help any small business owner or lender. It does not make sense to take a program and ask the taxpayers to dig into their pockets for $40 million to $100 million a year on a bill that does not do anything. It saves no money whatsoever, and I would urge my colleagues to vote ''no'' on this.

Three years ago, I was in favor of this subsidy; and then I found out one thing: To get rid of the subsidy, to save the taxpayers $40 to $100 million a year, to have stability in the program costs 10 bucks a month per loan for the loans of under $150,000. You tell me, what small businessman cannot afford an extra $10 a month just to have stability in the program and to know that the program will never run out of money?

And why are we doing this? You got me. It does not make sense. The small business owner has no legal or constitutional right to a subsidized loan by the rest of the taxpayers in this country. What kind of an entrepreneurial thing is that?

So I would urge my colleagues to vote ''no'' on this amendment.

Ms. VELÁZQUEZ. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the chairman of the Small Business Committee is saying that it will cost small businesses only 10 bucks a month. Well, these are the facts coming from the Small Business Administration: Costs have gone up $1,500 to $3,000, and now many small businesses are paying as much as $50,000 to the Federal Government.

Lending is down $160 million from this time last year and $400 million below before the fee increases were adopted. Fees are at the statutory limit, which means that any more costs will result in program caps or a shutdown.

Today, there are only half as many lenders making 7(a) loans. The 7(a) loans are 40 percent smaller than they were a few years ago. Lending last year was $2 billion below what the agency claimed they would do.

Those are the facts. And the chairman keeps talking about the banks and how taxpayers' money is paying $50,000 to the government, benefiting the banks. The only greedy one here is the Federal Government, which has increased four times their fees in the past years.

Mr. Chairman, I yield such time as he may consume to the gentleman from West Virginia (Mr. MOLLOHAN).

Mr. MOLLOHAN. Mr. Chairman, I thank the gentlewoman for yielding.

I rise in support of her amendment. I know from my own experience in my congressional district, which is a rural district and in need of loans, by small entrepreneurs, there is a disappointment in the way the 7(a) program is being administered.

□ 2000

These fee increases particularly are causing lending to drop. Recent lending figures from SBA show that entrepreneurs received $160 million less through the 7(a) program for the first half of fiscal year 2006 when compared to the same period the previous year. I don't know what you do with that statistic. They are receiving less. We are providing less funding, and certainly the need is not less. I can tell you in rural areas it is not.

Over this same span, entrepreneurs received 1,000 fewer loans, demonstrating that fewer small businesses are able to benefit from the 7(a) program. Fees increase. Businesses are responsive as consumers are responsive; and, of course, businesses are consumers of this program. When fees go up, when costs go up, people stop participating in the program. That is marketplace economics at work here in a government program.

The damage to our economy is even more severe when you consider that the 7(a) program is $500 million below where it was before the fee hikes were imposed, another indication that the current program of charging fees and increasingly charging fees and continuing to charge fees and having increased four times in the last 2 years is resulting in the program not being able to be accessed the way it was in the past.

The gentlewoman's amendment addresses some of these concerns, and, while we are in a tight budget, this is an important program.

Mr. Chairman, I rise to support it.

Mr. WOLF. I yield 2 minutes to the gentleman from Illinois (Mr. MANZULLO).

Mr. MANZULLO. Mr. Chairman, if I could address the statement made by my colleague from New York where she said up-front fees can exceed $50,000, the issue is how much of an increase would there be if we get the subsidy eliminated? Well, on a $1.5 million loan, the biggest increase would be $3,500, and over a period of 10 to 20 years, that sum is almost negligible.

On loans over $700,000, the fees have never changed, and what is going on with the total amount of the dollar loan is the SBA is concentrating on small businesses. It is the small businesses themselves that are asking for the dollar amount. They are the ones that are driving this. So I think it is extremely important that the Small Business Administration concentrate on giving these loans to the real small businesses. In fact, those that are at $1.5 million, I am sure they can afford an extra $3,500 over the course of the next 10 to 15 years.

Now, small firms received $160 million less and 1,000 fewer loans through the 7(a) program from the first half of fiscal year 2006 as compared to the same time the previous year. But this mixes apples and oranges. Lending under $150,000, regardless of the exact size of the small business, is down slightly from FY 2005 levels, but it is slightly higher than the FY 2004 levels when there was no loan subsidy and lower fees.

In comparing year-to-date figures, there were more than 12,300 smaller loans made worth $212 million in fiscal year 2006 versus fiscal year 2004 in the under-$150,000 category. So we got rid of the loan subsidy and the volume goes up.

This is a ''no'' vote. It is an easy ''no'' vote.

Ms. VELÁZQUEZ. Mr. Chairman, at the beginning of the debate, the chairman said that only 10 bucks a month small businesses were paying. Now he admitted it is $3,500, at least, and the smaller small business loans are down.

Mr. Chairman, I yield 2 minutes to the gentlewoman from Illinois (Ms. BEAN).

Ms. BEAN. Mr. Chairman, as a former small business owner, I am a strong advocate for providing entrepreneurs and small business owners access to affordable capital. For that reason, I rise to speak in support of Representative VELÁZQUEZ's amendment to restore funding for the Small Business Administration's 7(a) Small Business Loan Program.

Small businesses are the economic drivers of our country, providing the stimulus our communities need. Oftentimes, small business owners are unable to obtain reasonably priced financing and instead turn to higher priced forms of capital, such as credit cards. In an effort to fill this financing gap, the SBA's 7(a) loan program was created.

The program works as a public-private partnership that combines financial institutions' knowledge of their communities and the government's ability to mitigate risk.

The SBA's current business loan portfolio of roughly 219,000 loans worth more than $45 billion makes it the largest single financial resource of U.S. businesses in the Nation.

During the 108th Congress, legislation was passed that terminated funding for the 7(a) program. As a result, small businesses and lenders were forced to pay the full cost of the program. This has led to a sharp rise in loan fees, with borrower fees doubling in 2 years and lender fees rising by 118 percent.

For smaller loans, roughly $150,000 loans, fees have doubled, translating into nearly $1,500 to $3,000 more in upfront closing costs for entrepreneurs and innovators. For a larger loan, say $70,000, fees have been raised by approximately $3,000, and for some loans by as much as $50,000.

Last year the House voted and passed a similar amendment during consideration of the SSJC appropriations bill to restore $79 million in funding for the Small Business Administration's program. Unfortunately, that amendment was later removed in conference.

In the FY 2007 budget proposal, no funding has been requested again for the program, and a new set of fees has been proposed for participants, making the program even less accessible and more costly for small businesses.

It is time that Congress steps forward to support the small business community through access to affordable capital. The Velazquez amendment would reduce fees to small business owners. I urge my colleagues to support this amendment.

Mr. WOLF. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, where do they get this money from? $5.9 million would be provided to cover the cost for blast mitigation in windows at the Department of Commerce. So you are basically saying to the Department of Commerce, we don't care if there is a blast here; you can't get your blast windows. You can't get your windows, so you can give a subsidy to the banks that will give no additional loans.

Also, this will result in RIFs at the Small Business Administration. So if you don't want loans to go to the small businesses, support this amendment, because there will be RIFs and they won't be able to make the loans. Zero subsidy means more loans. Loans are up almost 20 percent from 2005 over 2004.

I think the people at the Department of Commerce have every right to have the same protection that the people in this building have. They are not second-class citizens. They are covered by this bill. They need blast protection windows. Also it is not right to RIF the employees at the SBA to give a subsidy to bankers who don't need the subsidy.

Lastly, don't ever give another deficit reduction speech if you vote for this amendment. Don't ever, ever give

it, because the loans are up with it; and actually the adoption of this may very well reduce the loans.

So I urge Members to vote ''no'' on this amendment.

Ms. VELÁZQUEZ. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentlewoman from New York is recognized for 1 minute.

Ms. VELÁZQUEZ. Mr. Chairman, I would just like to make a point of clarification that the $10 million is not taken from the blast mitigation, but from salary and expenses.

Mr. Chairman, today's amendment is about improving the economic environment for this Nation's small businesses. 7(a) loans cost twice as much today for small businesses, are nearly 50 percent smaller and the program is doing nearly a half a billion dollars less than before the fee increase was implemented. Women and veteran business owners receive $100 million less in lending this year, and rural business owners receive $300 million less. Just look at the numbers here. Enough is said.

This amendment will change this and allow small businesses to invest back into the firms, and, in turn, the U.S. economy. If you believe that small businesses, which make up the majority of our taxpayers, should be able to keep their money, then you need to vote ''yes'' on this amendment. However, if you prefer to see our government grow, rather than the U.S. economy, then you should vote against this measure today.

I urge my colleagues to vote ''yes'' on this measure.

Ms. BORDALLO. Mr. Chairman, I rise in support of the amendment to H.R. 5672, the Science, State, Justice, Commerce, and Related Agencies Appropriations Act, 2007, offered by the gentlelady from New York (Ms. VELÁZQUEZ) that would lower the fees associated with the U.S. Small Business Administration's 7(a) loan program and ensure that the program continues as a public-private partnership. The 7(a) program is an important financing mechanism relied upon by entrepreneurs to gain access to lifeblood capital they need to strengthen, diversify, and expand their businesses and to hire new employees.

Small businesses are particularly vulnerable to failure due to the difficulty in accessing capital, especially during a firm's formative stages. Most banks look upon making seed loans to small businesses as risky. Entrepreneurs, as a result, are left without the resources to afford to buy new equipment, hire new employees, and make other necessary operational investments in their businesses. These are the investments that are necessary to strengthen and grow businesses.

The 7(a) program was designed and has been implemented specifically to address this gap in access to capital for American entrepreneurs. The program provides funding to underwrite loans made by local banks to small businesses. Funds provided through the 7(a) program relieved banks of the risks associated with lending to start-up small firms. In turn, small business gained access to important capital markets.

Integral to the 7(a) program was the approximately $79 million provided annually to offset a large portion of the fees charged to small business borrowers associated with their loans. These fees are paid upfront during the loan process. These fees present small businesses, especially cash-strapped start-ups, with a potentially prohibitive cost to accessing capital. The Administration has zeroed out this aspect of the 7(a) program in its budget proposals for fiscal years 2005, 2006 and 2007. Entrepreneurs wishing to borrow under the 7(a) program now pay the full amount of the fees associated with their loans, raising the barrier to capital for at-need companies.

In fact, small businesses on Guam paid $17,862 more in fee costs on the 57 loans made to them during fiscal year 2005. This is nearly $18,000 above what they would have paid during fiscal year 2004 on the same 57 loans. This additional amount is the direct result of the Administration cutting this aspect of 7(a) program funding. That is almost $18,000 dollars that small businesses in my district were unable to invest in equipment, training, salaries and other necessary operating costs.

The amendment before us today would restore $40 million of the approximately $79 million previously needed to offset fees associated with loans made under the authorities of the 7(a) program. This amount would significantly reduce the amounts small business owners are paying to receive 7(a) program loans. This amendment would not, however, reduce fee amounts to fiscal year 2004 levels. The U.S. Small Business Administration budget has been reduced significantly under the current Administration. It is becoming increasingly difficult to find offsets within the lean U.S. Small Business Administration budget to pay for necessary amendments such as this one.

Congress has shown bipartisan support for similar amendments in previous years. I urge my colleagues' support again this year. By supporting this amendment you will help ease the financial burdens on American small businessmen and women, so that they can continue their hard work driving our country's economy, producing innovative goods and services, and creating good jobs for America's talented workers.

I urge my colleagues' support for the Veláquez amendment.

Mrs. CHRISTENSEN. Mr. Chairman, I rise in support of Congresswoman VELÁZQUEZ's amendment to the SSJC Appropriations to restore funding to the Small Business Administration's 7(a) loan program. This amendment would enable us to lower the costs—in turn, opening up access to affordable capital for small businesses.

For the last two years, the House overwhelmingly voted in a bipartisan fashion to provide funding for this amendment. This amendment proposes to use offsets from four different Salary and Expense accounts—Justice, Commerce, State and SBA. There will be $10 million taken from each S&E account to equal $40 million, an amount that will ease the burden on small businesses.

Unfortunately, due to recent changes, the 7(a) loan program is falling short of its ability to serve as an affordable source of capital for small businesses. In the last two years, the fees small businesses pay to secure a loan through the SBA's 7(a) program have doubled. For small loans this translates into nearly $1,500 to $3,000 more in upfront closing costs for entrepreneurs—and can grow to a total cost of as much as $50,000. Without this amendment, my district, the U.S. Virgin Islands, can potentially see an average increase in loan fees of $13,901 for 7(a) loans. In 2005, the total 7(a) loans made to U.S. Virgin Islands small business was approximately $3 million.

Funding for the 7(a) program has garnered wide support from the small business community. Without funding the 7(a) program, small businesses will be negatively impacted. The Velázquez amendment will allow us to restore stability to the 7(a) program once again so that economic changes will no longer threaten the viability of the initiative—and most importantly the lending for small businesses.

I urge my colleagues to once again vote for the Velázquez amendment to restore funding to the 7(a) loan program.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. VELÁZQUEZ).

The question was taken; and the Chairman announced that the noes appeared to have it.

Ms. VELÁZQUEZ. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from New York will be postponed.

The Clerk will read.

The Clerk read as follows:

JUSTICE INFORMATION SHARING TECHNOLOGY

For necessary expenses for information sharing technology, including planning, development, deployment and Departmental direction, $125,000,000, to remain available until expended.

TACTICAL WIRELESS COMMUNICATIONS FOR FEDERAL LAW ENFORCEMENT

For the costs of conversion to narrowband communications and the Integrated Wireless Network, including the cost for operation and maintenance of Land Mobile Radio legacy systems, $89,000,000, to remain available until September 30, 2008: *Provided*, That the Attorney General shall transfer to this account all funds made available to the Department of Justice for the purchase of portable and mobile radios: *Provided further*, That any transfer made under the preceding proviso shall be subject to section 605 of this Act.

ADMINISTRATIVE REVIEW AND APPEALS

For expenses necessary for the administration of pardon and clemency petitions and immigration-related activities, $229,152,000.

DETENTION TRUSTEE

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Federal Detention Trustee, $1,331,026,000, of which $5,000,000 shall be derived from prior year unobligated balances from funds previously appropriated, to remain available until expended: *Provided*, That any unobligated balances available in prior years from the funds appropriated under the heading ''Federal Prisoner Detention'' shall be transferred to and merged with the appropriation under the heading ''Detention Trustee'' and shall be available until expended.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General, $70,558,000, including not to exceed $10,000 to meet unforeseen emergencies of a confidential character.

UNITED STATES PAROLE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the United States Parole Commission as authorized, $11,500,000.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For expenses necessary for the legal activities of the Department of Justice, not otherwise provided for, including not to exceed $20,000 for expenses of collecting evidence, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; and rent of private or Government-owned space in the District of Columbia, $668,739,000, of which not to exceed $10,000,000 for litigation support contracts shall remain available until expended: *Provided*, That of the total amount appropriated, not to exceed $1,000 shall be available to the United States National Central Bureau, INTERPOL, for official reception and representation expenses: *Provided further*, That notwithstanding section 105 of this Act, upon a determination by the Attorney General that emergent circumstances require additional funding for litigation activities of the Civil Division, the Attorney General may transfer such amounts to ''Salaries and Expenses, General Legal Activities'' from available appropriations for the current fiscal year for the Department of Justice, as may be necessary to respond to such circumstances: *Provided further*, That any transfer pursuant to the previous proviso shall be treated as a reprogramming under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

AMENDMENT OFFERED BY MR. NADLER

Mr. NADLER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. NADLER:

Page 4, line 9, after the dollar amount, insert the following: ''(reduced by $40,000,000)''.

Page 10, line 18, after the first dollar amount, insert the following: ''(increased by $40,000,000)''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from New York (Mr. NADLER) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New York.

Mr. NADLER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my amendment increases funding for the FBI by $40 million to conduct security background checks. Since the attacks of September 11, the FBI's National Name Check Program has remained dangerously underfunded and has accumulated a significant backlog of uncompleted required security checks. Backlogs in security checks requested by the Immigration Service have led to major delays in the processing of immigration applications and, therefore, to a very real national security risk.

If some of these applicants pose a genuine national security risk, they need to be found, arrested and deported immediately. Instead, there is a backlog of over 116,000 applications for permanent residency in the New York district office alone awaiting FBI background checks.

In fiscal year 2006, the National Name Check Program received 3.3 million requests for background checks, but it has only 125 people to process them and an anemic operating budget of $12.4 million. The program does charge fees, but the fee structure was set prior to 9/11 and falls far short of covering the program's cost.

Program employees have to search FBI files, often manually, in over 265 different locations across country. Having to spend so much of its resource on background checks dilutes the FBI's responsiveness, limits information sharing, and hampers counterintelligence and counterterrorism work.

People who are here legally seeking residency or citizenship are prevented from renewing work or travel documents while awaiting the okay from the FBI. Those receiving Social Security face termination of their benefits if they don't become citizens within 7 years, even though their citizenship applications cannot be processed while awaiting the FBI report.

Last year, the committee included report language directing the FBI to conduct a review of the fee structure for background checks done for the Immigration Service. As far as I know, the FBI has yet to send this review to Congress.

This year the committee report says it ''expects the FBI to work with these agencies to ensure that sufficient resources are made available to eliminate the backlog as soon as possible.''

□ 2015

''The committee expects the FBI to set the Name Check fee at a level that adequately covers the cost to conduct requested background checks.''

This is not an adequate fix to this problem. Congress should do more than tell the FBI it expects it to do more. That is why I am offering this amendment. CRS estimates that $40 million is needed to eliminate the backlog. This amendment will enable the FBI to create a centralized records repository where all of its paper files can be located and to develop, design, implement the system to store its active files electronically.

It will reduce the burdens on people who are here legally seeking permanent residency and citizenship, and it would get would-be terrorists out of America swiftly.

Mr. Chairman, I strongly urge the adoption of this amendment.

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

Mr. WOLF. Mr. Chairman, I rise in opposition to the gentleman's amendment.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. WOLF. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, our Members should know that this cuts the Justice Department litigating division by $40 million. The bill already cuts this account by $16 million below the level requested. This account that they are cutting funds critical justice litigating activities such as the criminal division. Wow, this is good news for the criminals, because they will not be litigated; we are going to cut the funding.

To combat gangs. Gangs are spreading. MS–13 are spreading around the Nation. But we cut it. Prosecute intellectual property rights crimes. Wow. Are you going to cut Katrina fraud cases. No way. The civil rights division prosecution of human traffickers. Women and children are being trafficked. Justice prosecutes, but we are going to cut the money so they cannot do it.

For all of you who care about the environment, the environmental and natural resources division prosecution of organizations that violate our environmental laws go away. The tax division prosecution of tax fraud, impacted. This account also funds the U.S. dues for Interpol. We are in a global war on terror. We need to work with Interpol. So we cut them.

The Name Checks that the gentleman is concerned about are funded through a fee. There is a backlog in the Name Checks Program because the fees the FBI charges are not sufficient to adequately cover the cost of the program.

In the fiscal year 2006 report, we directed the FBI to review this fee structure and submit a report to the Committee. The fee review is ongoing and a report is estimated to be submitted in August. In addition to this year's bill, we also include additional report language in this bill directing the FBI to work with the agencies that request these background checks to ensure that sufficient resources are made available to eliminate the backlog.

The gentleman is on the authorizing committee that oversees the FBI and immigration issues. If he wants to address the issue, he would go to the Judiciary Committee that he serves on, introduce a bill, try to convince Mr. SENSENBRENNER to deal with it.

This amendment also would cut 200 employees; we just added Justice Assistance grants here not too long ago, because we are concerned about crime. This would cut more than 200 employees working to combat crime such as organized crime, gangs, human traffickers, Katrina fraud, and environmental crimes in order to fund the FBI Name Checks that are fee-funded.

This would be a blow to the Justice Department litigating capacity. If you wanted to say do not prosecute organized crime, do not worry about the environmental convictions you have to go after, do not worry about the tax frauds, how will you do it then? You cannot say you are going to go after them and take their money away.

Mr. Chairman, I strongly urge a ''no'' vote for this amendment.

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

Mr. NADLER. Mr. Chairman, how much time do I have left?

The CHAIRMAN. The gentleman has 2 minutes remaining.

Mr. NADLER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the distinguished chairman makes a good point. If we were not splurging all of our money trying to get rid of the estate tax, we could put $40 million more into the Department of Justice. That would be preferable. But the fact is, we are limited to the amount we are, and I have to take an offset from somewhere.

This $40 million will enable people not to lose their Social Security because their time limit runs out while they are waiting for the FBI background check. It will enable this country to be safer because we will find out about some would-be terrorists while they are still within the clutches of the law.

That makes sense. Yes, it will take money away from the rest of the Justice Department. And the account that it will take the money away from will go from $669 million to $629 million, a 5.9 percent cut. Yes, we are cutting the rest of the Justice Department by 5.9 percent to fund this crucial area of the FBI.

Now, the gentleman says that it is fee-based, that he asks for a report to the fee. But where is that report? If they increase the fees, if the FBI increases the fees, they are still taking the money from the other agencies within the Departments of Justice or Homeland Security. The immigration service would pay a bigger fee.

Other agencies within DOJ that are asking the FBI for the background check would pay a bigger fee. It is all the same pot of money. So the question is, Do we want to be able to catch would-be terrorists and get their names by getting the background check on time?

Do we want people who are legal immigrants to be able to get their citizenship processed and not wait 7, 8, 9, 10 years? Yes, it would be most preferable if we did not have to rob Peter to pay Paul. But because of what that side of the aisle is doing, we have to rob Peter to pay Paul. I submit we ought to pay Paul here and Peter can afford it better than Paul can, because we are reducing a $669 million account, which is an important account, by 5.9 percent; but we will get justice done on time.

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

Mr. WOLF. Mr. Chairman, I yield the balance of my time to the gentleman from West Virginia (Mr. MOLLOHAN).

Mr. MOLLOHAN. Mr. Chairman, I rise in opposition to the amendment. I think that the committee has looked very carefully at this. And the committee has, in its report language, if the gentleman who is offering the amendment would look, stated that the committee expects the FBI to set the Name Check fee at a level to adequately cover the cost to conduct the requested background checks.

So the provision that allows them to move forward and to be funded is contained in our report, number one. Number two, the gentleman sits on the committee that could address this issue in an authorization, and obviously he is not in the majority so he would have to go to the majority to have this issue addressed. But I would suggest that that might be a good way to approach it if he wants to change the way that the appropriations committee has dealt with the issue.

Secondly, the offsets coming from the criminal division, the civil rights division, and the office of immigration litigation are difficult offsets. And again I go back to comments in the opening statements before this committee, before general debate, when we considered general debate on this bill. There are going to be a lot of good amendments. I wish there were more money. We have tried to provide for how this function would be funded by directing the FBI to set a reasonable fee.

But the offsets here are difficult offsets. And they cut programs that are important programs. So regrettably, I rise in opposition to the amendment on that basis.

Mr. NADLER. Mr. Chairman, will the gentleman yield?

Mr. MOLLOHAN. I yield to the gentleman from New York.

Mr. NADLER. Mr. Chairman, since the committee had the same language in last year's report, do we have any reason to expect the FBI will, in fact, change the fee structure this year?

Mr. MOLLOHAN. Mr. Chairman, reclaiming my time, I think that is an interesting question. I think that is a question that the authorizing committee in the first instance has the responsibility to explore with the FBI.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. NADLER).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. NADLER. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from New York will be postponed.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

In addition, for reimbursement of expenses of the Department of Justice associated with processing cases under the National Childhood Vaccine Injury Act of 1986, not to exceed $6,292,000, to be appropriated from the Vaccine Injury Compensation Trust Fund.

SALARIES AND EXPENSES, NATIONAL SECURITY DIVISION

For expenses necessary to carry out the activities of the National Security Division, $66,970,000; of which not to exceed $5,000,000 shall remain available until expended: *Provided*, That notwithstanding section 105 of this Act, upon a determination by the Attorney General that emergent circumstances require additional funding for the activities of the National Security Division, the Attorney General may transfer such amounts to this heading from available appropriations for the current fiscal year for the Department of Justice, as may be necessary to respond to such circumstances: *Provided further*, That any transfer pursuant to the previous proviso shall be treated as a reprogramming under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SALARIES AND EXPENSES, ANTITRUST DIVISION

For expenses necessary for the enforcement of antitrust and kindred laws, $145,915,000, to remain available until expended: *Provided*, That, notwithstanding any other provision of law, fees collected for premerger notification filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (15 U.S.C. 18a), regardless of the year of collection (and estimated to be $129,000,000 in fiscal year 2007), shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: *Provided further*, That the sum herein appropriated from the general fund shall be reduced as such offsetting collections are received during fiscal year 2007, so as to result in a final fiscal year 2007 appropriation from the general fund estimated at $16,915,000.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

For necessary expenses of the Offices of the United States Attorneys, including intergovernmental and cooperative agreements, $1,664,400,000: *Provided*, That of the total amount appropriated, not to exceed $8,000 shall be available for official reception and representation expenses: *Provided further*, That not to exceed $20,000,000 shall remain available until expended.

UNITED STATES TRUSTEE SYSTEM FUND

For necessary expenses of the United States Trustee Program, as authorized, $223,447,000, to remain available until expended and to be derived from the United States Trustee System Fund: *Provided*, That, notwithstanding any other provision of law, deposits to the Fund shall be available in such amounts as may be necessary to pay refunds due depositors: *Provided further*, That, notwithstanding any other provision of law, $223,447,000 of offsetting collections pursuant to 28 U.S.C. 589a(b) shall be retained and used for necessary expenses in this appropriation and remain available until expended: *Provided further*, That the sum herein appropriated from the Fund shall be reduced as such offsetting collections are received during fiscal year 2007, so as to result in a final fiscal year 2007 appropriation from the Fund estimated at $0.

SALARIES AND EXPENSES, FOREIGN CLAIMS SETTLEMENT COMMISSION

For expenses necessary to carry out the activities of the Foreign Claims Settlement Commission, including services as authorized by 5 U.S.C. 3109, $1,431,000.

UNITED STATES MARSHALS SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Marshals Service, $825,924,000; of which not to exceed $6,000 shall be available for official reception and representation expenses; of which $4,000,000 for information technology systems shall remain available until expended; of which not less than $9,425,000 shall be available for the costs of courthouse security equipment, including furnishings, relocations, and telephone systems and cabling, and shall remain available until expended; and of which $3,282,000 shall be available for construction in space controlled, occupied or utilized by the United States Marshals Service in United States courthouses and Federal buildings, and shall remain available until expended.

FEES AND EXPENSES OF WITNESSES

For fees and expenses of witnesses, for expenses of contracts for the procurement and

supervision of expert witnesses, for private counsel expenses, including advances, and for expenses of foreign counsel, such sums as are necessary, to remain available until expended: *Provided*, That not to exceed $10,000,000 may be made available for construction of buildings for protected witness safesites: *Provided further*, That not to exceed $1,000,000 may be made available for the purchase and maintenance of armored vehicles for transportation of protected witnesses: *Provided further*, That not to exceed $9,000,000 may be made available for the purchase, installation, maintenance and upgrade of secure telecommunications equipment and a secure automated information network to store and retrieve the identities and locations of protected witnesses.

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

For necessary expenses of the Community Relations Service, $9,882,000: *Provided*, That notwithstanding section 105 of this Act, upon a determination by the Attorney General that emergent circumstances require additional funding for conflict resolution and violence prevention activities of the Community Relations Service, the Attorney General may transfer such amounts to the Community Relations Service, from available appropriations for the current fiscal year for the Department of Justice, as may be necessary to respond to such circumstances: *Provided further*, That any transfer pursuant to the previous proviso shall be treated as a reprogramming under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

ASSETS FORFEITURE FUND

For expenses authorized by 28 U.S.C. 524(c)(1)(B), (F), and (G), $21,202,000, to be derived from the Department of Justice Assets Forfeiture Fund.

INTERAGENCY LAW ENFORCEMENT

INTERAGENCY CRIME AND DRUG ENFORCEMENT

For necessary expenses for the identification, investigation, and prosecution of individuals associated with the most significant drug trafficking and affiliated money laundering organizations not otherwise provided for, to include inter-governmental agreements with State and local law enforcement agencies engaged in the investigation and prosecution of individuals involved in organized crime drug trafficking, $498,457,000, of which $50,000,000 shall remain available until expended: *Provided*, That any amounts obligated from appropriations under this heading may be used under authorities available to the organizations reimbursed from this appropriation.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For necessary expenses of the Federal Bureau of Investigation for detection, investigation, and prosecution of crimes against the United States; including purchase for police-type use of not to exceed 3,500 passenger motor vehicles, of which 3,000 will be for replacement only, $5,959,628,000; of which not to exceed $150,000,000 shall remain available until expended; and of which $2,307,994,000 shall be for counterterrorism investigations, foreign counterintelligence, and other activities related to our national security: *Provided*, That not to exceed $210,000 shall be available for official reception and representation expenses.

AMENDMENT OFFERED BY MRS. JOHNSON OF CONNECTICUT

Mrs. JOHNSON of Connecticut. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mrs. JOHNSON of Connecticut:

Page 10, line 18, after the first dollar amount, insert the following: ''(increased by $3,300,000)''.

Page 39, line 25, after the dollar amount, insert the following: ''(reduced by $3,300,000)''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentlewoman from Connecticut (Mrs. JOHNSON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Connecticut.

Mrs. JOHNSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I commend the chairman for crafting a bill that very effectively addresses so many of our national priorities and includes critical funding for increases in the COPS program, the Byrne Justice Assistance Grants, the National Science Foundation, and many other initiatives, key to making our communities safer and preparing our young people to succeed in a competitive global economy.

I also respect, Mr. Chairman, the commitment that you have shown in this bill to programs that protect our children from exploitation and abuse. However, I think we must do more to safeguard our children from the growing threat imposed by online sex predators.

Last Friday, I visited the FBI's Innocent Images Task Force in New Haven, Connecticut, and was astonished and disturbed to see the shear number of predators trolling the Internet for young girls and boys, the explicit nature of their online interaction, and the ease with which they contacted our children.

Despite the 2,000 percent increase in the number of these sexual exploitation cases opened in the past decade, Congress has not allocated funding commensurate with either the menace or the workload. The FBI is currently dedicating twice as many agents to tracking online sex predators as they have the resources for.

As the Internet has exposed our children to new dangers by allowing these predators to invade our homes, law enforcement has not been given the tools to adequately combat this epidemic of sexual stalking and abuse of our children.

My amendment will provide the FBI's Innocent Images Program, the nucleus of the Federal efforts to pursue and prosecute online sex predators and curtail the distribution of child pornography, with an additional $3.3 million offsetting these funds from the Bureau of the Census which received an $87.7 million increase over last year.

When combined with the resources the committee has already provided, we will better enable the Innocent Images Program to meet the challenge of the explosion of sexual predators pursuing our children on the Internet.

I urge support of my amendment.

Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. FITZPATRICK), the coauthor of this amendment and a strong advocate for our children.

Mr. FITZPATRICK of Pennsylvania. Mr. Chairman, I am pleased to offer this amendment with my friend from Connecticut to increase by $3.3 million the FBI's Innocent Images Task Force.

This vital FBI program targets a real and growing problem. Sexual predators are increasingly taking to the Internet to victimize our Nation's kids. The FBI's Innocent Images Task Force is the focal point of our Federal law enforcement's efforts to combat online sexual predators.

While they do great work, our field agents are being overburdened by the rapidly increasing caseload they find in the Internet's target-rich environment. In the past 10 years alone, Mr. Chairman, the FBI has seen a 2,000 percent increase in its caseload of crimes involving online sexual predators.

As a father of six children, I recognize the dangers of the Internet, especially with social networking sites. As a result, I introduced the Deleting Online Predators Act to protect our children from these sites while they are at school or in the public libraries.

Recognizing that chat rooms and social networking sites represent a clear and present danger to millions of children, I believe that a key component of protecting our children is to crack down on these online predators. That means we must provide law enforcement with the tools necessary to track these criminals down.

I want to commend the leadership of Chairman WOLF for his efforts to increase funding for a number of programs in the Department of Justice to protect our children both on- and offline.

□ 2030

I reached out to Chairman WOLF, requesting his assistance in securing increased funding for a number of law enforcement programs, and I am pleased to see that he has taken the initiative to include that language to do just that.

Through Chairman WOLF's leadership, this legislation comes to the floor with increased funding not only for the Innocent Images Task Force but also for other vital law enforcement programs like the Internet Crimes Against Children Task Forces and the National Center for Missing and Exploited Children. This bill also includes funds to add 26 new U.S. attorneys to prosecute these crimes.

I requested Chairman WOLF's assistance in increasing funding for these programs, and I am grateful for his work to provide the necessary funding to protect our Nation's children while on the Internet.

The Johnson amendment to fund law enforcement will protect children and will save lives. Congress must act to

make the Internet a safer place for kids, not a virtual hunting ground for child predators. This amendment will help accomplish this goal, and I urge my colleagues to support the amendment.

Mr. WOLF. Mr. Chairman, will the gentlewoman yield?

Mrs. JOHNSON of Connecticut. I yield to the gentleman from Virginia.

Mr. WOLF. Mr. Chairman, I accept the amendment. The committee, working with Mr. MOLLOHAN, has tried to increase this as much as possible. I would urge any Member that has not been out to the Center for Missing and Exploited Children in Alexandria, that they ought to go. As a father of 11 grandchildren, I commend both of you and thank you very much and think we should accept the amendment.

Mrs. JOHNSON of Connecticut. I thank you, but I thank you also for a very thoughtful bill in very tough times, truly one that does support safer communities and one that does help prepare our young people for a global environment.

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

The CHAIRMAN. Does any Member wish to claim the time in opposition? If not, the question is on the amendment offered by the gentlewoman from Connecticut (Mrs. JOHNSON).

The amendment was agreed to.

The Clerk will read.

The Clerk read as follows:

CONSTRUCTION

For necessary expenses to construct or acquire buildings and sites by purchase, or as otherwise authorized by law (including equipment for such buildings); conversion and extension of Federally-owned buildings; and preliminary planning and design of projects; $80,422,000, to remain available until expended, of which $2,000,000 shall be available for equipment and associated continuing costs for a permanent central records complex.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Drug Enforcement Administration, including not to exceed $70,000 to meet unforeseen emergencies of a confidential character pursuant to 28 U.S.C. 530C; expenses for conducting drug education and training programs, including travel and related expenses for participants in such programs and the distribution of items of token value that promote the goals of such programs; and purchase of not to exceed 1,134 passenger motor vehicles, of which 1,004 will be for replacement only, for police-type use, $1,751,491,000; of which not to exceed $75,000,000 shall remain available until expended; and of which not to exceed $100,000 shall be available for official reception and representation expenses.

BUREAU OF ALCOHOL, TOBACCO, FIREARMS, AND EXPLOSIVES

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Alcohol, Tobacco, Firearms and Explosives, including the purchase of not to exceed 822 vehicles for police-type use, of which 650 shall be for replacement only; not to exceed $40,000 for official reception and representation expenses; for training of State and local law enforcement agencies with or without reimbursement, including training in connection with the training and acquisition of canines for explosives and fire accelerants detection; and for provision of laboratory assistance to State and local law enforcement agencies, with or without reimbursement, $950,128,000, of which not to exceed $1,000,000 shall be available for the payment of attorneys' fees as provided by 18 U.S.C. 924(d)(2); and of which $10,000,000 shall remain available until expended: *Provided*, That no funds appropriated herein shall be available for salaries or administrative expenses in connection with consolidating or centralizing, within the Department of Justice, the records, or any portion thereof, of acquisition and disposition of firearms maintained by Federal firearms licensees: *Provided further*, That no funds appropriated herein shall be used to pay administrative expenses or the compensation of any officer or employee of the United States to implement an amendment or amendments to 27 CFR 478.118 or to change the definition of ''Curios or relics'' in 27 CFR 478.11 or remove any item from ATF Publication 5300.11 as it existed on January 1, 1994: *Provided further*, That none of the funds appropriated herein shall be available to investigate or act upon applications for relief from Federal firearms disabilities under 18 U.S.C. 925(c): *Provided further*, That such funds shall be available to investigate and act upon applications filed by corporations for relief from Federal firearms disabilities under section 925(c) of title 18, United States Code: *Provided further*, That no funds made available by this or any other Act may be used to transfer the functions, missions, or activities of the Bureau of Alcohol, Tobacco, Firearms and Explosives to other agencies or Departments in fiscal year 2007: *Provided further*, That no funds appropriated under this or any other Act with respect to any fiscal year may be used to disclose part or all of the contents of the Firearms Trace System database maintained by the National Trace Center of the Bureau of Alcohol, Tobacco, Firearms and Explosives or any information required to be kept by licensees pursuant to section 923(g) of title 18, United States Code, or required to be reported pursuant to paragraphs (3) and (7) of such section 923(g), to anyone other than a Federal, State, local, or foreign law enforcement agency or a Federal, State, or local prosecutor solely in connection with and for use in a bona fide criminal investigation or prosecution and then only such information as pertains to the geographic jurisdiction of the law enforcement agency requesting the disclosure and not for use in any civil action or proceeding other than an action or proceeding commenced by the Bureau of Alcohol, Tobacco, Firearms and Explosives, or a review of such an action or proceeding, to enforce the provisions of chapter 44 of such title, and all such data shall be immune from legal process and shall not be subject to subpoena or other discovery, shall be inadmissible in evidence, and shall not be used, relied on, or disclosed in any manner, nor shall testimony or other evidence be permitted based upon such data, in any civil action pending on or filed after the effective date of this Act in any State (including the District of Columbia) or Federal court or in any administrative proceeding other than a proceeding commenced by the Bureau of Alcohol, Tobacco, Firearms and Explosives to enforce the provisions of that chapter, or a review of such an action or proceeding; except that this proviso shall not be construed to prevent the disclosure of statistical information concerning total production, importation, and exportation by each licensed importer (as defined in section 921(a)(9) of such title) and licensed manufacturer (as defined in section 921(a)(10) of such title): *Provided further*, That no funds made available by this or any other Act shall be expended to promulgate or implement any rule requiring a physical inventory of any business licensed under section 923 of title 18, United States Code: *Provided further*, That no funds under this Act may be used to electronically retrieve information gathered pursuant to 18 U.S.C. 923(g)(4) by name or any personal identification code: *Provided further*, That no funds authorized or made available under this or any other Act may be used to deny any application for a license under section 923 of title 18, United States Code, or renewal of such a license due to a lack of business activity, provided that the applicant is otherwise eligible to receive such a license, and is eligible to report business income or to claim an income tax deduction for business expenses under the Internal Revenue Code of 1986: *Provided further*, That in fiscal year 2007, the Attorney General may establish and collect fees of not less than one-half cent per pound of explosive material manufactured in, or imported into, the United States by licensed manufacturers and licensed importers, pursuant to regulations prescribed by the Attorney General, which fees shall be credited as offsetting receipts to the ''ATF Regulatory Activities Fund'' established by the Attorney General: *Provided further*, That of the amount so credited, not to exceed $30,000,000 shall be available for carrying out chapter 40 of title 18, United States Code.

POINT OF ORDER

Mr. MOLLOHAN. Mr. Chairman, I make a point of order against the two provisions on page 15, line 18, through page 16, line 4. The provisions constitute legislation on an appropriations bill in violation of clause 2, rule XXI.

The CHAIRMAN. Are there Members who wish to be heard on the point of order?

The Chair recognizes the gentleman from Iowa.

Mr. KING of Iowa. Mr. Chairman, I rose for the same point of order.

The CHAIRMAN. Does the gentleman wish to be heard on the point of order? The Chair recognizes the gentleman from West Virginia.

Mr. MOLLOHAN. Mr. Chairman, this is a provision that the chairman and I understand the dilemma which he is in.

For the last 2 years, the President, when he has submitted his budget request, has proffered this tax increase on the commercial explosives industry, which is particularly oppressive.

Mr. Chairman, in West Virginia, as a matter of fact, of course we use explosives in mining and extraction and for road building purposes, and this would have a very injurious effect on the customers of explosives in my State, costing a tremendous amount of money.

As I say, the President has requested this for the last 2 years in order to fund BATF functions. It constitutes a tax, and the committee appropriately disapproved this request from the President last year.

This year, the chairman, in an effort to make the point I think, and certainly from my standpoint to make the point, that this is an inappropriate way to try to fund the functions of the Bureau of Alcohol, Tobacco and Firearms, and making the request and not knowing that it probably would not be approved by the Congress, makes a huge hole in our bill.

The chairman is putting it into the bill at a much lower level, and I do not know whether he anticipated this particular action, and I am not going to speak for him on that, but this I think demonstrates to the administration that this kind of a tactic, knowing that the administration, relying on the fund and the Congress not approving it, and then have to take the money out of some other account, we are just not going to continue do that.

So, by striking it, I hope that what results is that there is a hole in BATF's budget at the end of the year, and making the point that this is probably not a good idea for the administration to do if they, in fact, want all of the Bureau of Alcohol, Tobacco and Firearm programs to be funded into the future.

So I hope after this is struck that this hole remains and that the point is made in a telling way.

The CHAIRMAN. Does the gentleman from Iowa wish to be heard on the point of order?

Mr. KING of Iowa. I do, Mr. Chairman.

The CHAIRMAN. The gentleman from Iowa is recognized.

Mr. KING of Iowa. Mr. Chairman, this point of order is raised appropriately, and I concur with the gentleman from West Virginia in that it is legislation on an appropriations bill. It is actually a taxation. It is a revenue generator. It levies a tax on explosives and on firearms ammunition, and it is a way to generate revenue, perhaps as much as $130 million in this appropriations bill, in order to protect the interests of the firearms industry, the explosives industry, the people that are very closely regulated today and do not need to have additional regulation.

Mr. Chairman, it is important that the section be struck out, but it is also important that we maintain our standard here and avoid legislating on an appropriation bill.

So, with that, I again suggest that this point of order is one that is very solid on the policy of not legislating on appropriation bills, and I urge the Chair to sustain that point of order.

The CHAIRMAN. If no further Member wishes to be heard on the point of order, the Chair is prepared to rule.

The Chair finds that this provision includes language conferring authority. The provision, therefore, constitutes legislation in violation of clause 2 of rule XXI. The point of order is sustained, and the provision is stricken from the bill.

The Clerk will read.

The Clerk read as follows:

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For expenses necessary of the Federal Prison System for the administration, operation, and maintenance of Federal penal and correctional institutions, including purchase (not to exceed 670, of which 635 are for replacement only) and hire of law enforcement and passenger motor vehicles, and for the provision of technical assistance and advice on corrections related issues to foreign governments, $4,987,059,000: *Provided*, That the Attorney General may transfer to the Health Resources and Services Administration such amounts as may be necessary for direct expenditures by that Administration for medical relief for inmates of Federal penal and correctional institutions: *Provided further*, That the Director of the Federal Prison System, where necessary, may enter into contracts with a fiscal agent/fiscal intermediary claims processor to determine the amounts payable to persons who, on behalf of the Federal Prison System, furnish health services to individuals committed to the custody of the Federal Prison System: *Provided further*, That not to exceed $6,000 shall be available for official reception and representation expenses: *Provided further*, That not to exceed $50,000,000 shall remain available for necessary operations until September 30, 2008: *Provided further*, That, of the amounts provided for Contract Confinement, not to exceed $20,000,000 shall remain available until expended to make payments in advance for grants, contracts and reimbursable agreements, and other expenses authorized by section 501(c) of the Refugee Education Assistance Act of 1980, for the care and security in the United States of Cuban and Haitian entrants: *Provided further*, That the Director of the Federal Prison System may accept donated property and services relating to the operation of the prison card program from a not-for-profit entity which has operated such program in the past notwithstanding the fact that such not-for-profit entity furnishes services under contracts to the Federal Prison System relating to the operation of pre-release services, halfway houses or other custodial facilities.

AMENDMENT NO. 22 OFFERED BY MR. STEARNS

Mr. STEARNS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 22 offered by Mr. STEARNS:

Page 16, line 14, after the dollar amount, insert ''(increased by $500,000)''.

Page 67, line 14, after the dollar amount, insert ''(reduced by $500,000)''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Florida (Mr. STEARNS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Florida.

Mr. STEARNS. Mr. Chairman, I yield myself such time as I may consume.

I have an amendment that Mr. MCCOTTER and Mr. KING of Iowa have indicated they support this idea. So it is similar to H.R. 5476, legislation which I introduced to withhold the U.S. share of the U.N. Human Rights Council's budget from our regular U.N. dues. It transfers funding from the Council to hire more prison guards in the Federal Prison System.

Let me just speak briefly I think before I get into the meat of it, to just talk to you about the U.N. Human Rights Council.

Forty-one years ago this past Monday, 50 nations signed the United Nations Charter. A year later, former First Lady Eleanor Roosevelt became the first chairwoman of the U.N. Human Rights Commission, to monitor and prevent the abuse of human rights throughout the world.

Her chairmanship was the last for the U.S. on the Human Rights Commission, which has failed to uphold even the most basic ideals iterated in the U.N. Charter and the Universal Declaration on Human Rights. It quickly lost any credibility and allowed tyrannies like Cuba, Sudan, Libya, Belarus, China and Zimbabwe to shield themselves from criticism for their human rights violations.

Over the life of the Commission, it failed to act or speak out against egregious human rights abuses like the atrocities committed in many of the Communist blocs and the genocides in Rwanda and Darfur. It also failed to condemn countries that sponsor terrorism, including Iran, Syria and North Korea. Instead, the Human Rights Commission repeatedly castigated Israel, the only democracy in the Middle East, while overlooking horrific human rights abuses throughout that same Middle East. At least 30 percent of all country-specific resolutions of the Commission critical of human rights were directed at that very small country, Israel. None targeted persistent violators like former Burma, which is now Myanmar, Syria and Zimbabwe and, of course, early on, China.

The U.N. recently replaced the discredited Commission with a Human Rights Council. For all the superficial changes, it will fail just as miserably as its predecessor. The reforms advocated by democratic nations were rejected, and that is why the United States declined to seek membership this year.

The Council cannot even prevent human rights violators from being elected to the Council itself. The only supposed protection, that a country can be suspended if two-thirds of the members of the General Assembly agree, is useless since less than half of the General Assembly could agree that Sudan was guilty of human rights violations. The new Council only reduced the number of seats on the Council from 53 to 47, not enough to make the Council more efficient or effective. It also retained geographic quotas that will allow countries like Iran, Venezuela, Sudan and Zimbabwe repeated chances to run for membership.

This new U.N. Human Rights Council is littered with abysmal human rights abusers. The newly elected membership includes nine countries that the democracy watchdog Freedom House designates as not free: China, Cuba, Saudi Arabia, Russia, Pakistan, Tunisia, Algeria, Cameroon and Azerbaijan. According to the Geneva-based human rights monitor U.N. Watch, almost half of the new members fail to meet accepted democratic standards.

The U.S. cannot fund such a human rights sham while our own Federal Prison System needs the money. The Federal Prison System requested a $500 million increase in fiscal year 2007. The

committee report falls $400 million short of that request. This unmet increase is vital to grapple with a growing prison population.

More than 188,000 inmates are confined in the correctional institutions of the Federal Prison System today. As a result, the Federal Prison System is operating 41 percent over capacity, up from 32 percent as of January, 2000. The number of Federal correctional officers cannot keep pace. In the 1990s, when inmate populations were approximately half as large, the prisons were at 95 percent staffing levels. Today, it has less than that. This has resulted in a significant increase in inmate assaults on correctional staff.

According to the Federal Prison System data, assaults against correctional staff increased by 75 percent, and assaults against correctional staff with weapons increased by 61 percent. These are alarming statistics.

This particular statistic concerns me because we have in my district the largest prison system, Coleman Correctional Facility.

So my amendment is significant. I ask support of it. It is symbolic. It is important to pass it.

Mr. WOLF. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Virginia is recognized for 5 minutes.

Mr. WOLF. Mr. Chairman, I yield myself such time as I may consume.

The gentleman stated that this bill was below the Administration's request. We are above the Administration's request for prisons. We are not below.

Secondly, our Subcommittee last year put together what they called a Gingrich-Mitchell Commission, former Speaker of the House Newt Gingrich and former Minority Leader Mitchell, to look at the U.N. reform, and they have come up with a good package, and they are working on this issue.

The State Department opposes this amendment. John Bolten up at the State Department says, and I quote, ''We must determine whether the U.N. Human Rights Council will be a body that the world will respect and take seriously.'' Its status is no longer characteristic of the U.N. Commission on Human Rights.

That said, the United States will work cooperatively with other member states to make the Council as strong and effective as it can be. We will be supportive of efforts to strengthen the Council and look forward to a serious review of the Council structure and work.

I have been as critical as anybody else, and I will stipulate perhaps more than anybody else, on the whole issue of the Human Rights Commission with regard to China, with regard to Sudan and with regard to these others, but this would complicate the Administration's efforts.

The Secretary of State, Secretary Rice, is opposed to this. The State Department is opposed to this. The Administration is opposed to this.

Change it by dealing with it through the Gingrich-Mitchell Task Force and put pressure on them, but do not complicate the life of John Bolten and Secretary Rice up there.

Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia (Mr. MOLLOHAN).

□ 2045

Mr. MOLLOHAN. Mr. Chairman, I rise in opposition to the amendment. I am not sure exactly what the gentleman is attempting to achieve here, but I really find myself in disagreement at both ends.

I find myself in disagreement with the offset, certainly. However imperfect the U.S. Human Rights Council and its memberships may or may not be, I am not sure that taking this money from that organization for that purpose, even if it were to come from that account, would address the problem.

I might point out that Chairman WOLF is extremely sensitive to human rights, and has been for a long time; and when he addresses human rights issues in this bill, he is very conscious about them. I really feel confident in the way that he has treated the overall State Department accounts, particularly as any of that account might be contributing to the U.N. Human Rights Council budget, if that is the focus of this offset, even though it comes from the international organizations, account which is a much broader account.

On the other side of it, to increase funding for the Bureau of Prisons by $500,000, I am really pleased that the gentleman recognizes that we do need additional dollars within the Bureau of Prisons, and I agree that to a large extent the Bureau of Prisons is underfunded. It is underfunded in a lot of areas. If we are concerned about assaults on guards, if we are concerned about those kinds of issues, then maybe we ought to be looking for those types of programs that could be funded, but it would cost a lot more than $500,000 in the Bureau of Prisons, to would address education, training, and those kinds of programs that would be remedial with regard to prisoners; and we could reduce the concerns that he is trying to address with this offset.

So on both ends, Mr. Chairman, I oppose the amendment.

Mr. WOLF. Mr. Chairman, I close by saying let us do what we did in the Gingrich-Mitchell thing. The U.N. has made a lot of mistakes. John Bolten is no wallflower. I support what John Bolten is trying to do up there, and I don't think we should complicate the administration's life by doing this.

I yield to the gentleman if he would like to say something.

Mr. STEARNS. Well, Mr. Chairman, I want you to know that I realize you are doing a wonderful job in your position here, and this, in a larger sense, is symbolic to show to the United Nations where our priorities are and to give an opportunity for some Members, like myself, to voice their concerns about this Human Rights Commission, and I thank you for your courtesy.

Mr. WOLF. I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. STEARNS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. STEARNS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Florida will be postponed.

The Clerk will read.

The Clerk read as follows:

BUILDINGS AND FACILITIES

For planning, acquisition of sites and construction of new facilities; purchase and acquisition of facilities and remodeling, and equipping of such facilities for penal and correctional use, including all necessary expenses incident thereto, by contract or force account; and constructing, remodeling, and equipping necessary buildings and facilities at existing penal and correctional institutions, including all necessary expenses incident thereto, by contract or force account, $88,961,000, to remain available until expended, of which not to exceed $14,000,000 shall be available to construct areas for inmate work programs: *Provided*, That labor of United States prisoners may be used for work performed under this appropriation.

FEDERAL PRISON INDUSTRIES, INCORPORATED

The Federal Prison Industries, Incorporated, is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available, and in accord with the law, and to make such contracts and commitments, without regard to fiscal year limitations as provided by section 9104 of title 31, United States Code, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation, including purchase (not to exceed five for replacement only) and hire of passenger motor vehicles.

LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL PRISON INDUSTRIES, INCORPORATED

Not to exceed $2,477,000 of the funds of the corporation shall be available for its administrative expenses, and for services as authorized by 5 U.S.C. 3109, to be computed on an accrual basis to be determined in accordance with the corporation's current prescribed accounting system, and such amounts shall be exclusive of depreciation, payment of claims, and expenditures which such accounting system requires to be capitalized or charged to cost of commodities acquired or produced, including selling and shipping expenses, and expenses in connection with acquisition, construction, operation, maintenance, improvement, protection, or disposition of facilities and other property belonging to the corporation or in which it has an interest.

OFFICE ON VIOLENCE AGAINST WOMEN

VIOLENCE AGAINST WOMEN PREVENTION AND PROSECUTION PROGRAMS

For grants, contracts, cooperative agreements, and other assistance for the prevention and prosecution of violence against women, as authorized by the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3711 et seq.) (''the 1968 Act''); the Violent Crime Control and Law Enforcement

Act of 1994 (Public Law 103–322) (''the 1994 Act''); the Victims of Child Abuse Act of 1990 (''the 1990 Act''); the Prosecutorial Remedies and Other Tools to end the Exploitation of Children Today Act of 2003 (Public Law 108–21); the Victims of Trafficking and Violence Protection Act of 2000 (Public Law 106–386) (''the 2000 Act''); and the Violence Against Women and Department of Justice Reauthorization Act of 2005 (''the 2005 Act''); $390,296,000, including amounts for administrative costs, to remain available until expended as follows—

(1) $11,897,000 for the court-appointed special advocate program, as authorized by section 217 of the 1990 Act;

(2) $2,287,000 for child abuse training programs for judicial personnel and practitioners, as authorized by section 222 of the 1990 Act;

(3) $174,500,000 for grants to combat violence against women, as authorized by part T of the 1968 Act, as amended by section 101 of the 2005 Act, of which $2,477,000 shall be for the National Institute of Justice for research and evaluation of violence against women;

(4) $14,808,000 for transitional housing assistance grants for victims of domestic violence, stalking or sexual assault as authorized by section 40299 of the 1994 Act, as amended by section 602 of the 2005 Act;

(5) $63,075,000 for grants to encourage arrest policies as authorized by part U of the 1968 Act, as amended by section 102 of the 2005 Act;

(6) $39,166,000 for rural domestic violence and child abuse enforcement assistance grants, as authorized by section 40295 of the 1994 Act, as amended by section 203 of the 2005 Act;

(7) $4,958,000 for training programs as authorized by section 40152 of the 1994 Act, as amended by section 108 of the 2005 Act, and for related local demonstration projects;

(8) $2,962,000 for grants to improve the stalking and domestic violence databases, as authorized by section 40602 of the 1994 Act, as amended by section 109 of the 2005 Act;

(9) $9,054,000 for grants to reduce violent crimes against women on campus, as authorized by section 304 of the 2005 Act;

(10) $42,000,000 for legal assistance for victims, as authorized by section 1201 of the 2000 Act, as amended by section 103 of the 2005 Act;

(11) $4,540,000 for enhancing protection for older and disabled women from domestic violence and sexual assault, as authorized by section 40802 of the 1994 Act, as amended by section 205 of the 2005 Act;

(12) $13,894,000 for the safe havens for children program, as authorized by section 1301 of the 2000 Act, as amended by section 306 of the 2005 Act; and

(13) $7,155,000 for education and training to end violence against and abuse of women with disabilities, as authorized by section 1402 of the 2000 Act, as amended by section 204 of the 2005 Act.

OFFICE OF JUSTICE PROGRAMS

JUSTICE ASSISTANCE

For grants, contracts, cooperative agreements, and other assistance authorized by title I of the Omnibus Crime Control and Safe Streets Act of 1968, the Missing Children's Assistance Act, including salaries and expenses in connection therewith, the Prosecutorial Remedies and Other Tools to end the Exploitation of Children Today Act of 2003 (Public Law 108–21), the Justice for All Act of 2004 (Public Law 108–405), the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109–162), and the Victims of Crime Act of 1984, $215,575,000, to remain available until expended.

STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

For grants, contracts, cooperative agreements, and other assistance authorized by the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322) (''the 1994 Act''); the Omnibus Crime Control and Safe Streets Act of 1968 (''the 1968 Act''); the Trafficking Victims Protection Reauthorization Act of 2005 (Public Law 109–164); the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109–162); and the Victims of Trafficking and Violence Protection Act of 2000 (Public Law 106–386); and other programs; $1,103,492,000 (including amounts for administrative costs, which shall be transferred to and merged with the ''Justice Assistance'' account): *Provided*, That funding provided under this heading shall remain available until expended as follows—

(1) $558,077,000 for the Edward Byrne Memorial Justice Assistance Grant program as authorized by subpart 1 of part E of title I of the 1968 Act, as amended by section 1111 of Public Law 109–162 (except that the special rules for Puerto Rico under section 505(g) of the 1968 Act, as amended by section 1111 of Public Law 109–162, shall not apply for purposes of this Act), of which—

(A) $115,225,000 is for discretionary grants, notwithstanding the provisions of section 505 of the 1968 Act; and

(B) $75,000,000 is for Boys and Girls Clubs in public housing facilities and other areas in cooperation with State and local law enforcement, as authorized by section 401 of Public Law 104–294 (42 U.S.C. 13751 note);

(2) $405,000,000 for the State Criminal Alien Assistance Program, as authorized by section 241(i)(5) of the Immigration and Nationality Act (8 U.S.C. 1231(i)(5)), as amended by section 1196 of Public Law 109–162;

(3) $30,000,000 for the Southwest Border Prosecutor Initiative to reimburse State, county, parish, tribal, or municipal governments only for costs associated with the prosecution of criminal cases declined by local offices of the United States Attorneys;

(4) $21,488,000 for activities authorized under sections 201 and 204 of Public Law 109–164;

(5) $40,000,000 for Drug Courts, as authorized by section 1001(25)(A) of title I of the 1968 Act, as amended by section 1142 of Public Law 109–162;

(6) $10,000,000 for a prescription drug monitoring program;

(7) $22,943,000 for prison rape prevention and prosecution programs, as authorized by the Prison Rape Elimination Act of 2003 (Public Law 108–79), of which $2,175,000 shall be transferred to the National Prison Rape Elimination Commission for authorized activities;

(8) $5,000,000 for grants for residential substance abuse treatment for State prisoners, as authorized by part S of the 1968 Act;

(9) $2,000,000 for a program to improve State and local law enforcement intelligence capabilities including antiterrorism training and training to ensure that constitutional rights, civil liberties, civil rights, and privacy interests are protected;

(10) $2,000,000 for a capital litigation improvement grant program;

(11) $5,000,000 for mental health courts and adult and juvenile collaboration program grants, as authorized by parts V and HH of title I of the 1968 Act; and

(12) $1,984,000 for the National Sex Offender Public Registry:

Provided, That, if a unit of local government uses any of the funds made available under this title to increase the number of law enforcement officers, the unit of local government will achieve a net gain in the number of law enforcement officers who perform nonadministrative public safety service.

AMENDMENT OFFERED BY MR. MOLLOHAN

Mr. MOLLOHAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. MOLLOHAN:

Page 23, lines 4 and 9, after each of the dollar amounts, insert ''(increased by $341,923,000)''.

Page 38, line 19, after the dollar amount, insert ''(increased by $67,077,000)''.

Page 55, line 21, after the dollar amount, insert ''(increased by $100,000,000)''.

Page 55, line 22, after the dollar amount, insert ''(increased by $75,000,000)''.

Page 55, line 25, after the dollar amount, insert ''(increased by $25,000,000)''.

Page 86, line 17, after each of the dollar amounts, insert ''(increased by $81,000,000)''.

Page 89, line 17, after each of the dollar amounts, insert ''(increased by $10,000,000)''.

Page 107, after line 23, insert the following new section:

SEC. 629. In the case of taxpayers with income in excess of $1,000,000, for calendar year 2007 the amount of tax reduction resulting from the enactment of Public Laws 107–16, 108–27, and 108–311 shall be reduced by 1.45 percent.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from West Virginia (Mr. MOLLOHAN) and a Member opposed each will control 5 minutes.

Mr. WOLF. Mr. Chairman, I reserve a point of order on the gentleman's amendment.

The CHAIRMAN. The gentleman from Virginia reserves a point of order.

The Chair recognizes the gentleman from West Virginia.

Mr. MOLLOHAN. Mr. Chairman, I yield myself such time as I may consume, and I rise in support of my amendment. But before I describe the amendment, let me first note that Chairman WOLF has done a tremendous job with the narrow allocation he had.

However, the reductions and the eliminations proposed by the administration are really undermining our ability to protect our communities, to assist the neediest in our country, and to invest in cutting-edge innovations. All of those programs, addressing those concerns and those community needs are under the jurisdiction of this bill. This amendment takes a step to correcting those underfundings and those deficiencies.

First, Mr. Chairman, my amendment would provide an increase of $341 million to State and local law enforcement grants, restoring these grants to the full authorization level of $900 million. Federal assistance to State and local law enforcement has been cut by about $2 billion since 2001, and violent crime rates are up 2.5 percent, the largest percentage increase since 1992.

Now, Mr. Chairman, let me emphasize this. This is State and local law enforcement. This is the program the Federal Government has that assists State and local law enforcement in performing the protective function that

they have on a daily basis, dangerous job; and they don't have the resources. The Federal Government has recognized that State and local law enforcement does not have the resources to do its job. We have recognized that for a number of years, and we have programs to supplement their resources to ensure that they are able to do that.

But this bill, and the President's request over the last number of years, has by attrition cut by nearly $2 billion since 2001 Federal assistance to State and local law enforcement. Those are real cuts, and they have had real impacts. And the impact is best measured by the increase in violent crime by 2.5 percent since 1992.

Mr. Chairman, second, this amendment would provide an increase of $67 million to the Economic Development Administration, bringing the funding level up to the $327 million request. This would provide EDA with a $44 million increase above last year's enacted level to better provide for economically distressed regions with high unemployment and low incomes.

Third, this amendment provides an increase of $81 million to the Legal Services Corporation, bringing the amount near the fiscal year 1995 high water mark of $415 million. The bill currently provides $313 million to Legal Services Corporation, an increase of $3 million above the President's request, but a dramatic $12.7 million reduction from last year's enacted level.

Legal Services Corporation's budget has suffered cuts in each of the last three fiscal years, despite a steadily rising poverty rate. Need going up, funding going down for this program.

Fourth, this amendment provides $10 million to the Small Business Administration for microloans, which were zeroed out in the President's budget. However, during full committee, the chairman accepted an amendment to partially restore the funding. An additional $10 million is needed to fully fund the microloan program, which is the single largest source of funding for microenterprise development in the Nation, and helps high-risk business owners who seek grants of $35,000 or less, helping the neediest of our small business entrepreneurs.

Fifth, Mr. Chairman, this amendment provides an increase of $100 million for NASA science and education. Of this amount, $25 million would be for NASA education to reverse the trend of damaging cuts that we have seen in the past few years, restoring the funding to the fiscal year 2005 funding level of $178.9 million. The remaining $75 million is available to increase important science programs that have been cut seriously or eliminated.

In the NASA budget, as the President emphasizes space exploration, deemphasizes science and research, this amendment would change that, providing that additional funding, the amount cut, from science programs.

All this would be accomplished by an offset that would nick the average tax break for those with incomes of more than $1 million by 1.45 percent, or $1,657. Now, to a lot of taxpayers, and to the average American, $1,657 is a lot of money. But the average tax break before this amendment, for those with incomes more than $1 million, is $114,172. Voting for this amendment, if the amendment were made in order, would have invested $600 million back into law enforcement, low income, and millionaires would still receive a $112,000 tax break, just suffering $1,600 to do all that good, Mr. Chairman.

POINT OF ORDER

Mr. WOLF. Mr. Chairman, I make a point of order against the amendment because it proposes to change existing law and constitutes legislation in an appropriation bill and therefore violates clause 2 of rule XXI. The rule states in pertinent part: ''An amendment to a general appropriation bill shall not be in order if changing existing law.''

I ask for a ruling from the Chair.

The CHAIRMAN. Does any Member wish to be heard on the point of order? If not, the Chair is prepared to rule.

The Chair finds that this amendment changes the application of existing law, and the amendment therefore constitutes legislation in violation of clause 2 of rule XXI.

The point of order is sustained and the amendment is not in order.

AMENDMENT OFFERED BY MR. KENNEDY OF MINNESOTA

Mr. KENNEDY of Minnesota. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. KENNEDY of Minnesota:

Page 23, line 4, after the dollar amount, insert the following: ''(increased by $532,148,000)''.

Page 23, line 9, after the dollar amount, insert the following: ''(increased by $532,148,000)''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Minnesota (Mr. KENNEDY) and a Member opposed each will control 5 minutes.

Mr. WOLF. Mr. Chairman, I reserve a point of order on the gentleman's amendment.

The CHAIRMAN. The gentleman from Virginia reserves a point of order.

The Chair recognizes the gentleman from Minnesota.

Mr. KENNEDY of Minnesota. Mr. Chairman, I yield myself such time as I may consume.

(Mr. KENNEDY of Minnesota asked and was given permission to revise and extend his remarks.)

Mr. KENNEDY of Minnesota. Mr. Chairman, in the last 5 years, funding for the grants under the consolidated Byrne-JAG formula have been cut by almost two-thirds. At the same time, we have had two consecutive attempts by the administration to eliminate this program entirely. I don't know about my colleagues, but my police officers in my district don't understand this.

The minimum this program should be funded at is $900 million, which is what 162 Members of this House requested in a letter to the Budget Committee earlier this year and that was recommended by the Budget Committee in the report accompanying the fiscal year 2007 budget resolution.

I realize how tight this bill is and how much the chairman and the committee have worked to give as much as they can, and I realize tough choices have been made; but we must do better for our law enforcement officers, and our Members will have a chance to do that here today.

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

Mr. STUPAK. Mr. Chairman, I rise today in strong support of this bipartisan amendment. For years, the Bush administration has been talking tough on drugs and law enforcement while slashing the funding that makes law enforcement possible. The big drops in crime during the Clinton years were made possible by programs like Byrne that put dollars where they are needed: in the hands of local police departments and task forces.

Since 2001, however, funding has been cut again and again, from over $1 billion to less than $367 million in this year's bill. These cuts go against everything we know to be true about drug policy. Ninety percent of drug arrests are made by State and local law enforcement, and local drug task forces are our first and best line of defense against the growing problem of meth in our communities. Now more than ever, we need to support the work that our local law enforcement officers are doing.

Mrs. MALONEY. Mr. Chairman, later today, some of our colleagues plan to offer amendments to this bill that would divert money from the 2010 Census. Many of them have good intentions and would send the money to other worthwhile programs. However, I would like to strongly urge those colleagues to consider the damage that would be done—not just to this Nation, but perhaps even to the very district they represent—should the Census be depleted. It a program with an enormous impact and should never be carved up and handed out like a Thanksgiving turkey.

Five years from now, if Members begin complaining about problems with Census and the count in their States, we will only have ourselves to blame. If members want to take money from Census, perhaps they should volunteer their States for inaccurate counts.

Just because the actual survey takes place in 2010 doesn't mean that cutting the Census in 2006 is irrelevant. Initial planning is ongoing and the Census Bureau is gearing up for the largest peace-time mobilization in American history. The Census doesn't just appear in an instant and then disappear every ten years, it is a constant, massive effort that never stops.

Some might try to divert money from the Census to other programs in this bill in the name of law enforcement. But they should keep in mind that the Census is a critical tool for fighting crime. Crime mapping, after all, relies on accurate demographic and housing data to help police determine where to deploy manpower, equipment and other resources.

Furthermore, imagine the impact of an inaccurate Census on the Byrne Memorial Justice

Assistance Grant Program. The distribution of this money is based on population and crime statistics, both of which are based on Census statistics.

Mr. Chairman, I hope our colleagues understand that the Census affects much of what we do, from billions upon billions in federal dollars that could assist our districts to our States' representation in Congress. It is especially important for areas that are undercounted and underserved. It is not a throwaway program—in many ways it is the lifeblood of this government.

□ 2100

POINT OF ORDER

The CHAIRMAN. The gentleman from Virginia reserves a point of order?

Mr. WOLF. Mr. Chairman, I do. I make a point of order.

The CHAIRMAN. The gentleman makes a point of order. The gentleman will state his point of order.

Mr. WOLF. Mr. Chairman, I make a point of order against the amendment, that it is in violation of section 302(f) of the Congressional Budget Act of 1974.

The Committee on Appropriations filed a suballocation of the budget for fiscal year 2007 on June 6, 2006, House Report 109–488. The adoption of this amendment would cause the subcommittee's suballocation for budget authority made under section 302(b) to be exceeded and is not permitted under section 302(f) of the act.

I ask for a ruling of the Chair.

The CHAIRMAN. Does any Member wish to be heard on the point of order? If not, the Chair is prepared to rule.

The Chair is authoritatively guided under section 312 of the Budget Act by an estimate of the Committee on the Budget that an amendment providing any net increase in new discretionary budget authority would cause a breach of the pertinent allocation of such authority.

The amendment offered by the gentleman from Minnesota would increase the level of new discretionary budget authority in the bill. As such, the amendment violates section 302(f) of the Budget Act.

The point of order is sustained. The amendment is not in order.

AMENDMENT OFFERED BY MR. BARROW

Mr. BARROW. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BARROW:

Page 23, line 4, after the dollar amount, insert the following: ''(increased by $10,000,000)''.

Page 24, line 1, after the dollar amount, insert the following: ''(increased by $10,000,000)''.

Page 67, line 14, after the dollar amount, insert the following: ''(reduced by $10,000,000)''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Georgia (Mr. BARROW) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Georgia.

Mr. BARROW. Mr. Chairman, first of all, I would like to thank Chairman WOLF and Ranking Member MOLLOHAN for their work on this important bill.

Mr. Chairman, since I joined Congress last year, illegal immigration has been debated, discussed and voted on a lot in this House, and it is the number one concern with a lot of folks that I represent back home in Georgia.

We all know that the explosion of illegal immigrants is imposing a huge cost on local schools and local hospitals, but it is also imposing a huge new cost on local law enforcement as well. Local police departments are already stretched to the limit financially in dealing with home-grown crime. Despite that, most do an outstanding job of serving the public without all the resources they already need.

But because we still haven't secured our borders, we have caused local law enforcement to have to do more. We have asked them to do more, and yet the Federal Government is not helping them to deal with that part of the crime problem that the Federal Government has actually created.

Since 9/11, Congress hasn't helped. We have given local law enforcement more to do, but less to do it with. We have expanded State and local law enforcement's authority to investigate, arrest and jail undocumented criminal aliens.

When we expand the responsibilities of State and local police, when we ask them to do more, we have an obligation to give them the resources that they need in order to do more.

In 1994, Congress created the State Criminal Alien Assistance Program, the SCAAP program, and since then it has provided over $4.1 billion in financial assistance to States, reimbursing State and local police for the cost of jailing undocumented criminal aliens.

In the last fiscal year alone, my home State of Georgia received $1.8 million in SCAAP funding for our State and local police. This year, funding for SCAAP was zeroed out in the President's budget. Fortunately, this bill will reinstate some funding for this program, but the amount is still far short of the amount that is authorized of the amount that is needed.

My amendment would provide an additional $10 million to the SCAAP program.

Frankly, we have enough homegrown crime to deal with already without having to deal with the crime that we are literally importing from other countries. As a result, my amendment pays for an increase in SCAAP funding through an 8/10 of 1 percent decrease in funding from the account that pays membership fees to international organizations.

Earlier this year, the President addressed the Nation and announced he would be sending National Guard troops to our southern border to help stem the flood of illegal immigrants flowing into the United States. National Guard troops on the border may help stem the flow of new illegal immigrants, but they do nothing to deal with the criminal element that has already gotten through.

With an estimated is 11 million illegal immigrants already living in the United States, our local law enforcement agencies continue to serve as our first line of defense in dealing with the criminal element that has already entered the country. That is why we need to provide State and local police with the resources that they need to do the job that we impose upon them.

I therefore urge my colleagues to help State and local law enforcement deal with undocumented criminals and support the amendment.

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

Mr. WOLF. Mr. Chairman, I accept the amendment on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. BARROW).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. KENNEDY OF MINNESOTA

Mr. KENNEDY of Minnesota. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. KENNEDY of Minnesota:

Page 23, line 4, after the dollar amount, insert the following: ''(increased by $50,000,000)''.

Page 23, line 9, after the dollar amount, insert the following: ''(increased by $50,000,000)''.

Page 39, line 25, after the dollar amount, insert the following: ''(reduced by $50,000,000)''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Minnesota (Mr. KENNEDY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Minnesota.

Mr. KENNEDY of Minnesota. Mr. Chairman, I yield 50 seconds to my friend from Kansas (Mr. MORAN).

Mr. MORAN of Kansas. Mr. Chairman, a methamphetamine epidemic is plaguing America, as we know. It has become the leading drug problem in my home State of Kansas. The Byrne-JAG program is a critical tool for Kansas drug and law enforcement as they fight this methamphetamine abuse production and trafficking. It is especially true of rural communities who have fewer resources and live and die by these Federal grants.

Today, I spoke to Cristi Cain, a meth prevention organization leader. Here is her quote: Reduced funding means reduced enforcement, which means increased addiction, increased trafficking, increased manufacturing, which means more injured and killed children, more fires and more explosions, more crime to support the addiction. In short, an endangered Kansan.

I urge adoption of the Kennedy amendment.

Mr. KENNEDY of Minnesota. Mr. Chairman, I yield 50 seconds to the gentlewoman from Oregon (Ms. HOOLEY).

Ms. HOOLEY. Mr. Chairman, I appreciate being offered the time.

In my three decades of public service, I have never seen a problem as pervasive or as damaging as the meth epidemic faced by my home State of Oregon. Talking to law enforcement leaders about the meth problem, I have heard one message loud and clear. Local law enforcement lacks the money needed to extinguish this wildfire.

The Byrne-JAG program is an effective partnership between Federal authorities and State and local law enforcement. It enables State and local leaders to leverage resources in key areas and facilitates collaboration among law enforcement, treatment and prevention programs. Last year, the Byrne task forces nationwide seized 5,600 meth labs, 55,000 weapons, and massive quantities of narcotics, including 2.7 million grams of methamphetamine.

Many States have already been forced to cut or completely eliminate their gang and drug task forces. If we don't increase funding for the Byrne-JAG program, those cuts will only be deeper. I urge my colleagues to support the Kennedy amendment.

Mr. WOLF. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Virginia is recognized for 5 minutes.

Mr. WOLF. Mr. Chairman, if you were to listen to this debate, you would assume that this bill has zero in it for meth. I urge Members to turn to page 11. I know nobody reads the reports here, and it is pretty obvious, but in order to help Federal, State and local law enforcement address the meth epidemic, the recommendation provides $367 million for the Justice Assistance Grants which the administration proposed to eliminate, $99 million for meth specific grants, which is the authorized level, and $58 million above the budget request, $40,000 for drug core programs, an increase of $30 million with regard to that.

You act as if we haven't done anything on meth. This amendment will devastate the census. I mean, no good deed goes unpunished in this institution sometimes. The administration zeros all this out. We met with every Member. Every Member that approached the committee, we tried to sit down and work it out with them to the best of it, to no avail.

Then we just accepted the Reichert amendment. God bless Mr. REICHERT for his efforts. He has probably forgotten more about this than most other Members, $25 million more that has just been accepted. Now we come out with another 50, 50, 50.

Then, where does he get the money from? I think in the Constitution they talk about the census. It is my sense that that is in the census in the Constitution. At this stage, a reduction of this magnitude to the 2010 decennial census programs will impact fundamental missions of the Census Bureau, reapportionment, the funding that goes out to different localities. A complete and accurate count in 2010 will not be able to be achieved, particularly when they look for the dress rehearsal.

The immediate ramifications are a disproportionate impact on vulnerable populations, irretrievable loss of testing opportunities to identify the problems. What can you say? Forget the census, blow it off, and put this in, even though the committee has increased it.

Mr. Chairman, I yield 1½ minutes to the gentleman from West Virginia (Mr. MOLLOHAN).

Mr. MOLLOHAN. Mr. Chairman, I join Chairman WOLF in opposing this amendment.

The amendment would increase Byrne grants by $50 million. That is the good news. No question about it. We would like to have more money for law enforcement. The offset would be a corresponding reduction to the 2010 decennial census by $50 million.

It is totally unacceptable, Mr. Chairman. I go back to my original statement where I say that we are going to oppose a lot of amendments today that are good amendments except for the offset.

This is really the wrong place for this offset, which I might add is still totally inadequate to Census Bureau funding to meet the needs of our communities, not to mention that the law enforcement uses census data to determine how to allocate manpower and equipment.

An article by the Brookings Institute fellow Andrew Reamer speaks to this point, and I quote, crime mapping has emerged as a critical tool in ensuring that these scarce resources are used to the best effect. Crime mapping applications at the State and local level rely heavily on the Census Bureau's demographic and housing data.

For State and local crime mappers, the Census Bureau has the single most important population and housing data at the neighborhood level. This bill has been carefully crafted. Fifty million dollars out of the Census Bureau is a lot of money, which we cannot afford.

Remember, folks, we are moving to 2010 when we are going to do a new decennial census. Taking money out of the census today means that we are not able to do a good job with that tomorrow. I can remember when we had to do an emergency funding for the Census Bureau in the last census. I oppose this amendment.

Mr. KENNEDY of Minnesota. Mr. Chairman, I yield 40 seconds to the gentleman from Indiana (Mr. SOUDER).

Mr. SOUDER. First, I want to thank the chairman for upping up the administration's attempt to zero out the Byrne grants, but, in fact, they have gone down from $600 million to $400 million and some, this year to $371 million. It will gut so many of our drug task forces around the United States.

But I also spent many years in my life here in Congress on the Census Subcommittee. Sometimes you have to prioritize. Right now, we need more help on the streets with crime than we do in the Census Bureau. The mandate for every 10 years is every 10 years.

The Census Bureau has taken on all kinds of other tasks, which some of the private sector can, quite frankly, pay for if they need it, rather than shut down our drug task forces. Because this is roughly almost a 67 percent cut over the last 6 years, not based on inflation, a 60 percent cut.

I know this chairman has fought to put this back in. This administration's drug enforcement budget is an abomination and embarrassment.

Mr. OBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I don't know how often we have to watch Members pose for political holy pictures on these issues before we start to gag. Well, I am at that point.

You have Members coming to this floor creating a great commotion, trying to create the impression that they are oh so much a champion of this program or that program.

On this amendment, it is the Byrne grant. On some other amendments, it is another program. My question to you, sir, is how did you vote on the budget resolution? Because if you voted for that budget resolution, you put this committee and this House into a position in which they have no choice but to cut one of these programs or the other.

Now you can parade around as a wonderful conservative, but the fact is, don't come to this floor with crocodile tears crying about what is happening to the Byrne grants or any other program if you voted for that budget resolution.

At least half the amendments being offered in this House, tonight and tomorrow, are cover-your-tail amendments, Mr. Chairman. They are here because Members who voted for the budget resolution are now trying to escape their responsibility because they want to have a roll call in their pocket that they can go to their constituents saying I didn't mean to cut that program.

But when you cut programs, there is not a line item in the budget for waste, fraud and abuse. When you cut the money, as you did in the budget, you are willing to sacrifice everything in order to provide $50 billion this year in tax cuts to people who make $1 million a year.

□ 2115

That is the real action. And half this other stuff is phony as a $3 bill.

Mr. KENNEDY of Minnesota. Mr. Chairman, I yield 50 seconds to the gentleman from Nebraska, Congressman FORTENBERRY.

Mr. FORTENBERRY. Mr. Chairman, I do rise in support of this amendment as well offered by my colleague, Mr. KENNEDY.

In every congressional district throughout the country, narcotics does take on a sinister but very unique face. In rural communities that span the First District of Nebraska, that ugly face is methamphetamine abuse, production, and trafficking.

Throughout my district, local law enforcement agencies are using as much as 85 percent of their resources to battle meth. Broken families, child abuse, gang violence, and environmental decay are other consequences that this poison imposes on our communities. In other districts maybe the problem isn't meth, but perhaps something just as sinister like cocaine or heroin.

But no matter what face narcotics takes in any particular district, I would like to remind my colleagues that we must, in good conscience, support the men and women of local law enforcement. These are the courageous men and woman who risk their lives daily to better the communities, and they deserve our gratitude, but also our efforts to assist them in the difficult and dangerous work they do.

I urge my colleagues to vote for the Kennedy amendment.

Mr. KENNEDY of Minnesota. Mr. Chairman, I yield 50 seconds to the gentleman from Utah, Congressman MATHESON.

Mr. MATHESON. Mr. Chairman, I rise in support of the Kennedy amendment. Every time I meet with anyone in law enforcement in my State, county sheriff, police chief, I hear about the effectiveness of the Byrne grant program, and I also hear the concern about potential cuts in funding the Byrne grants. I don't think that that experience is unique to my congressional district. I suspect that that would be the case throughout this country.

This is a situation where we are making difficult choices, but when it comes to the impact of drug use in our society and the effectiveness of the Byrne grant program, I think that we need to pay attention to the fact that this is a program that works. So many people question programs in the government that may not work so well. This is one that has a track record. It works.

I encourage people to vote for this amendment, and I thank Mr. KENNEDY for his leadership on the issue.

Mr. KENNEDY of Minnesota. Mr. Chairman, I yield 50 seconds to the gentleman from the great State of Minnesota, Congressman RAMSTAD.

Mr. RAMSTAD. Mr. Chairman, as co-chair of the Law Enforcement Caucus, I believe it is short-sighted and counterproductive to underfund Byrne grants for law enforcement.

I have seen in my home State of Minnesota firsthand the importance of Byrne grants to local police in reducing crime and improving public safety. They have funded overtime pay, task forces to fight the war on drugs, equipment, and buy money to enforce our drug laws.

We must never forget our cops are on the front lines in the war on crime and fighting drug dealers and protecting our homeland. And before we bleed too much for our Census Bureau, I think we should remember, this agency in this bill already receives a $72 million increase. We are talking about funding cops, the war on drugs, homeland security, or $72 million more for the Bureau of Census. To me that is a no-brainer: we fund Byrne grants, which every law enforcement official in America is pleading for.

I urge adoption of the Kennedy amendment.

Mr. Chairman, Edmund Burke once said the most important reason we have government is to keep people safe.

The Edward Byrne Memorial Grant program is a key component of the federal efforts to make our communities safe.

Named for a fallen New York City police officer, the Byrne Grant program has been a vital tool since 1988 in helping state and local law enforcement fight violent and drug-related crime.

Although I respect the difficult job our Appropriations Committee is faced with when setting spending priorities, we cannot afford to shortchange public safety.

As co-chair of the Law Enforcement Caucus, Mr. Chairman, I believe it's short-sighted and counter productive to underfund Byrne Grants for law enforcement.

This amendment would increase funding for the Byrne-JAG program by $50 million and is offset by a reduction to the Bureau of the Census—an agency that already receives a $72 million increase in this bill!

Byrne Grants have been essential to better coordination between local and federal law enforcement in protecting our homeland. They have been key to providing personnel, equipment, training and technical assistance in the war on drugs.

They have bolstered prosecution efforts. And they have been used to administer critical programs—multi-jurisdictional drug enforcement teams, anti-drug education, treatment and alternative sentencing, such as drug courts.

In my home state of Minnesota, I've seen, firsthand, the importance of Byrne Grants to local police in reducing crime and improving public safety. They have funded overtime pay, task forces, equipment and "buy" money to enforce our drug laws.

We must never forget our cops are on the front lines—in the war on crime, fighting drug dealers and protecting our homeland.

As Chris Matthews of MSNBC said after the attacks of September 11: "Before the attacks on our homeland, America's heroes were the rich and famous. Since Sept. 11, America's heroes are the cops and firefighters. And that's good for America."

Today, America's heroes are counting on us. Congress owes it to these brave men and women who put their lives on the line every day they put on the badge. Our Nation's law enforcement officers need all the tools Congress can provide.

I encourage my colleagues to support this amendment to increase the maximum funding levels for Byrne Grants. It's time to honor the sacrifices made each and every day by our Nation's law enforcement community and give our Nation's finest the support they need.

Mr. KENNEDY of Minnesota. Mr. Chairman, who has the right to close?

The CHAIRMAN. The gentleman from Virginia.

Mr. KENNEDY of Minnesota. In my last 10 seconds, I would just compliment and applaud the committee and the chairman for the great work that they have done in trying to offset the cut by the administration, but say with a two-thirds cuts in Byrne grants funding, this amendment is absolutely necessary. And I urge my colleagues to support its passage.

Mr. WOLF. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I tried, the committee tried. Every Member who spoke to me on either side, we really made a really sincere effort to address it.

I went to Nebraska. I went out to Nebraska. The gentleman from Nebraska is right: they have a real, real problem.

But if you would just kind of listen to this debate, you would automatically, if you were just tuning in in Dubuque or Des Moines, you would assume that there was nothing in here, that we had just been stone deaf, that we had not even listened. We added also, to keep in mind, we just added, under the Reichert amendment, $25 million.

But in the committee report, on page 11, after really searching, I was very moved when I went out to Nebraska. I thought we want to do everything. And I have talked to Mr. SOUDER. And every time, I thought I have tried to do everything I could.

Now, as Mr. OBEY said, the budget resolutions come down, and the deficits are important and we talk. But here is what the conference report says:

"In order to help the Federal, State and local law enforcement address the meth epidemic, the recommendation provides $367 million for the Justice Assistance Grants program," they were wiped out, "which the administration proposed to eliminate; $99 million for meth-specific grants, which is the authorized level, and $58 million plus above the budget request; $40,000 for Drug Court programs, which is $30 million above the current year, $5 million for State Prison Drug Treatment programs, which the administration proposed to eliminate, and also $15 million above the request for DEA."

But if I had just listened to this debate, I would assume that this guy, WOLF, he was AWOL. He had no interest in meth. He was insensitive.

Of course, my father was a policeman. I have five kids. I have 11 grandkids. I think the deficit is a problem. I sit in Republican conferences, and I even hear people talk about it.

The Constitution requires that we do the census. It requires it. It isn't optional. We will use it to reapportion. And so I think what is taken here, you go to the weakest and the most vulnerable. There is not a lobby downtown for the Census Bureau. It just is not.

It is an easy vote. I am going to call for a roll call vote. We will have a roll call vote. But there is no support for the census, except in the Constitution. This guy named Jefferson and Washington and Madison and Monroe, they thought it was important.

But now we are going to take $50 million. I am sort of baffled. I guess it would have been almost easier to sometimes just not kind of go up anytime and try to listen, and then come down and take amendments on the floor that you were almost going to take.

I think I am going to lose this amendment. But I believe that I am right. And I believe for us to take this money out of the Census Bureau, I think they could have probably found another spot. But one spot has a strong lobby downtown; probably a lot of registered lobbyists are working on that area. Another, are there any registered lobbyists for the Census Bureau? Zero. Zip.

Mr. KENNEDY of Rhode Island. Will the gentleman yield?

Mr. WOLF. I yield to the gentleman from Rhode Island.

Mr. KENNEDY of Rhode Island. Mr. Chairman, I want to thank the gentleman for all he has done in the area of providing more drug treatment, more work in terms of interdiction of drugs. This chairman has done more than anyone else in his position could ever do on the meth epidemic or anything else.

All of us care about the census because we are not going to get back in our districts the entitlements for veterans, for those who are children, for education, if we don't have an accurate census. It is the process by which all substance goes through.

If we don't have money for our districts that comes through a proper accounting, we are losing money in our districts. If you can't understand that the census is the key to making sure our districts' needs get met, then I don't think you have actually been looking at why we have a census. That is the reason we have it, so a portion in government, the money can go to where it ought to go to those who need it most.

And, again, the chairman has done more than anyone else to try to make sure this meth epidemic has been tackled, and I support him wholeheartedly in opposing this amendment.

Mr. WOLF. Reclaiming my time, constitutional requirement, article I, section 2, we are required to take the decennial census. We ramp up to it. There has been controversy on this legislation. I say, God bless the Members that offered this. If you really feel so strong, vote for it. And I hope the money goes for the good. But I think when I look at this, I kind of feel, looking at this, as we work this bill through, I just don't understand. And I don't see how we can just take it from there. Patton, Boggs and Blow doesn't represent the census. Aiken Gump doesn't represent the census. They represent the Chinese, but not the census.

So we are going to go to the weakest, most vulnerable. Article I, section 2 of the Constitution.

I urge a ''no'' vote on the amendment.

Mr. MOLLOHAN. Mr. Chairman, I rise to strike the last word.

Mr. Chairman, I would rise to strike the last word and I don't intend to take 5 minutes. But I do want to make this point. You know, this is chickens coming home to roost.

If you voted for these budget resolutions that increasingly cut the allocation to the Appropriations Committee, and in turn the full appropriations committee gives smaller and smaller allocations to the subcommittees, this is where we get. We get to this point. I mean, there is a real relationship between voting for a budget resolution. The whole budget process, the hearings and making a budget, coming forth with a budget resolution, the whole process, in my opinion, is not real except that it does set the cap on domestic discretionary and defense spending. And that has gone down and down and down.

So now we are at the point that we have 100-about amendments offered here today, a lot of them from the majority side, a lot of them from the minority side, looking at the consequences of budget resolutions that don't provide adequate allocation. Everybody's looking at programs saying, oh, my goodness, you mean we are cutting law enforcement programs like this? You mean the President comes forward and zeroes out State and local law enforcement; the chairman comes back and tries to restore it but, boy, it is not enough. And Byrne grant programs. Golly, the allocation is not enough. Well, surprise. Budget resolutions mean something at the allocation level. The whole process gets down to how much money do we have for domestic discretionary.

Some folks are very concerned about NASA. Some folks are very concerned about science spending. Some folks are very concerned about law enforcement. Some people are concerned about the Bureau of Prisons.

Well, if you voted for the budget resolution, this is what you get, chickens coming home to roost. There is not enough money for these programs.

And I just want to make the point that when you get down to a really small pie, then you start cannibalizing good programs.

Are you suggesting that really that we don't need this $50 million for census programs? I mean, do we not need that?

The subcommittee went through a rigorous process of hearings. We went through a rigorous process with the majority staff, the chairman of the committee, coming forward with this bill. It is the best bill that can come forward given our allocation. We cut these census programs and the Justice Department isn't going to have the information it needs in order to spend its dollars wisely. You cut the census program, come 2010, we are not going to be able to conduct a proper census, decennial census. That is the consequences of it. You can cut it now. You can cut census program, you can try to cut some of these other programs, these unacceptable offsets. But there is a consequence for it. And what you are really acknowledging here tonight is that you shouldn't have voted for that budget resolution. You shouldn't have voted for a budget resolution that does not provide for an adequate allocation for us to do our job for law enforcement.

PARLIAMENTARY INQUIRY

Mr. SOUDER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his inquiry.

Mr. SOUDER. Does our unanimous consent agreement give the majority subcommittee chairman the ability to speak for 5 minutes whenever he wants, plus the ranking member of the full Appropriations Committee, plus the subcommittee on any motion in front of the House, plus the 5 minutes to oppose an amendment?

□ 2130

The CHAIRMAN. When an amendment is pending, the order of the House of today allows the subcommittee chairman and ranking minority member and the committee chairman and ranking minority member the right to strike the last word.

Mr. SOUDER. So if I understand what the chairman said, the rest of the House only gets 5 minutes, even if it represents the majority position of the House, but the combined Appropriations Committee can take 25 minutes to oppose our amendment, and our only recourse is to object to unanimous consent agreements?

The CHAIRMAN. That is not a parliamentary inquiry.

Mr. SOUDER. My parliamentary inquiry is, the only way to have stopped this was to have objected to the unanimous consent agreement?

The CHAIRMAN. The order of the House was propounded by unanimous consent and was accepted.

Mr. SOUDER. In the future, I will be objecting if that is going to be the order of the House.

Mr. WOLF. Mr. Chairman, I ask unanimous consent that the gentleman and his party have 5 additional minutes to make their case.

The CHAIRMAN. The Committee may extend time on equal terms where both sides would have the equal time.

Mr. WOLF. Mr. Chairman, I would ask unanimous consent that both sides give the opposition the same time so that the gentleman from Indiana and the gentleman from Minnesota and others have equal time.

Mr. SOUDER. Will the chairman yield?

Mr. WOLF. I yield to the gentleman from Indiana.

Mr. SOUDER. Mr. Chairman, we were restricted to 50 seconds. Most people

have gone through the process, but many Members did not come over who could have spoken.

I have a general concern that the Appropriations Committee on all the amendments can gang up, as we saw here, on a 5-minute rule; and I have concern about these unanimous consent agreements. I do not think we need to hold the House further here. We already went through our different statements. I could debate for 30 minutes on the census and other things, but I think we should move to a vote at this point. But I have a real problem about this intimidation by the Appropriations Committee.

Mr. MOLLOHAN. Mr. Chairman, I yielded back my time, but I would ask unanimous consent to claim any time I had remaining and to yield it to the gentlemen.

The CHAIRMAN. Are you asking unanimous consent to reclaim your time, which is 2 minutes, and have the ability to yield that time?

Mr. MOLLOHAN. I do, Mr. Chairman.

The CHAIRMAN. Is there objection?

Mr. SOUDER. I object.

The CHAIRMAN. Objection is heard.

Mr. MOLLOHAN. I am only trying to yield it to the gentlemen.

The CHAIRMAN. Objection is heard.

The question is on the amendment offered by the gentleman from Minnesota (Mr. KENNEDY).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. KENNEDY of Minnesota. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Minnesota will be postponed.

Mr. OBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I found the last comment from the gentleman from Indiana to be very interesting.

The fact is that the unanimous consent agreement was agreed to as a courtesy by the minority to the majority. It is, very frankly, not in the political interest of the minority party in this House to assist the majority party in moving its appropriation bills through the House. We have done so on every occasion as a matter of legislative courtesy to the majority.

Now, if members of the majority do not like that, then I guarantee you there will never be another unanimous consent request provided from the minority side of the aisle. If that is the way you want it, you are going to be here a long time struggling with every appropriation bill from here on out.

The minority accepted the unanimous consent request with this provision because there are many times when the majority party and the minority party have a different view of amendments. This is not one of those times, but that happens most of the time on these amendments. And so the unanimous consent request is not any conspiracy between members of the Appropriations Committee. It is simply an effort to move the House's vote along.

We have 100 amendments. Without this unanimous consent request, we would still be on number 2 or number 3. You would not get halfway through this bill before you go home for the July 4 recess. Now, if that is what you want, I am perfectly happy to give it to you.

AMENDMENT OFFERED BY MS. MILLENDER-MCDONALD

Ms. MILLENDER-MCDONALD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. MILLENDER-MCDONALD:

Page 23, line 4, after the dollar amount, insert the following: ''(increased by $5,000,000)''.

Page 24, line 14, after the dollar amount, insert the following: ''(increased by $5,000,000)''.

Page 39, line 25, after the dollar amount, insert the following: ''(reduced by $5,000,000)''.

Page 40, line 2, after the dollar amount, insert the following: ''(reduced by $5,000,000)''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentlewoman from California (Ms. MILLENDER-MCDONALD) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from California.

Ms. MILLENDER-MCDONALD. Mr. Chairman, I yield myself such time as I may consume.

Today, I am offering an amendment to increase funding for the Department of Justice drug court programs. My amendment would raise allocated funding to drug court programs in the bill from $40 million to $45 million.

Mr. Chairman, we Members of Congress recognize that substance abuse not only has devastating effects on the abuser but also on the entire community. The total estimated cost of drug abuse to American communities in 2000 was $160.7 billion, mostly from health care costs and productivity losses.

Also troubling is the rise in drug-related crime. Between 1984 and 1999, the number of defendants charged with a drug offense in Federal court increased by 247 percent. In 2001, substance abusers accounted for more than half of all sentenced Federal inmates.

However, many drug-related offenses are nonviolent, and incarceration will not prevent repeated drug use. Treatment is the key.

Drug courts are a proven, unique tool in the war against substance abuse. These special courts were developed to curb dependency at the local level by reflecting the unique strengths of each community and using comprehensive supervision, drug testing, and treatment services.

To date, there are nearly 1,800 drug court programs that serve more than 70,000 participants with impressive recovery results. The program allows for the full weight of interveners to be brought to bear on the offender, compelling him or her to deal with the substance abuse problem.

The treatment represents a viable long-term solution with long-term results as opposed to incarceration, a short-term course of action that fails to treat the addiction problems.

I am proud that while he served as our Nation's Drug Czar, Asa Hutchinson came to my district and visited my drug court in Compton, California. He went away believing it was a model for others nationwide. It is clear that these courts make a difference, Mr. Chairman, and deserve sufficient funding levels.

I wish to recognize Chairman LEWIS, Chairman WOLF, and Ranking Member MOLLOHAN for their dedication to drug courts and thank them for increasing this account by 300 percent from last year.

With the understanding that Chairman WOLF and Chairman LEWIS will fight in conference to increase drug court funding to $45 million, I have agreed to withdraw my amendment, and I defer to the chairman at this time.

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

Mr. WOLF. Mr. Chairman, I claim the time in opposition to the amendment, though I am not in opposition since the gentlewoman has withdrawn the amendment.

The CHAIRMAN. The gentleman from Virginia is recognized for 5 minutes.

Mr. WOLF. Mr. Chairman, I pledge to do everything we can in conference, and I know Mr. MOLLOHAN feels the same way and we have had the conversation with other members, to keep the figure at this number. It is a 300 percent increase. Drug courts are very, very important. So I will do everything I can, and I know Mr. MOLLOHAN will also agree, to keep this in. And I thank the gentlewoman.

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

Ms. MILLENDER-MCDONALD. Mr. Chairman, I thank the gentleman.

I do recognize you will use all of your efforts to try to increase this. I appreciate your commitment to this successful program.

Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

There was no objection.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order:

Amendment by Mr. OBEY of Wisconsin.

Amendment by Ms. VELÁZQUEZ of New York.

Amendment by Mr. NADLER of New York.

Amendment No. 22 by Mr. STEARNS of Florida.

Amendment by Mr. KENNEDY of Minnesota.

The Chair will reduce to 2 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT OFFERED BY MR. OBEY

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Wisconsin (Mr. OBEY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 237, noes 185, not voting 10, as follows:

[Roll No. 326]

AYES—237

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bass
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boehlert
Boozman
Boren
Boswell
Boucher
Boyd
Brown (OH)
Brown, Corrine
Butterfield
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Case
Castle
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Dicks
Dingell
Doggett
Doyle
Duncan
Edwards
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Farr
Fattah
Filner
Fitzpatrick (PA)
Ford
Frank (MA)
Gerlach
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Harris
Hart
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Hulshof
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHugh
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickering
Platts
Pomeroy
Porter
Price (NC)
Pryce (OH)
Rahall
Ramstad
Rangel
Reichert
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Serrano
Shays
Sherman
Simmons
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stupak
Sweeney
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walsh
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (PA)
Wexler
Wilson (NM)
Woolsey
Wu
Wynn

NOES—185

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Beauprez
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonilla
Bonner
Bono
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cantor
Carter
Chabot
Chocola
Coble
Cole (OK)
Conaway
Crenshaw
Cubin
Culberson
Davis, Jo Ann
Davis, Tom
Deal (GA)
Diaz-Balart, M.
Doolittle
Drake
Dreier
Ehlers
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Hobson
Hoekstra
Hostettler
Hunter
Inglis (SC)
Issa
Istook
Jenkins
Jindal
Jones (NC)
Keller
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCaul (TX)
McHenry
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pitts
Poe
Pombo
Price (GA)
Putnam
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shuster
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Walden (OR)
Wamp
Weldon (FL)
Weller
Westmoreland
Whitfield
Wicker
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—10

Brady (PA)
Cannon
Carson
Evans
Herger
Hyde
Johnson, Sam
Ortiz
Radanovich
Strickland

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN (during the vote). Members are advised that 2 minutes remain in this vote.

□ 2209

Messrs. PETRI, LATHAM, GREEN of Wisconsin, SHERWOOD and GOHMERT changed their vote from ''aye'' to ''no''.

Messrs. EDWARDS, OWENS, BOOZMAN, ENGLISH of Pennsylvania, MCCOTTER, SCHWARZ Of Michigan, LAHOOD, JOHNSON of Illinois and Ms. HART changed their vote from ''no'' to ''aye''.

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MS. VELÁZQUEZ

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from New York (Ms. VELÁZQUEZ) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 2-minute vote.

The vote was taken by electronic device, and there were—ayes 214, noes 207, not voting 11, as follows:

[Roll No. 327]

AYES—214

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boehlert
Boren
Boswell
Boucher
Boyd
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Case
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
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
Farr
Fattah
Filner
Ford
Frank (MA)
Gerlach
Gonzalez
Gordon
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Harris
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McHugh
McIntyre
McKinney
McNulty
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)
Ney
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Paul

Payne
Pelosi
Peterson (MN)
Platts
Pomeroy
Porter
Price (NC)
Rahall
Ramstad
Rangel
Renzi
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
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (PA)
Wexler
Wilson (NM)
Woolsey
Wu
Wynn
Young (AK)

NOES—207

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonilla
Bonner
Bono
Boozman
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Crenshaw
Cubin
Culberson
Davis (KY)
Davis, Jo Ann
Davis, Tom
Deal (GA)
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)
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Gutknecht
Hall
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Inglis (SC)
Issa
Istook
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCaul (TX)
McCotter
McCrery
McHenry
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Northup
Norwood
Nunes
Nussle
Osborne
Otter
Oxley
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Poe
Pombo
Price (GA)
Pryce (OH)
Putnam
Regula
Rehberg
Reichert
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
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weller
Westmoreland
Wicker
Wilson (SC)
Wolf
Young (FL)

NOT VOTING—11

Brady (PA)
Cannon
Carson
Evans
Herger
Hyde
Johnson, Sam
Ortiz
Radanovich
Strickland
Whitfield

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN (during the vote). Members are advised that 1 minute remains in this vote.

□ 2214

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. NADLER

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from New York (Mr. NADLER) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 2-minute vote.

The vote was taken by electronic device, and there were—ayes 176, noes 243, not voting 13, as follows:

[Roll No. 328]

AYES—176

Ackerman
Allen
Andrews
Baca
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Bishop (NY)
Blumenauer
Bono
Boren
Boswell
Boucher
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Case
Chandler
Clay
Clyburn
Conyers
Cooper
Costello
Crowley
Cuellar
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Frank (MA)
Gallegly
Gillmor
Gohmert
Gonzalez
Green, Al
Green, Gene
Grijalva
Gutierrez
Hastings (FL)
Hayworth
Herseth
Higgins
Hinchey
Holden
Holt
Honda
Hooley
Inslee
Israel
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Kaptur
Kildee
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Michaud
Millender-McDonald
Miller, Gary
Miller, George
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Owens
Pallone
Pascrell
Payne
Pelosi
Platts
Pomeroy
Price (GA)
Rahall
Ramstad
Rangel
Renzi
Reyes
Rohrabacher
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Slaughter
Smith (WA)
Solis
Spratt
Stark
Stupak
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thornberry
Tierney
Towns
Udall (CO)
Udall (NM)
Velázquez
Wasserman Schultz
Waters
Watson
Waxman
Weiner
Weldon (PA)
Westmoreland
Wexler
Woolsey
Wu
Wynn
Young (AK)

NOES—243

Abercrombie
Aderholt
Akin
Alexander
Bachus
Baird
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Boozman
Boustany
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cantor
Capito
Carter
Castle
Chabot
Chocola
Cleaver
Coble
Cole (OK)
Conaway
Cramer
Crenshaw
Cubin
Culberson
Cummings
Davis (AL)
Davis (KY)
Davis, Jo Ann
Davis, Tom
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Edwards
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Ford
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gingrey
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hefley
Hensarling
Hinojosa
Hobson
Hoekstra
Hostettler
Hoyer
Hulshof
Hunter
Inglis (SC)
Issa
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Jones (NC)
Jones (OH)
Kanjorski
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kilpatrick (MI)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller (NC)
Mollohan
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Osborne
Otter
Oxley
Pastor
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Poe
Pombo
Porter
Price (NC)
Pryce (OH)
Putnam
Regula
Rehberg
Reichert
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ryan (WI)
Ryun (KS)
Sabo
Saxton
Schmidt
Schwartz (PA)
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (NJ)
Smith (TX)
Snyder
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Tanner
Taylor (NC)
Terry
Thomas
Tiahrt
Tiberi
Turner
Upton
Van Hollen
Visclosky
Walden (OR)
Walsh
Wamp
Watt
Weldon (FL)
Weller
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (FL)

NOT VOTING—13

Brady (PA)
Cannon
Carson
Costa
Evans
Herger
Hyde

Johnson, Sam
Ortiz
Radanovich
Rush
Strickland
Whitfield

ANNOUNCEMENT BY THE ACTING CHAIRMAN

The CHAIRMAN (during the vote). Members are advised there is 1 minute remaining in this vote.

□ 2218

Mr. CLEAVER changed his vote from ''aye'' to ''no.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 22 OFFERED BY MR. STEARNS

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Florida (Mr. STEARNS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 2-minute vote.

The vote was taken by electronic device, and there were—ayes 163, noes 257, not voting 12, as follows:

[Roll No. 329]

AYES—163

Akin
Bachus
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bean
Beauprez
Berkley
Berry
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Bonner
Boozman
Boren
Boucher
Boyd
Brady (TX)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Camp (MI)
Cantor
Cardoza
Chabot
Chandler
Chocola
Coble
Conaway
Costa
Cubin
Cuellar
Davis (KY)
Davis (TN)
Davis, Jo Ann
Deal (GA)
Dent
Diaz-Balart, M.
Drake
Duncan
Everett
Feeney
Foley
Forbes
Ford
Fossella
Foxx
Franks (AZ)
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gillmor
Gohmert
Goode
Goodlatte
Graves
Green (WI)
Green, Gene
Gutknecht
Hall
Harris
Hayworth
Hefley
Herseth
Holden
Hostettler
Hulshof
Hunter
Istook
Jenkins
Jindal
Jones (NC)
Kanjorski
Keller
Kelly
Kennedy (MN)
Kind
King (IA)
King (NY)
Kingston
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Maloney
Markey
Marshall
Matheson
McCotter
McHenry
McIntyre
McKinney
McMorris
Melancon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Murtha
Musgrave
Myrick
Neugebauer
Norwood
Nunes
Oberstar
Otter
Pascrell
Paul
Peterson (MN)
Peterson (PA)
Petri
Platts
Poe
Pombo
Porter
Price (GA)
Rahall
Renzi
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ross
Royce
Ryan (OH)
Ryun (KS)
Salazar
Saxton
Schakowsky
Schmidt
Sensenbrenner
Sessions
Shadegg
Shaw
Sherman
Shimkus
Shuster
Smith (NJ)
Sodrel
Souder
Stearns
Stupak
Sullivan
Tancredo
Tanner
Taylor (MS)
Terry
Thornberry
Tiberi
Wamp
Weiner
Westmoreland
Wilson (SC)
Young (AK)
Young (FL)

NOES—257

Abercrombie
Ackerman
Aderholt
Alexander
Allen
Andrews
Baca
Baird
Baker
Baldwin
Bass
Becerra
Berman
Biggert
Bishop (GA)
Bishop (NY)
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boustany
Bradley (NH)
Brown (OH)
Brown (SC)
Brown, Corrine
Butterfield
Calvert
Campbell (CA)
Capito
Capps
Capuano
Cardin
Carnahan
Carter
Case
Castle
Clay
Cleaver
Clyburn
Cole (OK)
Conyers
Cooper
Costello
Cramer
Crenshaw
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Diaz-Balart, L.
Dicks
Dingell
Doggett
Doolittle
Doyle
Dreier
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Farr
Fattah
Ferguson
Filner
Fitzpatrick (PA)
Flake
Fortenberry
Frank (MA)
Frelinghuysen
Gilchrest
Gingrey
Gonzalez
Gordon
Granger
Green, Al
Grijalva
Gutierrez
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hensarling
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holt
Honda
Hooley
Hoyer
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Manzullo
Marchant
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCrery
McDermott
McGovern
McHugh
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Nadler
Napolitano
Neal (MA)
Ney
Northup
Nussle
Obey
Olver
Osborne
Owens
Oxley
Pallone
Pastor
Payne
Pearce
Pelosi
Pence
Pickering
Pitts
Pomeroy
Price (NC)
Pryce (OH)
Putnam
Ramstad
Rangel
Regula
Rehberg
Reichert
Reyes
Reynolds
Ros-Lehtinen
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (WI)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schiff
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Serrano
Shays
Sherwood
Simmons
Simpson
Skelton
Slaughter
Smith (TX)
Smith (WA)
Snyder
Solis
Spratt
Stark
Sweeney
Tauscher
Taylor (NC)
Thomas
Thompson (CA)
Thompson (MS)
Tiahrt
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Wicker
Wilson (NM)
Wolf
Woolsey
Wu
Wynn

NOT VOTING—12

Brady (PA)
Cannon
Carson
Culberson
Evans
Herger
Hyde
Johnson, Sam
Ortiz
Radanovich
Strickland
Whitfield

ANNOUNCEMENT BY THE ACTING CHAIRMAN

The Acting CHAIRMAN (during the vote). Members are advised there is 1 minute remaining in this vote.

□ 2222

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. KENNEDY OF MINNESOTA

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Minnesota (Mr. KENNEDY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 2-minute vote.

The vote was taken by electronic device, and there were—ayes 291, noes 129, not voting 12, as follows:

[Roll No. 330]

AYES—291

Abercrombie
Aderholt
Akin
Allen
Baca
Baird
Baldwin
Barrow
Barton (TX)
Bass
Bean
Beauprez
Berkley
Berry
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blunt
Boehlert
Bonner
Boozman
Boren
Boswell
Boucher
Boustany
Bradley (NH)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Cantor
Capito
Capps
Cardin
Cardoza
Carnahan
Case
Castle
Chabot
Chandler
Clyburn
Coble
Cole (OK)
Conaway
Cooper
Costa
Costello
Crenshaw
Cubin
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, M.
Doggett
Doolittle
Doyle
Duncan
Edwards
Emerson
Engel
English (PA)
Etheridge
Everett
Farr
Fattah
Feeney
Ferguson
Fitzpatrick (PA)
Foley
Forbes
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McIntyre
McKeon
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Taylor (MS)
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Van Hollen
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Campbell (CA)
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Brady (PA)
Cannon
Carson
Evans
Herger
Hyde
Johnson, Sam
Ortiz
Radanovich
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Whitfield

ANNOUNCEMENT BY THE ACTING CHAIRMAN

The CHAIRMAN (during the vote). Members are advised there is 1 minute remaining in this vote.

□ 2229

Ms. LORETTA SANCHEZ of California, Messrs. RAHALL, MARKEY, MEEHAN and NEAL of Massachusetts changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

□ 2230

Mr. WOLF. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. MCCAUL of Texas) having assumed the chair, Mr. HASTINGS of Washington, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5672) making appropriations for Science, the Departments of State, Justice, and Commerce, and related agencies for the fiscal year ending September 30, 2007, and for other purposes, had come to no resolution thereon.

COLLOQUY RE CRAB PROCESSOR QUOTA SHARES

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

Mr. LOBIONDO. Mr. Speaker, I rise to enter into a colloquy with the chairman of the Transportation and Infrastructure Committee, Chairman YOUNG.

Is it the intent of the conference on H.R. 889, the Coast Guard and Maritime Transportation Act of 2006, that when the National Marine Fisheries Service issues new processor quota shares under section 417, the regional designation for the shares for both the king and c. opilio crab fisheries shall reflect the processing history of the Blue Dutch during the years leading up to the North Pacific Council's adoption of the crab plan?

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. LOBIONDO. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Yes, it is the intent of the conferees that both the new king crab processor quota shares and the new c.opilio processor quota shares shall receive a designation based on the location in which crab was historically processed.

Mr. LOBIONDO. I thank the gentleman.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 4157

Ms. JACKSON-LEE of Texas. Mr. Speaker, I ask unanimous consent to remove my name from H.R. 4157, the Health Information Technology Act of 2005.

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

There as no objection.

OVERSIGHT GAP IN IRAQ

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

Mr. BROWN of Ohio. Mr. Speaker, former State Department intelligence officials testified yesterday that they warned the administration 3 years ago that the occupation of Iraq would provoke insurgency ethnic strife and the targeting of U.S. forces. But their words then, 3 years ago, went unheeded.

The Post reported today that the hearing ''marked the first time intelligence assessments on postwar Iraq had been specifically discussed in a congressional session.'' No Republicans participated.

Three years after the war in Iraq began, Republicans are still refusing to investigate what went wrong. Ohio families are paying the price.

Many of us have repeatedly asked the President to present a plan for success in Iraq, a winning exit strategy to complete the mission and start to redeploy and bring our troops home. Republicans responded with theatrics and sound bites. More of the same is not a plan. More of the same doesn't bring us any closer to winning the global war on terror.

The troops and the American people deserve better. They deserve a Congress that doesn't look the other way when mistakes are made. They deserve a realistic and forward-thinking plan that brings our troops home.

SHUTTLE SAFETY

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

Ms. JACKSON-LEE of Texas. Mr. Speaker, just a few days from today, brave Americans will again enter into space, pressing forward the intellectual and, of course, scientific expertise that Americans possess. I support the space exploration program, but I stand today as a member of the House Science Committee who has continually asked the question about safety, safety, safety.

After the incident of *Columbia*, we implemented safety procedures. Unfortunately, today, we find that one of the engineers that had concerns about the space shuttle's launch on July 1 has now been removed as an engineer from this program.

Whistle-blower protection. Safety requirements. It is time, before they launch, that they tell Members of Congress the facts and that we can be assured that all manner of testing, all assessment has been made to ensure a safe launch, as safe as possible, so that lives can be protected.

Vehicles may be lost, but the lives of astronauts should be protected. We need answers, and I look forward to getting those answers as soon as possible.

HAMAS-LED PALESTINIAN AUTHORITY, A TERRORIST ORGANIZATION

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

Mr. ENGEL. Mr. Speaker, more and more information is emerging that this week's kidnapping of an Israeli soldier and the killing of two others was a Hamas plot from day one. Several newspapers are reporting that the attack and kidnapping were carried out by Ahmed Jaabari, the commander of the Hamas military wing who takes his orders from Khaled Mashal, the senior Hamas leader based in Damascus, Syria.

According to the Associated Press, two senior aids to Palestinian Authority President Mahmoud Abbas said that Mashal gave the green light for the operation. This is a stinging indictment of the Syrian regime's participation in global terror and a brutal reminder about Hamas.

I and others have called the Hamas-led Palestinian Authority a terrorist organization. Congress recently passed a bill banning any assistance to the Palestinian Authority until it ends terror, recognizes Israel, and abides by all agreements signed by the Palestinian Authority. But most of all, with this terrorist attack, Hamas has once again shown its true stripes. It remains the murderous terrorist group which carried out scores of suicide bombings in the 1990s.

Our U.S. Ambassador Jones said yesterday, ''The problem is in Damascus and that is where we should focus the world's attention.'' This is the key point. The Syrian Government continues to play host to a range of terrorist groups, including Hamas. And now, one of the outlaws in Damascus has kidnapped an Israeli soldier.

As the author of the Syria Accountability Act and Lebanese Sovereignty Restoration Act, I demand that the government of Syria close the terrorist bases in its country and bring the murderer Khaled Mashal to justice. And I ask President Bush to impose the remaining sanctions of the Syria Accountability Act which it has not yet imposed.

CONGRATULATING COLLEGE WORLD SERIES CHAMPION OREGON STATE BEAVERS

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

Mr. WU. Mr. Speaker, we deal with such serious topics in this House of Representatives, and so I want to bring to the attention of this House and this Nation a very happy topic. I rise to congratulate the Oregon State University Beavers on winning the College World Series baseball tournament.

This is indeed a Beaver Nation. After taking on UCLA, Stanford, Arizona, and USC, all sunny States, we in the rainy Northwest, with a team of kids from smaller communities all around the State, have successfully won a world championship. This is probably the first world championship since the Portland Trail Blazers won the NBA championship in 1977.

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 gentleman from Connecticut (Mr. LARSON) is recognized for 5 minutes.

(Mr. LARSON of Connecticut addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

SALMON FISHING SEASON A DISASTER

Mr. DEFAZIO. Mr. Speaker, I ask unanimous consent to replace Mr. LARSON.

The SPEAKER pro tempore. Without objection, the gentleman from Oregon is recognized for 5 minutes.

There was no objection.

Mr. DEFAZIO. Mr. Speaker, today I had an extraordinary meeting with the head of the National Oceanic Atmospheric Administration, Mr. Lautenbacher, and his deputy, Mr. Hogarth. They met with six Members of Congress representing the west coast fishers in the United States, particularly from Oregon down into California.

These gentlemen met with us so we could ask them to ask, in all sincerity, when they are going to declare the salmon fishing season, which has been essentially closed by their agency, a disaster. Their answer was: never. Or maybe next year.

It was an extraordinary meeting. They said that because they allowed an extraordinarily limited season, that is, a fisherman can go out and catch up to 75 salmon, which won't quite pay for the fuel to leave the dock, on a few occasions during the year, that they can't anticipate whether or not it will be a disaster for those folks.

Now, the deputy was a little more honest, and he admitted that it was even worse than they thought. No one is fishing. No one is going out with fuel prices like this, and, in fact, there is virtually no activity. But they thought that people might go out. Maybe the price of fish will go way up. I said, to what, a hundred dollars a pound? What are we talking about? What would induce people to go out into the ocean and catch 75 salmon, a commercial fishing boat? They couldn't answer that.

So we said, your regional counsel recommended a disaster declaration, and you sent it back. When will you process that? They said, oh, well, we have already sent it back again. We said, why did you send it back? They said, well, because they made a recommendation of a disaster.

The people who manage this agency in the region recognized the disaster. They recommended a disaster declaration to the national bureaucrats. The national bureaucrats said, no, you can't do that. They sent it back. They had to strip out their recommendation and then they sent it back and they said, okay.

So when are you going to process all the facts on which they made that determination? They said, not until February. Well, why not until next February? Because people might go out and catch 75 fish, and that might make a difference in whether or not there is a disaster.

It is extraordinary tortured logic. You can't get there from here. So we said, how about you just issue the declaration of a disaster. No, their lawyers say they can't do that. I asked to see the legal opinion. They said, no, they couldn't show me the legal opinion; that they couldn't do that.

We asked to see the recommendation from the regional people about the disaster, and they said, no, you can't have that. You are only Members of Congress representing these people. You can't have those documents because we haven't made a decision yet. When are you going to make a decision? When it is too late for the fishers and their families. When they have already gone bankrupt. Whey they have already lost their boats. That is next winter when they might get around to making a decision about this year's season.

So, then, I said, okay, how about this: why don't you just close down this lame season that you have created, this 75-fish limit on a few days; just close it down, declare a disaster, and get some assistance to the fishers? They said, oh, no, they couldn't do that because they have already made a decision that is based on certain documents, and they couldn't go back on that. I said, just declare an emergency. No, they are not going to do that.

□ 2245

They are getting orders from somewhere higher up in this administration that is embarrassed, embarrassed about the politics, embarrassed that 4 years ago, to make hay in an election year, they diverted water from irrigation, from the river to irrigation. They got headlines. They made great political hay with us with it. Now if they declare a disaster on the returning salmon, the class of that year, they are essentially admitting that they impacted that.

In fact, in the Senate, they have already said that this is not a natural disaster. The Parliamentarian there ruled against emergency assistance by the junior Senator from Oregon, because he said this was not a natural disaster; it is manmade. The Bush Administration made this disaster through their mismanagement of the resources in that region.

So now we have the agency saying they are not going to declare a disaster. I think they are just trying to put the small fishers out of business. What the end game is, I am not sure. Maybe giant aquaculture. Who knows? But the point is they are refusing, despite the request of the Governor of Oregon, the Governor of California, the Senators from Oregon, the Senators from California, a large number of Representatives from Oregon and California, we have all requested a disaster declaration, and the White House is silent, and the bureaucrats say ''no.''

JUDGMENT DAY

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, tonight there is one less brutal murderer in Texas. Angel Maturino Resendiz is gone. He has been executed, ending one of the most brutal reigns of terror a serial killer has ever known.

Some called him the face of death. He rode the rails from Mexico to the heartland of America, leaving a wake of bloodied and mutilated bodies behind him, quickly earning the top ranking of the FBI's most wanted list.

Thanks to the tenacity of Texas Ranger Drew Carter, who captured Resendiz, and the work of the FBI and numerous local law enforcement agencies, justice has occurred. The wanted posters have come down.

Resendiz raped, brutalized, tortured, maimed, and he took the lives of at least nine people, all who live within yards of railroad tracks throughout America. But he stole. He stole the security of citizens everywhere he went. Small town shops sold out of pistols. People who never locked their doors even sealed their windows because of the fear of Resendiz. Resendiz never knew where he was going, never brought anything with him but always knew what he would leave behind, a trail of terror and the darkness of death.

Tonight, much to the dismay of his victims' families, he met a far more peaceful fate than the one he inflicted on a 73-year-old woman. Her last view of Earth was his wicked face and a pickax coming right at her that was lodged in her head and embedded between her eyes. Tonight, Angel Resendiz is gone.

Americans are rid of the beast that pulverized a church secretary's face with a sledgehammer. Then he sexually assaulted her. His death sentence was for only one single slaying, the rape, stabbing and beating of a Houston doctor whose husband watched the execution tonight, saying people have to understand what evil really is.

Resendiz' sentence was objected to by the Mexican government, who tried to intervene today in U.S. Federal courts to prevent this justice from occurring. The Mexican government instead should pay reparations to the nine families he murdered, since Mexico encourages illegals like him to enter the United States.

Resendiz is accused and suspected of many, many more killings throughout the United States, all tied together with the winding railroad tracks that carried this monster to his chosen chore, committing unspeakable random acts of butchery.

Tonight, Texas and the rest of the country, they are safer. The man who considered himself half man and half angel was neither. He was not half angel. He was totally a demon. Tonight, he has met his judgment day.

And that's just the way it is.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. MCCARTHY) is recognized for 5 minutes.

(Mrs. MCCARTHY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

RESET OF EQUIPMENT FOR THE ARMY AND MARINE CORPS

Mr. SKELTON. Mr. Speaker, I ask to speak out of order for 5 minutes.

The SPEAKER pro tempore. Without objection, the gentleman from Missouri is recognized for 5 minutes.

Mr. SKELTON. Mr. Speaker, before I make my remarks about the readiness of the Army and Marine Corps equipment, I would like you to share my thoughts on the recently released information of a possible plan for troop redeployment in Iraq.

Let me say I am incensed that General Casey's recommendations to the President and Secretary Rumsfeld for possible force redeployments in the coming months were leaked by someone in the administration to The New York Times.

The options presented to the President for the success of our operation there should not be on the front page of a major paper. Such a leak does not benefit considered deliberation of military operatives. It can only serve a political purpose. Members of the Congress overseeing the Department of Defense should have been kept informed of our senior military commander's best thinking in an appropriate forum.

That said, I am pleased to hear that the Iraqis and the American people may be able to begin to see a correlation between increasing numbers and capability of Iraqi battalions and some reduction in American combat power. This is something that I have suggested for some time. This apparent consideration of options could not come at a better time, given the poor readiness posture of the Army and Marine Corps equipment.

Over the last several years, we have seen readiness rates plummet as the operation tempo in Iraq has climbed. Readiness rates for equipment have fallen so far, so far that I fear that now they present a strategic risk to our ability to respond to contingencies we may have faced beyond our current commitments in Iraq and Afghanistan.

Mr. Speaker, nearly 40 percent of the Army and Marine Corps ground equipment is deployed to the Central Command theater. That equipment is suffering terribly due to battle losses and damage and increased operations and harsh climate.

Since the start of the war, the Army has lost over 1,000 wheeled vehicles and nearly 100 armored vehicles. Increased usage and the weight from extra armor are wearing out equipment in Iraq up to nine times the peacetime rate. That means that some equipment has added the equivalent of 27 years worth of wear since the start of the war in Iraq.

To keep this equipment serviceable, the Army and Marines have had to expend extraordinary effort. To their credit, the readiness rates for equipment deployed to Central Command remains high, with spare equipment and repair parts flowing quickly to the fight.

Unfortunately, theater readiness has come at the expense of equipment here in the continental United States. Readiness reporting from non-deployed Army units shows that equipment readiness continues to fall, with very few continental United States units rated as fully mission-capable.

These low mission-capable rates disturb me greatly, as they are an indicator of a military under stress. Non-deployed units are our strategic base. They are the units we will call if a crisis emerges. Looking at these readiness rates, I truly wonder if our military will be able to answer the call should it come.

The cost of all this repair and maintenance is enormous, with the Army spending $13.5 billion in 2006 alone. General Schoomaker, in his testimony before the Armed Services Committee today, said that the Army will require an astounding $17 billion next year to reset equipment damaged or destroyed by the war in Iraq. Even more disturbing is that the largest bill for the reset will not come due until after combat operations end. At that point, future budget pressure may make it difficult to forward the reset, leaving us with significant shortfalls of equipment to fill a transforming military.

This Congress has a responsibility to provide for our force for the battles that they are in today and for those that they may have to fight tomorrow. To do that and to budget responsibly, we must know the true and full cost of the bill that will come due.

Mr. Speaker, the Army and Marine Corps have been involved in prolonged combat under the harshest of conditions. The combat has taken an enormous toll on troops and their equipment. Yes, we have strategic interests in Iraq, but we also have strategic interests around the world that we must be prepared to defend. We cannot allow the war in Iraq to destroy our ability to fight and win in other contingencies. Our Army and Marine Corps must have what they need to fight and win.

HONORING MEGAN JESSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. CHOCOLA) is recognized for 5 minutes.

Mr. CHOCOLA. Mr. Speaker, I rise tonight to honor the memory of an exceptional young woman. Less than 2 months ago, the community of Michigan City, Indiana, celebrated when they heard the good news. Megan Jesse, one of their own, was selected as the Second District's first place winner in the Congressional Art Competition. Today, unfortunately, the same northern Indiana community mourns her sudden and tragic passing.

Megan had just completed her junior year at Michigan City High School where she was a member of the Wolves ladies' soccer team. She was on her way to soccer camp with fellow teammate Katherine Stoll on Friday when they were involved in an automobile accident. Katherine was seriously injured, and Megan tragically lost her life.

Just hours before, Megan and her parents were busy planning their visit to Washington, D.C. They were coming to Capitol Hill today to attend the Congressional Art Competition's dedication ceremonies. Photography was one of Megan's favorite hobbies, and it was her artistic photo project, ''Highlights,'' that was chosen from Indiana's Second District to hang here in the Capitol building.

When I attended the awards ceremony at Indiana University South Bend, Megan talked about her love of art and her inspiration for her winning piece. At first she was going to portray a towering lighthouse on the shores of Lake Michigan. But when she got to the beach, something else caught her eye, a simple picturesque lifeguard tower looking out over the water. Megan photographed this scene instead, and she was able to capture it with striking effect.

She said she chose the scene because of her love of the beach, and she wanted to express her feelings and emotions in a way that could be shared with others. I think it is truly fitting that her artwork will now hang in the United States Capitol where it can be enjoyed by thousands of visitors and passersby.

Sadly, Megan and her family will not be here for the Congressional Art Competition's ribbon-cutting ceremony this week, but we will still celebrate the accomplishments of a gifted young woman whose life was cut short by tragedy. To thousands of visitors to our Nation's Capitol and to my colleagues in Congress, the next time you walk through the tunnel in the Capitol, stop to consider the picture from the Second District of Indiana, Megan Jesse's picture, and remember this part of her life that she so graciously shared with us.

Mr. Speaker, I know I speak for all of my colleagues when I say that we honor her life and her work and that our thoughts and prayers are with Megan's family at this very difficult time.

STOP SWEATSHOP PROFITEERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, I see them all over Ohio, Toledo, Hamilton, Lima, Youngstown, Mansfield and Dayton. In every community, there are signs that the Federal Government's trade policies are undermining American manufacturers, especially small machine shops, tool and die makers, other manufacturers, and encouraging the spread internationally of abusive sweatshop practices.

China is the sweatshop of the world, with oppressive labor policies resulting in wage suppression of as much as 85 percent. We all know that American workers can compete with workers anywhere in the world on a level playing field, but no one can stand, no one can compete with child labor, with sweatshop labor, with prison labor.

The year I first ran for Congress in 1992, the United States had a trade deficit of $38 billion. Today, just last year, in 2005, that trade deficit had jumped from $38 billion in only 13 years to a $720 billion trade deficit.

The result of the sweatshop labor of this trade policy with China alone is trade deficit records being broken year after year and ever-increasing losses of manufacturing jobs to China. In my State alone, 200,000 manufacturing jobs had been lost since the year 2000, yet America's trade agreements are actually encouraging the development of new sweatshops. All of us in this body supported the U.S.-Jordan Free Trade Agreement because Jordan's labor protections were seen as meeting international standards.

The New York Times, though, recently reported that in the few years since the Jordan Free Trade Agreement took effect, lax enforcement and an abusive guest worker system have made Jordan the new haven for some of the world's most brutal sweatshops.

Senator BYRON DORGAN and I have introduced the Decent Working Conditions and Fair Competition Act to end sweatshop profiteering.

The bill is simple. It bars the importation or the sale of goods made with sweatshop labor. In other words, if a product is made in a Chinese sweatshop, if a product is made by child labor or slave labor or prison labor, you can't import it into the United States, you can't sell it into the United States.

The Federal Trade Commission would enforce it, but the bill also gives retailers and shareholders the right to hold violators accountable, and it prohibits Federal government agencies from buying sweatshop goods. We can't afford to continue to tolerate these abuses. We certainly cannot afford, cannot continue to encourage them.

We don't have a $200 billion trade deficit with China because China's companies are better than ours and certainly not because their people are smarter or more dedicated or hard working. We know how China is able to do so well in the game of international trade. They break the rules.

When China breaks the rules, and we lose in places like Marion and Cleveland, when we lose in places like Chillicothe and Zanesville and Toledo, when they lose thousands of manufacturing jobs, it not only hurts those people that lose those jobs, it hurts those families. It causes police and fire to be laid off in those abandoned communities. It means fewer schoolteachers teaching our young people.

□ 2300

It devastates people's families. It devastates people's communities. It is our job here in Congress to provide a level playing field for U.S. workers, to help those small manufacturers, to help those workers, to help those families, to help those communities and provide decent working conditions for workers here and abroad.

I ask my fellow Members of the House to support the Decent Working Conditions and Fair Competition Act.

AMERICA ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. CONAWAY) is recognized for 5 minutes.

Mr. CONAWAY. Mr. Speaker, a couple of my colleagues and I tonight are going to spend a little bit of time talking about our Constitution, the founding principles on which this country is based, and a document that I am concerned that many of our colleagues in this Chamber are not as intimately familiar with as they should be.

I have introduced H. Res. 883 to try to address this issue. The acronym for the act is called the AMERICA Act, A Modest Effort to Read and Instill the Constitution Again, which is a bit tortured, but at least it gets us going in the right direction.

This resolution would require, or would encourage, each Member of the House and each staffer that works for a Member of the House to read the Constitution once a year. We hope to be voting on this in September during Constitution Week. But I want to talk about it tonight.

Our Constitution sets forth the written set of fundamental principles about which this U.S. Government, the United States, is to be governed. It establishes the three branches of the government that function here at the Federal level. And it is considered the supreme law of the land.

It is also the world's oldest written national constitution, and it confers upon Members of this body and the other body certain honors and certain great responsibilities.

We in Congress write laws constantly to implement those fundamental principles, and every once in a while we propose amendments to change those fundamental principles. I, therefore, think it is important that each one of us be intimately familiar with what is in the Constitution. It is a relatively short document, about 2,500 words, and I would not consider it an onerous task for my colleagues and I to at least once a year read that Constitution.

Before I came to Congress, I practiced as a CPA, Certified Public Accountant, and I still maintain that license. I am required as part of the licensing process of the State to participate in 40 hours of continuing professional education each year. I just finished that up this week for my license renewal. And I think that most professions have that.

I think that it is a modest step toward a continuing education process or program for Members of Congress, that being required or being encouraged, excuse me, to read the Constitution once a year would be a good thing to do. So this resolution, which I am hoping to gather support for, because I am curious as to who would push back or what the arguments would be from our colleagues as to why we shouldn't know what is in the Constitution, why we shouldn't be familiar with what is in the Constitution, why that is in the best interest of the 651,000 people that they represent here in this body.

So I would encourage other Members to sign on to this legislation that would encourage each one of us and our staffers, the senior staffers and others, to read the Constitution once a year and help us understand the differences between the way this government looks today versus what that Constitution requires.

OMAN FREE TRADE AGREEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. LEVIN) is recognized for 5 minutes.

Mr. LEVIN. Mr. Speaker, yesterday the President transmitted legislation to implement the U.S.-Oman Free Trade Agreement. The Senate Finance Committee will mark up this legislation tomorrow, and the word is the Senate is going to try to rush this through on the floor of the Senate in the afternoon. And the House Ways and Mean Committee will take up this bill on Thursday.

This agreement is a test of globalization. Globalization is under major pressure today, in part because as it has spread, the benefits of increased trade between nations too often have not been widely shared among people within the nation. Workers rights matter, especially the ability of workers to represent themselves in the workplace because they are an important economic tool to spread more widely the benefits of expanded trade.

To help make globalization work, a view widely held by House Democrats is that trade agreements should include squarely within the text of the agreement a requirement that there be adherence to basic ILO standards within a reasonable transition period.

We have strongly opposed the standard that USTR has tabled for worker rights, and the environment, in FTAs, which requires that a nation must only enforce its own laws. It is a standard that USTR does not propose for any other provision of an FTA and would never dream of using for other economic issues, whether intellectual property or investment rules or any other.

Where an FTA has been negotiated with a nation using that standard, but at the time of the FTA vote the basic ILO rights were in operation in practice and in law, many of us have voted for the agreement despite opposition to the standard. That was the case in Chile, Singapore and Morocco.

With the Bahrain FTA, there was clear evidence that the ILO standards were there in practice so that there was a foundation for assurances that the laws would be swiftly brought into conformity with existing ILO-compliant practices. In accordance with law, unions in Bahrain enjoyed autonomous status, independent of the employer, beyond interference. In addition, as long as the union existed under law in an enterprise, the law provided that an employer must recognize it and engage with it in collective bargaining. So many of us voted to approve the U.S.-Bahrain FTA.

The conditions in Oman are very different than those prevailing in Bahrain and in those other countries where we have supported FTAs.

As one approaches consideration of the U.S-Oman FTA, there are some clear truths. Oman is a nation in the volatile Middle East with good relations with the U.S.

Secondly, the amount of trade is small. It would likely grow under an FTA, but remain small, and thus any economic negative dislocations for either side would be small.

In practice and law, thirdly, realities in Oman today do not remotely meet the five basic ILO standards, including the right of workers to associate and bargain collectively.

Workers cannot be represented in the workplace unless they have their own representatives and their own organizations. This basic condition is not close to being true in Oman today.

Where there is an organization in an establishment, a representative committee, representatives of the employer belong as well as employees. There is an umbrella committee of representatives committees called the Main Representative Committee. From available information, of the 13 members currently on the MRC, the vast majority are high-echelon officials of companies.

For 8 months our staffs have been in touch with Omani and U.S. Government officials simply to get the facts on the table. We have put together two documents trying to obtain basic information. When the response to the first detailed inquiry came back incomplete, we took the time to send a second document, still without a response in detail. I ask that the second document be entered into the RECORD.

Any fair reading of these documents leads to one conclusion.

From all available information, there are no organizations of workers in Oman today. There are no organizations representing workers and bargaining on their behalf, so it is not surprising that there is not a single collective bargaining agreement today.

In reality, there are organizations made up of management and workers who operate mainly like joint committees to discuss labor management relations and problems.

The recent communication from the U.S. ambassador glosses over this basic fact.

It says: "Although the MOM recognizes the potentially problematic participation of senior officers in some of the committees, a move away from this tendency will take some time, given deeply ingrained cultural traditions that still place importance on tribal affiliations and highly value an individual's personal influence with decision-makers (termed "wasta"). Historically speaking, workers with issues have generally approached human resource representatives or committee members with problems because of these individuals known connections and ability to get things done. The MOM, as well as the committees, believes that it is more important to now raise awareness about the MRC and the RC's roles and promote membership rather than focus on technical limitations of the law."

There are two serious problems with this approach. First, no matter how it is spun, the organizations today representing workers are not organizations of and led by workers. They do not begin to meet the basic worker rights of association and bargaining.

Second, according to the Ambassador's own document, today 70 percent of the workers in Oman are foreign nationals. Of these 80 percent are from the Indian subcontinent (60 percent from India).

Present Omani laws say that members of an RC must be persons who have been there for a year and speak Arabic to be a leader. The Omani government says that the law is not enforced. It is difficult to tell what this means since people do not apply for membership in an RC or pay dues and since there have not been full responses to our questions. But in any event, if foreign workers are active participants in RCs, the vast majority comes

from nations where the laws and cultural conditions have given workers rights to form labor unions for decades.

Since Oman's practices are not in conformity with the basic ILO standards—most noticeably that workers lack the basic right to join worker organizations that are free from employer and government interference—it is vital that the changes in law be in place before we vote on the FTA. The Government of Oman has stated that it could not make these changes before October 31, 2006. If the Government acts before then—and the changes conform to basic ILO standards—we would be faced with circumstances similar to those that existed where we have supported free trade agreements.

The Ambassador says in his letter that Oman is "already complying with ILO core labor standards in practice, if not yet in law," and it is a matter of bringing technical limitations "of the law" into conformity with practice. This is simply not true. Neither practices nor the laws come close to meeting basic international standards. To say otherwise twists both standards and reality. Doing so does not serve the purpose of carrying out cordial relationships between our nations. It does not represent an effective path for globalization.

MAY 24, 2006.

To: Andy Olson, Cynthia Plath.

From: Ways and Means Trade Subcommittee Minority Staff.

Re Follow-Up Questions Concerning Current Practices With Respect to Labor Rights in Oman.

Thank you for providing information relating to our questions of May 12, 2006, in the cable from the U.S. Embassy in Muscat dated May 17, 2006. The information was responsive to some, but not other, questions. Thus, we have a number of follow-up questions. The following is a list questions that were not answered in the cable, either in whole or in part, as well as questions seeking further clarification of information provided in the cable.

I. WORKER REPRESENTATION

1. What kinds of organizations are there representing workers?

c. In what industries or occupations in the public sector?

The cable provides the following information that is relevant to this question: "There are no committees in the public sector, which is covered by Civil Service Law." Unclassified Cable dated May 17, 2006 from U.S. Embassy, Muscat (UC) at ¶4.

Follow-up Question: Does the Civil Service Law provide for the formation of representative committees? If so, what is the extent of any exception (e.g. "essential services" such as firefighters or police)?

d. How many workers do they cover in each sector? What is the percentage of represented workers compared with the overall workforce? As a percentage by sector? Please verify how this information is collected.

The cable provides the following information that is relevant to this question: "Since committees do not yet require applications for membership, and do not have established procedures to collect dues, RCs currently represent de facto the entire workforce of a company, including those who have been employed less than a year. A February statistical bulletin confirmed the current private workforce of Oman to be 102,455 Omanis and 438,531 expatriates, meaning that approximately nine percent of the workforce is now represented by a union." UC at ¶5.

Follow-up Questions: Since there are no applications for membership and no dues, how do workers, comprising the entire workforce of a company where a representative committee is established, know that they are members of such an organization or represented by it? By what methods does the RC notify the workforce? Why does the Ministerial Decree set forth criteria for membership if every worker is a member? Do any of these committees have by-laws, if so how are they written and who votes for them?

e. Are there categories of workers that are not allowed to have organizations representing them? If so, what are they?

The cable provides the following information that is relevant to this question: " * * * the labor law does not prohibit any category of worker from establishing worker committees." UC at ¶4.

Follow-up Question: This statement appears to conflict with another statement in ¶4 which states that "there are no committees in the public sector." Please explain whether public sector workers are able to form representative committees.

12. How do workers form such organizations, what procedures must they follow?

The cable provides the following information that is relevant to this question: "As there are no official MOM application forms for establishing committees, employees wishing to establish a committee simply notify the MOM with a letter of intent and a list of elected officials comprising their leadership board." UC at ¶3.

Follow-up Question: Based on the above response, what would happen if two different groups wished to form a committee? Are there any minimum threshold requirements?

3. Are employers/managers members in these organizations?

a. If so, in how many of the organizations are they? Which ones? Are they allowed to be officers? What offices do they hold?

The cable provides the following information that is relevant to this question: "Of the committees established, company management holds officer positions of Saud Bahwan Group, Omantel, Port Services, and Suhail Sahwan Group committees." UC at ¶4.

Follow-up Questions: Are these the only representative committees where employers/managers are members? Do employers/managers hold offices in the RCs established at Petroleum Development Oman, Intercontinental Hotel, and El Hassan Co. Group? If so, what positions do they hold? Of the representative committees listed in the cable, what offices do the company management officers hold?

4. Is membership in these organizations limited to those workers who have been employed for more than a year? Are there any members of such organizations who have been employed less than a year? If so, which ones and how many?

Not Answered: Please provide a response.

6. Are leadership positions in these committees limited to those who:

a. Have "good spoken and written Arabic language"?

b. Are permanent workers?

c. Have not been suspended from work for committing grave misconduct in the government or private sector?

d. Are there any leaders who do not meet the criteria listed above? If so, which criteria do these leaders fail to fulfill? How many such leaders are there? If there are non-Arabic speakers, where are they from?

The cable provides the following information that is relevant to the above questions: "While Ministerial Decree 135/2004 delineates qualifications for leadership, such as the ability to speak and write Arabic . . . and not have been convicted of a felony, the MOM has not denied candidacy to anyone failing to meet these regulations, and, in fact, has encouraged people to participate regardless of proscriptions." UC at ¶5.

Partially Answered: Please indicate whether there are any current leaders who do not meet the criteria listed above. How many such leaders are there? If there are non-Arabic speakers, who are they and where are they from? Can you provide evidence that the MOM has "encouraged people to participate regardless of proscriptions"? Are the workers informed that they should disregard the Ministerial Decree? If so, how has this been done in specific instances?

9. Has the government issued specific rules for the formation and functioning of these organizations, or otherwise participated in their activities? If so, what are these rules and in what way does the government participate?

The cable provides the following information that is relevant to the above questions: "Labor committee members and government officials assert that, in practice, the government neither interferes with nor unduly involves itself in committee activities, but continues actively to support establishment of labor committees through private sector outreach and educational awareness." UC at ¶1.

"The Ministry of Manpower (MOM) asserts that it is not intrusively overseeing labor union representative committee (RC) activities as permitted in Ministerial Decisions 125/2004, and claims that the actual application of the labor law is already ILO-consistent." UC at ¶2.

Follow-up Question: Please provide examples of how the MOM "actively supports the establishment of" representative committees. How involved has the MOM's activity been with respect to outreach and public awareness? Is the term "labor committee" anywhere found in communications from the MOM?

c. Does the MOM restrict the right of these organizations to belong to any organization or authority with headquarters outside the Sultanate or receive delegations?

Not Answered: Please provide a response.

d. Does the MOM ban these organizations from holding public festivities or presenting public lectures without prior approval?

Not Answered: Please provide a response.

10. Is there an umbrella organization or larger federation for these organizations? If so, how many are there?

a. Are all workers' organizations required to be members of an umbrella organization or federation? If so, can they select among several or must they join one mandatory organization?

The cable provides the following information that is relevant to this question: "All established committees may participate in the national federation of unions, referred to as the Main Representative Committee (MRC). The MRC is currently the only umbrella organization to represent Omani unions internally and abroad, and members are chosen through secret ballot elections." UC at ¶6.

Follow-up Questions: You indicate that established representative committees "may participate in the national federation of unions," but it is our understanding that participation is mandatory. Please clarify what is provided for in law and current practice, for example, how many representative committees currently are members of the Main Representative Committee? Also, have secret ballot elections been held? If not, have elections been scheduled?

b. Are employers/managers allowed to be members of such umbrella organizations? If not, are employers/managers in fact members?

Not Answered: Please provide a response.

c. Does the government participate in the selection of members of this umbrella organization including establishing the eligibility criteria? Has the government established the grounds for termination of these

members? Has the government terminated any members?

Not Answered: Please provide a response.

d. Is this umbrella organization required to seek approval from the government (i.e. MOM) for administrative decisions, such as the approval of a logo? Does this organization provide notice to or send agendas (including other documents and papers) to the MOM in advance of meetings?

The cable provides the following information that is relevant to the above questions: ''Similar to the situation of the representative committees, members of the MRC do not give notice to MOM prior to general meetings; nor do they provide the MOM with a copy of their agendas or meeting minutes.'' UC at ¶6.

Follow-Up Question: Has the MOM ever requested that the MRC give advance notice of its meetings or provide related documents? Has the MOM asked to review a logo being prepared by the MRC?

e. Does the MOM send a delegate to the meetings of this umbrella organization? If so, how frequently?

The cable provides the following information that is relevant to the above questions: ''Moreover, no MOM official has ever attended any committee meetings or banned the MRC from meeting without prior approval. Members of the MRC maintain open relations with the MOM to discuss ongoing changes in the labor law and possible means to strengthen the labor unions.'' UC at ¶6.

Follow-up Question: Please explain the nature of the ''open relations with MOM'' to discuss the labor law and means to strengthen unions.

f. Does the MOM restrict the right of this umbrella organization to belong to any organization or authority with headquarters outside the Sultanate?

Not Answered: Please provide a response.

g. Does the MOM ban this umbrella organization from holding public festivals or presenting public lecturers without prior approval?

Not Answered: Please provide a response.

h. Where are the meetings of the umbrella organization held?

Not Answered: Please provide a response.

i. Who are the current members of this umbrella organization? Please provide names and positions they hold within the umbrella organization, as well as the positions that they hold at the enterprise level(s).

The cable provides the following information that is relevant to this question: ''. . . recent personnel changes at establishments have meant the addition of Issam al-Sheibany of Oman Oil Refinery and Aida al-Hashmy of the Al-Bustan Palace Hotel to the MRC, bringing the total number of MRC representatives to 13.'' UC at ¶7.

''As part of its outreach and organization, the MRC recently established four sub-committees to focus on specific areas of concern:

—External Relations—This committee manages conferences and is headed by mid-level officer Saud al-Jabri of Petroleum Development Oman;

—Rights and Duties—This committee is headed by Oman's busiest labor advocate, Nahhan al-Battashi, of the Grand Hyatt Hotel Muscat;

—Articles of Association and Membership—Abdullah al-Araimi heads this committee, which serves as a resource for newly established committees; and

—Women's Issues—New MRC member Aida al-Hashmy of the Al-Bustan Palace Hotel heads up this important committee promoting women in the workforce.'' UC at ¶8.

Partially Answered: Please provide a complete and current list of all MRC members. Please include their names and the positions they hold within the MRC (including positions in any executive committee), as well as the positions that they hold at the enterprise or company level(s).

II. Collective Bargaining Agreements

1. Are there any?

a. If so, in what sectors?

b. Covering how many workers?

c. Covering what areas (i.e. wages, hours, working conditions, terms of employment, etc.)?

d. Are there areas that are outside the scope of bargaining? If so, what are they?

2. Have employers refused a workers' organization's request to negotiate collectively? If so, when and with what recourse?

3. Are there individual contracts between employers and non-managerial employees? If so, of what nature and to what extent?

Not Answered: The cable did not contain any information relevant to this section. Please provide a response.

III. Anti-Union Discrimination

1. What protections are provided to workers for exercising their rights to participate in organizing activities?

Not Answered: Please provide a response.

2. What penalties are available to be assessed against employers who violate these rights?

The cable provides the following information that is relevant to this question: ''Although there are no penalties yet for anti-union discrimination (still under discussion), as evident by the Salalah example, the MOM and Oman's labor courts do not tolerate wrongful termination.'' UC at ¶12.

Follow-up Question: Are there any examples of cases where court action was taken against employers who have engaged in wrongful termination? If so, please provide details of the action taken.

3. How are workers informed of their rights?

Not Answered: Please provide a response.

a. Have there been any reports that workers are reluctant to assert their rights because they fear being dismissed or otherwise retaliated against because they are unsure of their rights?

The cable provides the following information that is relevant to this question: ''While the MOM does keep a variety of labor statistics, there have been no reported cases of workers suffering retaliation for participating in worker committee activities.'' UC at ¶13.

Follow-up Question: What type of labor statistics does the MOM keep? Does it specifically track instances or cases of retaliation taken against workers for forming or engaging in representative committee activities? If so, please provide these data and/or examples. Is it possible that there are cases involving worker retaliation of which the MOM is unaware?

b. Are there any activities related to organizing workers or forming a worker organization that are grounds for dismissal or arrest? If so, what are they?

Not Answered: Please provide a response.

c. Do employers or managers challenge the right of workers to have or form workers' organizations? If so, on what grounds do they challenge this right? What is the process for doing so and what methods of challenging the right to form a worker organization are permissible?

The cable provides the following information that is relevant to the above questions: ''Neither employers nor managers have challenged the right of workers to form a representative committee, moreover, labor organizing is not grounds for dismissal or arrest.'' UC at ¶13.

Follow-up Question: Does the MOM keep specific records to verify the statement that ''neither employers nor managers have challenged the right of workers to form a representative committee''? How can the MOM be certain that it is aware of all pertinent instances involving an effort to form a representative committee or to engage in specific activities?

4. Does the MOM keep records of how many workers have been dismissed or otherwise retaliated against for participating in worker organization activities and what sanctions have been imposed against the employer and what remedies have been awarded the affected workers? If so, please provide these data.

The cable provides the following information that is relevant to this question: ''To date, there has been only one case of an individual terminated who was also a member of a representative committee (reftel).'' UC at ¶13.

Partially Answered: Please provide additional details regarding this individual's termination. For example, did the worker challenge his or her termination? If so, what remedies were provided to the worker? What penalties imposed against the employer? Was this case documented through any records?

5. What are the processes available to workers who believe they have been dismissed or otherwise retaliated against for engaging in organizing activities?

The cable provides the following information that is relevant to this question: ''As with any labor dispute, workers are encouraged to submit complaints to the MOM and may sue employers for wrongful dismissal. Labor courts favor the worker in the majority of cases, regardless of the reason for termination.'' UC at ¶13.

Follow-up Questions: Can you provide examples of labor courts rendering favorable determinations to workers who have been wrongfully dismissed? How many cases have there been? Can you provide evidence to support the assertion that ''labor courts favor the worker in the majority of cases . . .''?

IV. Right To Strike

1. Does the law explicitly permit workers to strike?

a. If so, is the right available to all workers or only to specific categories of workers?

Not Answered: Please provide a response.

b. Have workers exercised this right? If so, on what specific occasions?

The cable provides the following information that is relevant to this question: ''While the law does not explicitly permit workers the right to strike (to be amended by October 31), there were 33 strikes involving 6,000 workers in 2004 and 4 strikes involving 1,083 workers in 2005.'' UC at ¶12.

Follow-up Questions: What were the outcomes of these strikes? Per the question below, were they considered legal?

2. Are there specific procedures that workers must follow to declare a legal strike? Have any strikes been declared illegal? If so, on what grounds?

Not Answered: Please provide a response.

4. Is there a practice or a requirement for arbitration to settle disputes? If so, under what circumstances and under what procedures?

Not Answered: Please provide a response.

5. Did a strike occur at the Port of Salalah? If so, was any participant disciplined? If so, was there subsequent reinstatement and when?

The cable provides the following information that is relevant to this question: ''In 2005, there was one reported collective complaint that occurred during one of Oman's most widely publicized strikes. As reported in reftel, workers at Salalah Port closed Oman's largest seaport for two days while the MRC and the MOM negotiated the reinstatement of a committee representative

who had been fired. In addition to the strike, workers took the opportunity to successfully renegotiate working hours and split-shift schedules.'' UC at ¶12.

Follow-up Question: When was the worker reinstated? Was this worker also a representative committee leader? Please provide corroborating evidence. Also, what is ''reftel''?

V. FOREIGN WORKERS

1. What approximate percentage of Oman's labor force is comprised of foreign workers in key sectors? Please identify the key sectors.

The cable provides the following information that is relevant to this question: ''Foreign workers in Oman make up roughly 50 percent of the labor force and are concentrated in the following sectors:

Construction—28.2 percent; wholesale/retail—20.1 percent; domestic servants—13.4 percent; manufacturing—11.8 percent; agriculture—10.7 percent; hotels/restaurants—5.9 percent; and health/education/community/real estate, misc.—10 percent'' UC at ¶14.

Follow-up Question: Does the 50 percent figure representing the number of foreign worker in Oman pertain to both public and private sectors? Based on information provided in ¶5 of the cable, it appears that approximately 80 percent of the private sector is comprised of foreign workers. Please confirm that these figures are consistent.

2. Are foreign workers participating in workers' organizations?

a. If so, what percentage of workers' organization members are foreign? What countries are they from (if possible, please provide an approximate break down of percentages)? With what companies are these foreign workers affiliated?

Not Answered: Please provide a response. Please also indicate whether the information provided as an attachment to e-mail correspondence of May 9, 2006 (specifically, the Table with Members of the General Assemblies of Representative Committees and the Number of Workers (Omanis and Expatriates) in Establishments Which Have Representative Committees) is accurate. Please also explain how the information in this chart compares or relates to information provided in the cable at ¶5, which states that ''approximately nine percent of the workforce is not represented by a union.''

b. How many foreigners or non-Arabic speaking workers hold leadership positions? Who are they? What countries are they from? What companies do they represent?

Not Answered: Please provide a response.

3. Do employers withhold foreign workers' legal documents, including employment contracts, employment letters, passports or visas?

The cable provides the following information that is relevant to this question: ''While some employers have reportedly held passports of foreign workers, the MOM asserts that this practice is illegal and that legislation formalizing that will be forthcoming.'' UC at ¶15.

Follow-up Question: Through what accounts or by what means is it known that employers ''reportedly'' are holding passports? Does the MOM keep statistics? Have any instances been reported through the 24-hour hotline? Can you provide reports/accounts of any action taken against an employer for illegally holding a passport or other foreign workers legal documents?

VI. FORCED LABOR

2. Have there been any circumstances where forced labor has been exacted for public purposes in circumstances other than those enumerated in ILO Convention 29?

Not Answered: Please provide a response.

VII. WORST FORMS OF CHILD LABOR

3. Does Oman's labor law specifically prohibit harmful child labor? If so, what provision?

The cable provides the following information that is relevant to this question: ''Forced or compulsory labor by children is specifically prohibited by law.'' UC at ¶17.

Follow-up Question: Please provide the citation to the specific relevant law, either in the Basic Statue or the 2003 Labor Law, or elsewhere. In addition, please also note where Oman's labor law specifically prohibits the following forms of harmful (or worst forms of) child labor: (a) all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom, including forced or compulsory recruitment of children for use in armed conflict; (b) the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances; (c) the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs as defined in the relevant international treaties; (d) work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.

VIII. INSPECTIONS AND REPORTING OF WORKING CONDITIONS

1. Is there a government-level organization charged with inspecting conditions of labor? If so, what is the number of personnel charged with this task? What enterprises do they cover? In what sectors? In what regions? What is the size of their budget?

The cable provides the following information that is relevant to this question: ''The Labor Care Directorate of the MOM is responsible for enforcement of, and compliance with, workplace laws and regulations. Its responsibilities include: occupational safety and health, labor inspections, dispute settlement, female employment, liaising with the Main Representative Committee, issues related to child labor and forced labor, and resolution of individual and collective labor disputes.'' UC at ¶19.

Partially Answered: What is the size of the Labor Care Directorate's budget?

2. Please provide additional information about the extent and nature of inspections into conditions of labor, such as number of total inspections, number of random inspections, in what areas, in what regions, number of enterprises and workers involved. Please also provide a relevant universe to serve as a point of comparison.

The cable provides the following information that is relevant to this question: ''{t}he MOM employed approximately 82 labor inspectors who conducted 4,541 workplace inspections, including an unknown number of random inspections, in 2005 that represented 19 percent of the workforce. Labor inspectors are spread throughout the Sultantate.'' UC at ¶19.

Follow-up Question: Can you provide an estimate or percentage of the number of random inspections? If not, are there any criteria by which the Labor Care Directorate considers when conducting random inspections? Are they more prevalent in any particular sector or area? How many workers were involved in the 4,541 workplace inspections?

3. Is there communication channel or other type of means for workers to contact the government to report labor-related complaints or grievances?

a. If so, by what means?

The cable provides the following information that is relevant to this question: ''The MOM operates a 24-hour hotline (English and Arabic) for workers throughout Oman to report complaints, offer suggestions or seek responses to questions about the labor law.'' UC at ¶19.

Follow-up Question: Are the majority of foreign workers in Oman English-speaking or from English-speaking or Arabic-speaking countries? Has the MOM given any thought to including other languages?

b. Do workers utilize this means? If so, what statistics are available with respect to use, types of complaints and number of resolutions?

The cable provides the following information that is relevant to this question: ''The MOM estimates that while it takes thousands of general inquiries a year on the hotline, it only receives about 150 complaints that require formal processing and action.'' UC at ¶19.

Follow-up Question: Does the MOM keep official statistics of complaints? Please provide examples of the types of complaints that have been made that require formal processing and action.

CONGRESSIONAL CONSTITUTION CAUCUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. GARRETT) is recognized for 5 minutes.

Mr. GARRETT of New Jersey. Mr. Speaker, I would like to begin this evening with a quote that I think pretty well sums up very neatly the theme for this week's Congressional Constitution Caucus time here on the floor as we are here each week at this time. That quote is: ''For most Americans, the Constitution has become a hazy document cited on ceremonial occasions, but forgotten on the daily transactions of life.'' Arthur Schlesinger.

As we have come to this floor in the past and pointed out, we will continue into the future, until this Congress and future Congresses reverse the course of straying from the Constitution, straying and drifting away from the original intent of this constitution, that very finally crafted document with its sections and verses, its guidelines, its limitations on powers of the government that it is written to impose. We do this because we realize that this Congress has turned from what the Founding Fathers had originally intended from the times of the original debates with the anti-Federalists of the day.

We may wonder why we have turned from this original course of this Nation. We wonder is it because of times and age, is it different today than in the past? Is it because we have lost the fact that at one time we were under tyrannical rule and we no longer are? Maybe.

But perhaps, Mr. Speaker, it is because we simply don't cherish this document, the U.S. Constitution, like the Founders once did.

So through these weekly constitutional hours, we are here to help educate, help illuminate, help to inform this body and the American public on the intricacies, the nuances, the rule of law, the circumstances and the times that inspired the Founding Fathers, all those things that make up the United States Constitution. It is the single most ingenious political document ever devised. And while we will continue to come to the floor to give these orations on the deeper meanings of this document and what this body can do to better live by them, tonight let me come

here to stress a far simpler way to understand the Constitution.

Let me simply say that we should each take the time to simply sit down and read it. Those who are in a position to make our Nation's laws should do so being fully versed in the laws that guide us here as well, and those are written right here in the Constitution. And that is why I am so proud to come and support my good friend from Texas, Mr. CONAWAY, who just spoke a little bit ago, on his bill, H.R. 883. It is a piece of legislation that every Member of this House should sign up in support of and support hopefully in September. It is the AMERICA Act of 2006, A Modest Effort to Read and Instill the Constitution Again and take the commonsense approach by stating that Members of Congress take the oath of office to uphold the Constitution and using the powers delegated to them under the Constitution, so Members and staff should take the time periodically to sit down with that Constitution.

And I might just say on an aside when I mention staff, there is member of staff of the U.S. House of Representatives who has not only taken time to read the Constitution, but this woman has also taken the time to put together a book on the Constitution. It is called ''The Constitution Translated For Kids.'' So if a Member of the staff can take the time to write a book on it and can write a book for kids to be able to read the Constitution, then I think it becomes the obligation of each Member of Congress to sit down with this Constitution as well.

Mr. Speaker, as the Constitution is very clear on the rights that it protects and the protections of the guidelines for this Nation provided for a limited in scope and nature of Federal Government, it is vitally important that we write our laws and perform all of our other official duties with this in mind. We owe it all to our constituents as well as in the past and into the future. For how can we uphold the Constitution if we are simply unclear as to what it says?

Our collective efforts in this Constitutional Caucus is in large part because we feel that the Congress has drifted beyond its constitutional limits. Enacting and living by recommendations of the AMERICA Act of 2006 will be helpful to set that ship aright again.

□ 2315

It will be helpful to make sure that we abide by the Constitution.

So I simply suggest that Members need not wait also until this legislation is passed by this House. They actually can do it right today. They can sit down and read the Constitution.

And I make this final suggestion that if anyone is in need of a Constitution, feel free to contact my office and we will humbly provide them with one.

THE IMPORTANCE FOR MEMBERS OF CONGRESS AND STAFF TO READ THE CONSTITUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah (Mr. BISHOP) is recognized for 5 minutes.

Mr. BISHOP of Utah. Mr. Speaker, I also appreciate the opportunity of being here to talk about Mr. CONAWAY's piece of legislation dealing with the Constitution.

In Mack v. The United States, Justice Scalia said, ''The Constitution protects us from our own best intentions. It divides power among sovereigns,'' that is the national and State government, ''and among the branches of government,'' the executive, legislative, and judicial, ''precisely so that we may resist the temptation to concentrate power in one location as an expedient solution to the crises of the day.''

The Founding Fathers also understood this when they were trying to sell the Constitution originally. Madison wrote in Federalist 45 that ''The powers delegated by the proposed Constitution to the Federal Government are few and defined'' and those to the States are ''numerous and indefinite. Those we were supposed to deal with were the external objects like war, peace, negotiations, foreign commerce. The States were supposed to deal with everything which affected the ordinary course of affairs, concerns the lives and liberties and properties of the people, internal order, improvement of prosperity of the States.

So why don't we really do that today? It is not because we are deliberately trying to trample upon the concepts of the Constitution. It is not something that is vicious. It is something that we simply do not do because we tend to base our actions on the traditions of what we have always done, rather than the principles of what we ought to do.

So enter Mr. CONAWAY and his resolution. Why should we do it? Well, maybe if we did read that document more often we would not follow the traditions we have always done instead of the principles we ought to do. It does not happen by itself.

I was a poly sci major. Three of my children are. None of us were ever required to actually look at the document itself. When I taught AP government classes, I required our classes to read the document every year. It took a week to just go through it going at a fast clip.

But none of my kids were ever required to replicate that experience when they were in college, even if they were poly sci majors. My kids did know at that time what the Gitlow decision in the 1920s did to impact the 14th amendment in the 1950s. They did know the answers that I am repeatedly asked, like how often are congressman up for reelection or which Senator is supposed to represent our part of the State of Utah or when you go down to the Senate Chamber that was restored, why are there 11 chairs instead of nine?

They understand the concept of the Supreme Court's declaring things unconstitutional. It is not written in the document itself. It is a precedent that was established 15 years after the document was written. Jefferson always thought the legislative branch should be the one doing that job. Washington, and he was there when this thing was written, always thought the executive should declare things unconstitutional, and that was the purpose of the veto. In fact, the first six Presidents of the United States only vetoed items for constitutional issues.

I always ask my students if the Constitution allows you a guaranteed right of a secret ballot. And when they say, yes, I say that is a unique concept, especially since it was not popular only until 100 years after the Constitution was actually written. Why else would George Washington be able to buy a round of drinks for all the people that voted for him for the House of Burgess? Or when Thomas Nast draws his cartoons and there is this round globe there, what is that? In fact, it took a while to realize that was the ballot box of the 1800s. It was clear you got your ballots from the political parties. They were color coded; so everyone knew how you voted publicly. And, in fact, in New York one year, they even perfumed the ballots in case you were color blind so you could at least smell the proper ballot to cast.

It is fitting and proper that we and staff read the Constitution. Why? Well, maybe we will start asking the right questions or maybe it is just the right thing to do. If the Boy Scouts of America can insist that every kid wanting to get an Eagle has to read the Constitution first, if it is good enough for a 13-year-old kid, it ought to be good enough for us and for our staffs.

In fact, we should thank Mr. CONAWAY for making it an easy resolution. He is simply asking us to read the document. He could have made it tougher by asking us to understand it at the same time.

Maybe it would even allow us to rein in the size and growth of the Federal Government because, as PJ O'Rourke very clearly said, ''The mystery of government is not how Washington works but how to make it stop.''

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

(Mr. JONES of North Carolina 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 Nebraska (Mr. OSBORNE) is recognized for 5 minutes.

(Mr. OSBORNE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

(Mr. PALLONE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. EMANUEL) is recognized for 5 minutes.

(Mr. EMANUEL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. BILIRAKIS) is recognized for 5 minutes.

(Mr. BILIRAKIS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY addressed the House. (Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. 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 North Carolina (Mr. MCHENRY) is recognized for 5 minutes.

(Mr. MCHENRY 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. 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.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. STUPAK) is recognized for 5 minutes.

(Mr. STUPAK addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina (Ms. FOXX) is recognized for 5 minutes.

(Ms. FOXX addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. MILLENDER-MCDONALD) is recognized for 5 minutes.

(Ms. MILLENDER-MCDONALD addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ENGEL) is recognized for 5 minutes.

(Mr. ENGEL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

RESTORING ACCOUNTABILITY TO OUR GOVERNMENT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, the gentleman from Arkansas (Mr. ROSS) is recognized for half the time until midnight as the designee of the minority leader.

Mr. ROSS. Mr. Speaker, this evening on behalf of the 37-member-strong, fiscally conservative Democratic Blue Dog Coalition, I rise to talk about restoring accountability to our Nation's government.

As you can see here, today, the United States national debt is $8,347,371,018,253 and some change. If you divide that number by every living man, woman, and child, including the children, the babies being born today, every citizen of the United States' share of the national debt is $27,910.

For those of you that have walked the halls of Congress, you have seen this poster outside each of the 37 members of the fiscally conservative Democratic Blue Dog Coalition. The number changes daily. It is staggering. It is our way to try to hold our government accountable for this reckless spending and the largest debt ever in our Nation's history as well as the largest deficits ever in our Nation's history.

Tonight, I would like to talk about accountability. Mr. Speaker, let me just say that under the United States Constitution, which I carry one with me, Congress has an obligation to provide congressional oversight of the executive branch. Congressional oversight prevents waste and fraud, ensures executive compliance with the law, and evaluates executive performance.

However, under the current leadership, Congress has abandoned this responsibility by failing to conduct meaningful investigations of allegations of serious waste, fraud, abuse, and mismanagement of taxpayer dollars. And tonight, on behalf of the 37-member fiscally conservative Democratic Blue Dog Coalition, I rise to hold this Republican majority, this Republican Congress, responsible for failing to conduct meaningful investigations of allegations of serious waste, fraud, abuse and mismanagement of taxpayer dollars.

Mr. Speaker, by failing to serve as a check and balance for overspending, waste, fraud and financial abuse within the executive branch, this Republican-led Congress has failed the American taxpayer. Every 24 hours, $279 million of your tax money is being spent in Iraq; and the current Federal debt is $8,347,371,018,253, much of which is borrowed from foreign countries. Our Nation is spending about a half billion dollars a day simply paying interest on the debt we have already got. A half billion a day.

Many of America's priorities are going unmet because of this reckless spending. Just in my congressional district in Arkansas, I need $1.5 billion to finish I–69. We could do it with 3 days' interest on the national debt. I need another $1.5 billion to finish Interstate 49. Again, we could do that with 3 days' interest on the national debt. I need about $100 million to complete the Hot Springs Expressway. We could do that with just a few hours' interest on the national debt. I need $200 million to finish Interstate 530. We could do that with just a few hours' interest on the national debt. I need about $300 million to four-lane U.S. Highway 167 from Little Rock to El Dorado and on past there connecting I–39, 40 with I–20 in Louisiana. I could do that with less than a day's interest on the national debt. We need to four-lane U.S. Highway 82. We could do that with just a few hours' interest on the national debt. These are just some of America's priorities that will continue to go unmet.

Others are making college affordable for young people, ensuring that our young people get the best education possible K–12. Medicaid, Medicare, Social Security, so many of America's priorities are going unmet, are going not fully funded because of the reckless spending going on by this Republican Congress. These massive deficits, this large debt, is forcing much of your tax money to be spent, not meeting America's priorities and improving the quality of life for our children and grandchildren, but rather it is going to simply pay interest, not principal, just interest on the national debt.

Now on top of that, what is happening? On top of that, our Nation is borrowing $1 billion a day. As I said earlier, we are sending about $279 million every day to Iraq. But do not ask the President to be accountable for it. Do not ask him for a plan on how he is spending that money, because he will tell you that you are unpatriotic. I disagree with that. I believe that this President, this Republican Congress must be held accountable when they spend your tax money.

About 45 percent of the billion dollars we are borrowing every day is

coming from foreign central banks and foreign investors, money that our children and grandchildren some day will be forced to pay back.

American taxpayers simply deserve to know how their money is spent. They deserve answers as to why their children and grandchildren will have to foot the bill for this administration's fiscal mismanagement of the Federal budget. This includes answers as to why the Federal Emergency Management Agency, commonly referred to as FEMA, continues to pay a quarter of a million dollars a month to store almost 10,000 mobile homes. That is right, 10,000 mobile homes at the Hope Airport in my congressional district, while many victims of Hurricane Katrina remain homeless.

There was a photo of it today in the New York Times. Literally 9,959 was the count earlier this week of brand new, fully furnished, 16-foot-wide, 60-foot-long mobile homes that are sitting there at the Hope Airport literally in a hay meadow. You can see the barbed wire fence. You can see the grass where they are just sitting. FEMA's only response has been to spend as much as $4 to $6 million laying gravel on this hay meadow to prevent these brand new, fully furnished mobile homes from sinking.

FEMA's response should have been to get these mobile homes to the people who lost their homes and everything they own as a result of the devastating storms Hurricane Katrina and Hurricane Rita. It is past time for FEMA to be held accountable and provide these new, fully furnished mobile homes to the victims of Hurricane Katrina.

This is an aerial view, an aerial view of some of the 9,959 mobile homes that are sitting parked, never been used by the storm victims, sitting parked, purchased by our government through FEMA. These were decisions made at the highest levels of FEMA, and here they are sitting, sitting at the airport in Hope, Arkansas.

Now FEMA is beginning to bring back travel trailers that have already been used by storm victims where they will either be refurbished for future storms or auctioned off to the highest bidder.

□ 2330

This is not to be confused with these brand new, fully-furnished mobile homes that were never used by storm victims, purchased with your tax money by FEMA. Again, it is past time for FEMA to be held accountable and provide these new, fully-furnished mobile homes to the victims of Hurricane Katrina.

No business in our country could succeed financially if it failed to fully report back to its shareholders on how it is spending its money. However, that is exactly how our Federal Government is operating.

The administration is not telling its shareholders, the American taxpayers, how it spends the money coming into Washington. But we can see how it is being spent: 9,959 brand new, fully-furnished 16-foot wide, 60-foot long mobile homes intended for storm victims from Hurricane Katrina and Hurricane Rita sitting, unused, never used, at the airport in Hope, Arkansas, and FEMA's only response is, oh, goodness, we don't want them to sink in that hay meadow, so we will spend $4 million to $6 million dollars putting gravel on the hay meadow.

In 2004, $25 billion of Federal Government spending went absolutely unaccounted for, according to the Treasury Department. The Bush administration was unable to determine where the money had gone, how it was spent or what the American people got for their tax money. Even worse, the Republican-controlled Congress failed to hold the Executive Branch accountable for this admission.

The next year, the Government Accounting Office reported that 19 of 24 Federal agencies were not in compliance with all Federal accounting audit standards and could not fully explain how they had spent taxpayer money appropriated by Congress.

That is worth repeating. The Government Accounting Office in 2005 reported that 19, 19 of 24 Federal agencies, were not in compliance with all Federal accounting audit standards and could not fully explain how they had spent taxpayer money appropriated by Congress. Yet Republican leaders in this Congress did not force these agencies to fully account for how the money was being spent before doling out billions more of your tax money for the same programs.

Clearly Congress has failed to ask serious questions about the Bush administration's fiscal irresponsibility and record high deficits four years in a row, which have now pushed the Federal debt to a staggering $8,347,371,018,253.

The time has come to hold this administration accountable for its reckless behavior. I believe Congress must act now to renew its Constitutional responsibility. It is right here in the Constitution of the United States of America, to serve as a check and balance for overspending, waste, fraud and financial abuse within the Executive Branch.

That is why Members of the 37 member strong, fiscally conservative Democratic Blue Dog Coalition and I are cosponsoring legislation that would require Congress to renew its duty to conduct hearings on spending and hold administration officials accountable for waste, fraud and abuse within their agencies.

Mr. Speaker, if you have questions or comments or concerns about the program that I am outlining tonight, I would encourage you to e-mail us, Mr. Speaker, at Bluedog@mail.house.gov. That is Bluedog@mail.house.gov.

The legislation I am referring to is House Resolution 841, introduced by one of the founding members of the fiscally conservative, Democratic Blue Dog Coalition, Mr. JOHN TANNER of Tennessee.

Our legislation does this: Number one, Congressional hearings. It would require Congressional hearings within 60 days of a Federal Office of Inspector General report documenting fraud, waste, abuse or mismanagement in the government that results in a cost to the government of at least $1 million. Increased Congressional involvement in Inspector General reports would improve agency performance and save taxpayer funds.

This legislation, House Resolution 841, requires Congressional hearings when a Government Accounting Office report names an agency high risk for mismanagement. GAO's ''high risk'' series is an effort to assist Congress in dealing with one of its important obligations, to exercise accountability for taxpayer funds.

In 2003, the GAO identified 26 high risk areas for the Federal Government. Since then, only three programs have been removed from the list and four more have been added. Clearly it is necessary that Congress become involved to curb mismanagement in Federal agencies.

It also requires the House Committee on Government Reform to hold hearings to question heads of departments or agencies whenever their auditors issue disclaimers or restatements of financial statements indicating accounting information is inaccurate or incomplete.

It requires Congress to hold hearings at least twice a year to review the Office of Management and Budget's performance-based review program called Program Assessment Rating Tool, or PART. The PART was developed by the Office of Management and Budget to assist and improve program performance so that the Federal Government can achieve better results.

A PART review helps identify a program's strengths and weaknesses in order to make the program more effective. However, despite several GAO recommendations that the Office of Management and Budget share their evaluation plans with Congress to ensure that their findings will be timely, relevant and credible, coordination with Congress is still lacking.

The second bill that I would like to refer to that we have introduced as members of the Blue Dog Coalition that I am proud to cosponsor is H.R. 5315, the Accountability in Government Act of 2006. The lead sponsor on that is representative DENNIS CARDOZA of California, one of the co-chairs of the fiscally conservative, Democratic Blue Dog Coalition.

Here is what that bill would could. It would require each Federal agency produce an audit within 2 years that complies with the standards established in the Federal Financial Management Improvement Act of 1996. It would require the Senate to hold reconfirmation hearings on any cabinet level

official whose agency cannot fully account for how it is spending your tax money within 2 years.

I am also a cosponsor of H.R. 5542, which amends the Federal criminal code to impose on a public official who engages in conduct in furtherance of a Federal felony a fine and a 2-year prison term in addition to any penalties imposed for such felony. Those who write the laws, Members of this body, Members of this Congress, must be held not to a lesser standard than everybody else in America, but to a higher standard. That is what this bill would do.

It defines ''public official'' as an elected official of the United States or of a State or local government, a presidentially-appointed official or an official appointed to a State or local government office by an elected official of a State or local government. It says that if you are an elected official who has been placed in the public trust and if you break the very laws that you helped write, you should have a stiffer fine and additional 2 years of prison time tacked on to the term that any other citizen in this country would get. It is time to hold our elected officials to a higher standard. When they break the law, they should be punished to a greater degree than everyone else.

Wasteful government spending has forced the national debt to its current record level, and future generations will have to pay that bill. Future generations will have to pay back with interest the money the Federal Government is borrowing from other countries due to this administration's fiscal recklessness.

The time has come to restore common sense and fiscal discipline to our Nation's government. The legislation that I am talking about this evening will put our Nation back on the track toward balancing the budget and restoring accountability within our government.

That is what the fiscally conservative, Democratic Blue Dog Coalition, 37 members strong, is all about, trying to restore some common sense and fiscal discipline and accountability to our Nation's government and requiring that elected officials be held to an even higher standard than everyone else. If elected officials break the law, they should be punished to a greater degree than everyone else, for they have been placed in the public trust, and when they violate that trust, they should be punished and they should be punished extensively.

Mr. Speaker, if you have questions about our program, I would encourage you to e-mail us at Bluedog@mail.house.gov.

Finally, Mr. Speaker, again, as of this evening, the national debt is a staggering $8,347,371,018,253.

THE LATEST EDITION FROM THE ABSOLUTE TRUTH SQUAD

The SPEAKER pro tempore (Mr. GOHMERT). Under the Speaker's announced policy of January 4, 2005, the gentleman from Georgia (Mr. PRICE) is recognized until midnight as the designee of the majority leader.

Mr. PRICE of Georgia. Mr. Speaker, what a pleasure it is to come back to the House floor this evening, even though it is for really just a few short minutes, and bring the latest edition of the Official Truth Squad.

The Official Truth Squad is a group of Republican Members who began with a group of freshmen Members of Congress in their first term this past year, who got together and said, why on Earth do we have all of the misinformation and disinformation and distortion that you hear oftentimes on this floor over and over and over again, and nobody, nobody, refutes it. What is going on? So what we did is we formed the Official Truth Squad.

We have heard some items just this evening that deserve some truth. So I am pleased to come this evening to the floor, Mr. Speaker, and to bring some facts, some facts, to the issues, because facts are important when we are talking about issues in Washington. If you don't deal with true facts, then it is extremely difficult to get to the right solutions.

We in the Official Truth Squad have a saying that we are fond of, a quote that we like to identify and like to call to people's attention. It is from the late Senator Daniel Patrick Moynihan. He said everyone is entitled to their own opinion. Everyone is entitled to their own opinion, but they are not entitled to their own facts. That is important, Mr. Speaker.

We have just heard from what has been described as the fiscally conservative Blue Dogs. Well, I am here to tell you, Mr. Speaker, these folks have perfected, perfected, saying one thing at home and doing something here. In fact, as I was sitting here tonight, they have perfected saying one thing here and doing something different here.

To point that out, facts, Mr. Speaker, the truth, Mr. Speaker, here they tout the importance of the line item veto. We believe in the line item veto. A number of years ago we had an opportunity to demonstrate our belief in that by a vote on the floor of the House. This vote was back in 1995. At that time, eight Democrats voted in favor of the line item veto.

This is a bill that would give the President an opportunity to control spending, to assist in making sure that we move toward a balanced budget, and in fact eight Democrats voted yes. 194 Democrats voted no. Most of those, most of those that were in the Blue Dog contingent, were in the no column.

I haven't updated this, Mr. Speaker, but as you know, last Thursday we voted on a new line item veto bill on this floor of the United States House of Representatives. I have got to update this, because the numbers are staggering. The numbers are staggering. 156 Democrats voted no. It is a fact, Mr. Speaker, they voted no on the line item veto. In fact, half, virtually half of those folks who call themselves fiscally conservative Blue Dogs, voted no.

So, as I say, Mr. Speaker, they have perfected the fine art of saying one thing here and doing something different here, not just saying one thing at home and doing something different here.

You heard about a balanced budget tonight, how strongly they support a balanced budget. Well, what about when given the opportunity to vote for a balanced budget, Mr. Speaker? What happened then? This is very recent, just this year. Roll call vote 156 this year, 2006, the balanced budget substitute was an amendment to the fiscal year 2007 budget. This is a bill that the Republican Study Committee put on the floor of the House and it would in fact balance the budget, which is what most folks say they desire and what they say they want.

□ 2345

But when given the opportunity to speak up, what they say they want with true action, what happens? You see it right there, Mr. Speaker. Not a single, not a single Member of the minority party voted in favor of that bill, including, including all of the Members of the Blue Dog Group.

So, Mr. Speaker, I know facts are difficult, because they are tough to argue with and they are tough to refute. But truth and facts are important. And there are individuals here trying to do very responsible things as it relates to the economy and as it relates to our budget, and as it relates to being responsible with spending hard-earned taxpayer money.

And the vast majority of those folks are in the majority party. And the reason that I say that with such confidence is because the actions that have been taken by the Republican majority have resulted in a remarkable economy. A remarkable economy.

Now, you will not see that on the nightly news, and you will not hear about it on the radio, likely, and you will not read about it in your local newspaper. But it is important stuff that is going on. It is important and exciting activity that is going on in our economy. And I would just like to highlight a few of them. We have got some charts that we would like to show that demonstrate that.

The economic boom that we are currently under is almost unprecedented. Today, at this point, last month America had 75,000 new jobs, 75,000 new jobs created, which is in addition to 1.9 million new jobs in the last 12 months. This is really exiting news, Mr. Speaker.

More than 5.3 million new jobs since August of 2003. Now, the unemployment rate fell to 4.6 percent. Unemployment rate at 4.6 percent. That is lower than the average of the 1960s, the 1970s, the 1980s, and the 1990s.

Mr. Speaker, this is all great news. It is remarkable that we do not hear that

kind of positive news coming from many folks on the floor of the House. We have had the fastest real gross domestic product growth in 2½ years. Productivity has increased at a strong rate, 3.7 percent in the first quarter, increase this past first quarter.

Real hourly compensation, real hourly compensation, all of the times you hear folks say that real wages are not going up. In fact real hourly compensation rose at a 3.2 percent annual rate in the first quarter of this year.

Personal income. Oftentimes you hear things that are not the truth on the floor of this House and across this Nation. They talk about people not having an increase in their income. Personal income, the facts are, Mr. Speaker, the truth is, Mr. Speaker, personal income increased at an annual rate of 6.7 percent in April.

And since January 2001, real after-tax income has risen by 12.9 percent. That is a remarkable, remarkable achievement for this economy, which continues to grow.

Real consumer spending increased at an annual rate of 5.2 percent in the first quarter. Employment increased in 47 States over the last 12 months ending in April. Industrial production. We often times hear about lagging industrial production. Industrial production increased 4.7 percent over the past 12 months.

And manufacturing production which has been criticized as lagging behind in this recovery, in fact it is showing strong rebounding with, over the past 12 months, manufacturing production increasing by 5.5 percent.

Those are facts, Mr. Speaker. Those are facts. That is the truth about a remarkable economy that really is going along extremely well and continuing to improve. There is a reason for that. We are going to touch on that in just a minute.

But I think it is important when we talk about our economy, the American economy which is strong, and is growing stronger by the day, that we use some benchmark. And probably the best benchmarks to use are other large developed nations and developed economies. How are we doing compared to the rest of the world?

And I have here a paper from the Joint Economic Committee, which is a bipartisan group that reports on economic activity, not just in the United States but around the world. And it states here that although some people have expressed dissatisfaction about the performance of the U.S. economy, the economic data show that since 2001 the United States has outperformed every other large developed economy.

Mr. Speaker, did you hear that? The United States has outperformed every other large developed economy since 2001. Now what does that mean? Well, the United States ranks first in economic growth among the other large developed economies.

It is first in job creation. As I mentioned 5.3 million new jobs since August of 2003. In terms of industrial production, the largest cumulative increase in industrial production, 4.6 percent. That is compared to nations, other large developed nations that have not seen that kind of growth.

First in labor productivity growth. Remarkable productivity growth that we have seen in our Nation. And when we compare it to our nations, that have large developed economies, remarkable, remarkable progress and remarkable improvement. And we ought to be celebrating that, Mr. Speaker, we ought not be casting aspersions on the kind of policies that have had a direct affect and a district positive, positive result on the United States economy.

And so folks say, well, why is the economy booming? What is happening out there? In addition to the hard work of Americans all across this land, I think it is important to appreciate that one of the reasons that the economy is doing so well and that we continue to improve is because of the tax policy that was put in place by this Republican Congress and this Republican administration in 2001 and 2003.

And the reason that that is important to look at is because you often times hear the other side say, well, we in fact they say, well, you need to be more responsible with spending. You need to decrease spending. You need to have greater accountability. But then immediately out of their mouth is the programs that they would spend more money on, in fact billions, billions more money on.

And their solution to how to get more money into the system is the tried and true system that they use all of the time, and that is to raise your taxes, Mr. Speaker. That is the tried and true method that they have.

But we believe and can demonstrate clearly that by decreasing taxes, by decreasing taxes, you increase revenue to the Federal Government. And this demonstrates it so very, very clearly. This is a graph that shows the increase in tax receipts over each year from 1982 on through 2005 and 2006.

In the last 3 years you see a significant increase. In fact, in 2005–2006, a $432 billion, 2-year increase. That is a significant increase. And the reason for that is because people had more money in their pockets, they spend, they save, they invest as they choose. And in fact that drives the economy in a much greater way.

And it sometimes seems counterintuitive, but if you look at this graph, this is the growth, projected growth of revenues. And the 2001 and the 2003 tax relief being made permanent. And what you see here is the historical average of the percent of gross domestic product that comes in as revenue. That is this green line right here that is straight across. And what we see with the red line is what happened with the tax policy previously, and the recession and the affects of 9/11.

But what happened at this point is that tax decreases, appropriate tax decreases, were put in place, often times opposed, most often times opposed by the minority party. But what we have seen is a significant increase in receipts to the Federal Government because of, because of the appropriate tax policy that was put in place.

So tax decreases indeed help increasing revenue to the Federal Government. Our good friends on the other side often times talk about the debt. And they talk about the deficit. And we have shown that in fact when given the opportunity they do not support a balanced budget, but they often times talk about the deficit and not being responsible enough with hard-working taxpayer money, and we can always be more responsible.

But I think it is important to appreciate that what is happening under current policy is that we are decreasing the deficit significantly. This graph shows the deficit over a 40-year historical average of 2.3 percent. That is that dotted black line straight across the chart here.

And what we are seeing is a continual decrease in the deficit of hundreds of billions of dollars, put in place because of appropriate tax policy that allows individuals to have more money in their back pocket, again, and decide when they spend or they save or they invest. And that drives the economy to a much greater degree, Mr. Speaker, as you well know.

So we are making progress. We are making good progress, in a wonderful economy that is moving along in the right direction. What we need to do is greater fiscal responsibility, yes indeed, but also making certain that we continue the appropriate tax policies that allow individuals all across this Nation, hard-working American taxpayers to have more of their own money in their back pocket.

I think it is also always important when we talk about taxes to get a lot of distortion and misinformation that often times comes from folks in Washington when they talk about who is paying taxes. You often times hear that. Well, you know, it is just, the rich do not pay their fair share. And you get this class warfare going on that is really destructive, it does not help anything, it does not solve any of the challenges that we have, and it is not positive in terms of its presentation.

But I am struck by the amount of tax revenue that comes from different sectors of our society. And if you look at the percentage of taxpayers, and if you look at the share of individual income taxes that those percentage of taxpayers pay, the top 1 percent, remember this is what the other side call the richest of the rich, and they continually denigrate them and belittle their participation in our system.

In fact, the top 1 percent, Mr. Speaker, pay over 30 percent of the taxes in this Nation. The top 1 percent pay over 30 percent. And you can see that as you get to the top 5 percent, it is over 50

percent. So the top 5 percent of individuals in our Nation pay over 50 percent of the taxes.

Mr. Speaker, I think that probably really shows, one, the facts and the truth, but it also makes it so that the argument that the other side brings forth over and over and over about the class warfare just is so destructive, and it is not even true. It is not even true.

So the foundation of their argument does not even hold any water. And that tall bar over there, Mr. Speaker, that is the top 50 percent, and in fact the top 50 percent pay about 96 percent of the taxes.

The hard-working Americans taxpayers, hard-working American taxpayers. But this is a very progressive scale. And it is important that we appreciate that. It is also important that we remember that. It is important that we talk about it, because when you try to define these issues as they relate to taxes in terms of class warfare, it does not help.

It is not a positive solution. It does not bring us together as a people. We have so many challenges out there, Mr. Speaker, they are not Republican challenges, they are not Democrat challenges, they are American challenges. And we do best when we work together.

I encourage my friends on both sides of the aisle to make certain that we do indeed talk about facts, talk about truth, try to make certain that we work together as we move through the remarkable challenges that are present in our Nation today.

Mr. Speaker, I am pleased to be able to come tonight and bring that positive information about the economy, positive information about where we are going as a Nation, and as a United States House of Representatives.

Mr. Speaker, we live in a wondrous and a remarkable Nation, a Nation that remains the land of opportunity for all who are here. It is indeed a beacon of hope and a vessel of liberty to men and women around the world. It is such a privilege for me to have the opportunity to come tonight and to share that kind of positive information with not just Members of this body, but with you, Mr. Speaker, and with the men and women around the Nation.

So I thank you and the leadership so very much for the opportunity to be with you tonight.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ABERCROMBIE (at the request of Ms. PELOSI) for today until 6:00 p.m. on account of weather delays.

Mr. ORTIZ (at the request of Ms. PELOSI) for today on account of official business in the district.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:)

Mr. LARSON of Connecticut, for 5 minutes, today.

Mrs. MCCARTHY, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. EMANUEL, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mr. SKELTON, for 5 minutes, today.

Mr. GEORGE MILLER of California, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. LEVIN, for 5 minutes, today.

Mr. STUPAK, for 5 minutes, today.

Ms. MILLENDER-MCDONALD, for 5 minutes, today.

Mr. ENGEL, for 5 minutes, today.

(The following Members (at the request of Mr. CHOCOLA) to revise and extend their remarks and include extraneous material:)

Mr. BISHOP of Utah, for 5 minutes, today.

Mr. CONAWAY, for 5 minutes, today.

Mr. GARRETT of New Jersey, for 5 minutes, today.

Ms. FOXX, for 5 minutes, today.

Mr. CHOCOLA, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. LEVIN, and to include therein extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,774.

ADJOURNMENT

Mr. PRICE of Georgia. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at midnight), the House adjourned until today, Wednesday, June 28, 2006, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

8292. A letter from the Congressional Review Coordinator, APHIS, Department of Agriculture, transmitting the Department's final rule — States Approved to Receive Stallions and Mares From CEM-Affected Regions; Indiana [Docket No. APHIS-2006-0020] received May 1, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8293. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Bacillus myocides isolate J; Temporary Exemption from the Requirement of a Tolerance [EPA-HQ-OPP-2005-0303; FRL-8072-3] received June 9, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8294. A communication from the President of the United States, transmitting a request for FY 2007 budget amendments for International Assistance Programs; (H. Doc. No. 109–119); to the Committee on Appropriations and ordered to be printed.

8295. A letter from the Secretary of the Army, Department of Defense, transmitting notification that the Nunn-McCurdy Unit Cost (NMUC) thresholds for the listed Army Major Defense Acquisition Programs' unit cost metrics have been breached, pursuant to 10 U.S.C. 2433(e)(1); to the Committee on Armed Services.

8296. A letter from the Under Secretary for Acquisitions, Technology and Logistics, Department of Defense, transmitting the Department's report on recommendations in the National Research Council assessment of the Department's Basic Research, pursuant to Public Law 109-163; to the Committee on Armed Services.

8297. A letter from the Under Secretary for Acquisition, Technology and Logistics, Department of Defense, transmitting a copy of the ''Annual Report on the Department of Defense Mentor-Protege Program'' for FY 2005, pursuant to Public Law 101-510, section 831; to the Committee on Armed Services.

8298. A letter from the Under Secretary for Personnel and Readiness, Department of Defense, transmitting a letter on the approved retirement of Lieutenant General George P. Taylor, Jr., United States Air Force, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

8299. A letter from the Under Secretary for Acquisition, Technology, and Logistics, Department of Defense, transmitting a copy of the Department of Defense (DoD) Chemical and Biological Defense Program (CBDP) Annual Report to Congress, pursuant to 50 U.S.C. 1523; to the Committee on Armed Services.

8300. A letter from the Acting Chairman and President, Export-Import Bank, transmitting a report on transactions involving U.S. exports to Mexico pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended; to the Committee on Financial Services.

8301. A letter from the Acting Director, Office of Standards, Regulations and Variances, Department of Labor, transmitting the Department's final rule — Diesel Particulate Matter Exposure of Underground Metal and Nonmetal Miners (RIN: 1219-AB29) received June 7, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8302. A letter from the Secretary, Department of Energy, transmitting the Department's Annual Report on Federal Government Energy Management and Conservation Programs during Fiscal Year 2004, pursuant to 42 U.S.C. 6361(c); to the Committee on Energy and Commerce.

8303. A letter from the Secretary, Department of Health and Human Services, transmitting the FY 2005 Performance Report to Congress required by the Medical Device User Fee and Modernization Act (MDUFMA); to the Committee on Energy and Commerce.

8304. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Approval and Promulgation of Air Quality Implementation Plans; Indiana [EPA-R05-OAR-2006-0004; FRL-8176-4] received June 9, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8305. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Approval and Promulgation of Air Quality Implementation Plans; Maryland; Ambient Air Quality Standard for Ozone and Fine Particulate Matter [EPA-

R03-OAR-2005-MD-0012; FRL-8183-1] received June 9, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8306. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Approval and Promulgation of Air Quality Implementation Plans; Maryland; Revised Definition of Interruptible Gas Service [EPA-R03-OAR-2005-MD-0015; FRL-8183-2] received June 9, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8307. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Certain Polybrominated Diphenylethers; Significant New Use Rule [EPA-HQ-OPPT-2004-0085; FRL-7743-2] (RIN: 2070-AJ02) received June 9, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8308. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Change of Official Office of Pollution Prevention and Toxics' Mailing Address; Technical Amendments [EPA-HQ-OPPT-2006-0405; FRL-7336-5] received June 9, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8309. A letter from the Legal Advisor, WTB, Federal Communications Commission, transmitting the Commission's final rule — Implementation of the Commercial Spectrum Enhancement Act and Modernization of the Commission's Competitive Bidding Rules and Procedures [WT Docket No. 05-211] received June 9, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8310. A letter from the Chief, Policy and Rules Division, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Part 2 of the Commission's Rules to Allocate Spectrum Below 3 GHz for Mobile and Fixed Services to Support the Introduction of New Advanced Wireless Services, including Third Generation Wireless Systems [ET Docket No. 00-258]; Service Rules for Advanced Wireless Services In the 1.7 GHz and 2.1 GHz Bands [WT Docket No. 02-353] received June 9, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8311. A letter from the Chief, Policy and Rules Division, Federal Communications Commission, transmitting the Commission's final rule — Communications Assistance for Law Enforcement Act and Broadband Access and Services [ET Docket No. 04-295; RM-10865] received June 9, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8312. A letter from the Acting Chief, Telecom. Access Policy Division, Federal Communications Commission, transmitting the Commission's final rule — Jurisdictional Separations and Referral to the Federal-State Joint Board [CC Docket No. 80-286] received June 9, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8313. A letter from the Legal Advisor to the Bureau Chief, MB, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b) Table of Allotments, FM Broadcast Stations. (Wilson and Knightdale, North Carolina) [MB Docket No. 05-121; RM-11197] received June 9, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8314. A letter from the Legal Advisor to the Bureau Chief, MB, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Hattiesburg and Sumrall, Mississippi) [MB Docket No. 06-19; RM-11288] received June 9, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8315. A letter from the Legal Advisor to the Bureau Chief, MB, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Morro Bay and Oceano, California) [MB Docket No. 05-5; RM-11139] received June 9, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8316. A letter from the Legal Advisor to the Bureau Chief, MB, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Andover and Haverhill, Massachusetts) [MB Docket No. 05-108; RM-11178) received June 9, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8317. A letter from the Legal Advisor to the Bureau Chief, MB, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Cherokee Village, Black Rock, and Cave City, Arkansas, and Thayer, Missouri) [MB Docket No. 05-104; RM-10837; RM-10838] received June 9, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8318. A letter from the Legal Advisor to the Bureau Chief, MB, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b) Table of Allotments, FM Broadcast Stations. (Abilene and Burlingame, Kansas) [MB Docket No. 05-133; RM-11206] received April 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8319. A letter from the Coordinator, Forms Committee, Federal Election Commission, transmitting revisions to the Instructions for FEC Form 3X, Report of Receipts and Disbursements for Other Than An Authorized Committee, and the Instructions for FEC Form 9, 24 Hour Notice of Disbursements for Electioneering Communication; to the Committee on House Administration.

8320. A letter from the Inspector General, U.S. House of Representatives, transmitting a copy of the final report on the Architect of the Capitol (AOC) contracting process for fire protection systems; to the Committee on House Administration.

8321. A letter from the Inspector General, U.S. House of Representatives, transmitting a copy of the final report on the Chief Administrative Officer (CAO) Special Events business process; to the Committee on House Administration.

8322. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Amendments to the National Pollutant Discharge Elimination System (NPDES) Regulations for Storm Water Discharges Associated with Oil and Gas Exploration, Production, Processing, or Treatment Operations or Transmission Facilities [EPA-HQ-OW-2002-0068; FRL-8183-3] (RIN: 2040-AE81) received June 9, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8323. A letter from the Administrator, Small Business Administration, transmitting the Annual Report on Minority Small Business and Capital Ownership Development for Fiscal Year 2005, pursuant to 15 U.S.C. 636(j)(16)(B); to the Committee on Small Business.

8324. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a recommendation to continue in effect a waiver of application of subsection (d)(1) of section 402 of the Trade Act of 1974 with respect to Vietnam for a further 12-month period and a determination that continuation of the waiver currently in effect for Vietnam will substantially promote the objectives of section 402 of the Act and the reasons for such a determination, pursuant to 19 U.S.C. 2432(c) and (d); to the Committee on Ways and Means.

8325. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of the determination that a waiver of the application of subsections (a) and (b) of section 402 of the Trade Act of 1974 with respect to Turkmenistan will substantially promote the objectives of section 402, pursuant to 19 U.S.C. 2432(c) and (d); to the Committee on Ways and Means.

8326. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of the determination that a waiver of the application of subsections (a) and (b) of section 402 of the Trade Act of 1974 with respect to the Republic of Belarus will substantially promote the objectives of section 402, pursuant to 19 U.S.C. 2432(c) and (d); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Alaska: Committee on Transportation and Infrastructure. H.R. 4125. A bill to permit the Administrator of General Services to make repairs and lease space without approval of a prospectus if the repair or lease is required as a result of damages to buildings or property attributable to Hurricane Katrina or Hurricane Rita (Rept. 109–532.) Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. SULLIVAN (for himself, Mr. GENE GREEN of Texas, Mr. BASS, Mr. SCHWARZ of Michigan, Mr. BURGESS, Mr. BILIRAKIS, and Mr. SESSIONS):

H.R. 5688. A bill to prohibit misleading and deceptive advertising or representation in the provision of health care services; to the Committee on Energy and Commerce.

By Mr. YOUNG of Alaska (for himself, Mr. OBERSTAR, Mr. PETRI, and Mr. DEFAZIO):

H.R. 5689. A bill to amend the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users to make technical corrections, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. BOREN (for himself, Mr. ROSS, Mr. BOOZMAN, and Mr. SNYDER):

H.R. 5690. A bill to adjust the boundaries of the Ouachita National Forest in the States of Oklahoma and Arkansas; to the Committee on Resources.

By Mrs. DRAKE:

H.R. 5691. A bill to amend title XVIII of the Social Security Act to provide for a Medicare prescription drug special enrollment period in 2006 for all part D eligible individuals and to waive the late enrollment penalty for low-income individuals who enroll during such period; to the Committee on Energy and Commerce, 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. GOHMERT:

H.R. 5692. A bill to direct the Secretary of the Interior to carry out a study to determine the suitability and feasibility of establishing memorials to the Space Shuttle Columbia on parcels of land in the State of Texas; to the Committee on Resources.

By Mr. BASS (for himself and Mr. BRADLEY of New Hampshire):

H. Con. Res. 436. Concurrent resolution congratulating Donald Andrew Hall for his selection by the Librarian of Congress as the 14th Poet Laureate of the United States and for his great accomplishments in prose and essays focusing on New England rural living, baseball, and how work conveys meaning to ordinary life; to the Committee on House Administration.

By Ms. HARRIS:

H. Con. Res. 437. Concurrent resolution expressing the sense of Congress that United States officials who leak sensitive classified national security secrets should be vigorously investigated and, if need be, brought to justice; to the Committee on the Judiciary.

By Mr. SHAW (for himself, Mr. HERGER, Mr. CAMP of Michigan, Mr. MCCRERY, Mr. ENGLISH of Pennsylvania, Mrs. JOHNSON of Connecticut, Mr. RAMSTAD, Mr. SAM JOHNSON of Texas, Mr. HAYWORTH, Mr. WELLER, Mr. HULSHOF, Mr. LEWIS of Kentucky, Mr. REYNOLDS, Mr. LINDER, Ms. HART, Mr. BEAUPREZ, and Mr. NUNES):

H. Con. Res. 438. Concurrent resolution expressing the sense of the Congress that continuation of the welfare reforms provided for in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 should remain a priority; to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce, Education and the Workforce, Agriculture, and 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. JEFFERSON:

H. Res. 894. A resolution congratulating Avery Johnson for being named the 2006 NBA Coach of the Year and for leading the Dallas Mavericks to their first Western Conference Championship; to the Committee on Government Reform.

MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

373. The SPEAKER presented a memorial of the Legislature of the State of Louisiana, relative to House Concurrent Resolution No. 208 memorializing the Congress of the United States to take such actions as are necessary to require a minimum time period for a business to refund an unauthorized overcharge on a debit card; to the Committee on Financial Services.

374. Also, a memorial of the Legislature of the State of Louisiana, relative to House Concurrent Resolution No. 205 memorializing the Congress of the United States to take such actions as are necessary to extend Louisiana's seaward boundary in the Gulf of Mexico to twelve geographical miles; to the Committee on the Judiciary.

375. Also, a memorial of the General Court of the State of New Hampshire, relative to House Joint Resolution 25 encouraging the Congress of the United States to propose an amendment to the Constitution concerning eminent domain; to the Committee on the Judiciary.

376. Also, a memorial of the Legislature of the State of Louisiana, relative to House Concurrent Resolution No. 182 memorializing the Congress of the United States to take such actions as are necessary to provide hurricane tidal flood protection to south Louisiana, including requiring the United States Army Corps of Engineers to evaluate both federal and nonfederal tidal levees in south Louisiana, to consider adding nonfederal tidal levees into the federal program, and to fully fund upgrading hurricane tidal flood protection in south Louisiana; to the Committee on Transportation and Infrastructure.

377. Also, a memorial of the Legislature of the State of Louisiana, relative to House Concurrent Resolution No. 170 urging and requesting the Attorney General of the United States and the legislative auditor continue to pursue all options necessary to permit the state to have accurate accounting of assistance for which the state is required to pay a portion of the costs and urging and requesting the Louisiana congressional delegation to support such efforts; to the Committee on Transportation and Infrastructure.

378. Also, a memorial of the Legislature of the State of Louisiana, relative to House Concurrent Resolution No. 203 memorializing the Congress of the United States to take such actions as are necessary to ensure that the Centers for Medicare and Medicaid Services (CMS) do not penalize senior citizens who resided in areas affected by Hurricane Katrina for taking advantage of the special enrollment period set for enrollment in Medicare Part D; jointly to the Committees on Energy and Commerce and Ways and Means.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 23: Mr. THOMPSON of California and Mr. RYAN of Wisconsin.
H.R. 303: Mr. LEWIS of Kentucky.
H.R. 759: Mr. CARDOZA and Mr. ACKERMAN.
H.R. 1108: Mr. DOYLE and Ms. ESHOO.
H.R. 1188: Ms. EDDIE BERNICE JOHNSON of Texas.
H.R. 1384: Mr. MCCRERY.
H.R. 1415: Mr. SHAYS.
H.R. 1429: Mr. DAVIS of Florida.
H.R. 1451: Mr. ACKERMAN and Mr. NADLER.
H.R. 1517: Mr. SAXTON.
H.R. 1573: Ms. CORRINE BROWN of Florida.
H.R. 1582: Mrs. CAPITO and Mr. REICHERT.
H.R. 1591: Mr. DICKS.
H.R. 1671: Mr. MELANCON.
H.R. 1697: Mr. JACKSON of Illinois.
H.R. 1954: Mr. LARSEN of Washington.
H.R. 2178: Mr. KILDEE.
H.R. 2239: Mr. CONAWAY, Mr. KENNEDY of Minnesota, and Mr. KUHL of New York.
H.R. 2369: Ms. HARRIS.
H.R. 2747: Mr. SMITH of Washington.
H.R. 3019: Mr. CANTOR.
H.R. 3159: Mr. KIRK.
H.R. 3186: Mr. GOODE.
H.R. 3267: Mr. ISRAEL.
H.R. 3282: Mr. JONES of North Carolina, Mr. HENSARLING, Mr. PICKERING, Ms. HART, Mr. ENGLISH of Pennsylvania, Mr. HOSTETTLER, Mr. WELDON of Florida, Mr. GALLEGLY, Mr. KENNEDY of Minnesota, Mr. SHADEGG, Mr. NORWOOD, Mr. INGLIS of South Carolina, Mr. NEUGEBAUER, Mr. POMBO, Mr. OXLEY, Mr. SENSENBRENNER, Mrs. MYRICK, Mr. UPTON, Mr. SMITH of Texas, Mrs. BIGGERT, Mr. SHIMKUS, Mr. MORAN of Kansas, Mr. GOODE, Mr. MCCOTTER, Mr. HALL, Mr. HOEKSTRA, Mr. BONILLA, Mr. ROYCE, Ms. GRANGER, and Mr. GOHMERT.
H.R. 3323: Mr. SIMMONS.
H.R. 3379: Mr. FILNER.
H.R. 3385: Mr. MARCHANT.
H.R. 3413: Mr. LATOURETTE and Mr. KING of New York.
H.R. 3470: Mr. FILNER.
H.R. 3471: Mr. FILNER.
H.R. 3762: Mr. TIERNEY.
H.R. 4098: Mr. WU.
H.R. 4364: Mr. MCINTYRE and Mr. SOUDER.
H.R. 4381: Mr. CLEAVER.
H.R. 4403: Mr. LEWIS of Kentucky and Mr. PLATTS.
H.R. 4409: Mr. ENGLISH of Pennsylvania, Ms. SCHAKOWSKY, Mr. LIPINSKI, Mr. ISRAEL, and Mr. RUPPERSBERGER.
H.R. 4547: Mr. OTTER and Mr. MCCRERY.
H.R. 4695: Mr. MICHAUD.
H.R. 4769: Mr. PITTS.
H.R. 4873: Mr. DAVIS of Tennessee.
H.R. 4927: Mr. HOLDEN, Mr. RUPPERSBERGER, Mr. GERLACH, Mrs. MALONEY, Mr. PICKERING, Mr. PETERSON of Minnesota, Mr. PITTS, Mr. HASTINGS of Florida, Mr. NEY, Mr. EDWARDS, and Mr. SWEENEY.
H.R. 4960: Mr. GOODE.
H.R. 4985: Mr. DELAHUNT.
H.R. 5023: Mr. JACKSON of Illinois.
H.R. 5100: Mr. SCHWARZ of Michigan.
H.R. 5120: Mr. FLAKE, Mr. LEWIS of Georgia, and Mrs. CHRISTENSEN.
H.R. 5128: Mr. POMBO.
H.R. 5139: Mr. CUMMINGS.
H.R. 5166: Mr. OBERSTAR.
H.R. 5177: Mr. GILLMOR.
H.R. 5200: Mr. UPTON.
H.R. 5233: Mr. BRADY of Pennsylvania.
H.R. 5242: Mr. DAVIS of Kentucky and Mr. SOUDER.
H.R. 5262: Mr. CONAWAY.
H.R. 5315: Ms. EDDIE BERNICE JOHNSON of Texas.
H.R. 5319: Mr. CAMPBELL of California.
H.R. 5337: Mr. MELANCON and Mr. MURPHY.
H.R. 5344: Mr. HOLDEN and Mr. COSTA.
H.R. 5365: Mr. CARNAHAN.
H.R. 5416: Mr. GRIJALVA and Mr. KOLBE.
H.R. 5430: Mr. GONZALEZ and Mr. MCGOVERN.
H.R. 5444: Mr. ABERCROMBIE and Mrs. KELLY.
H.R. 5455: Mr. CUMMINGS.
H.R. 5466: Mr. SHERWOOD.
H.R. 5468: Mr. TOWNS, Mr. HENSARLING, and Mr. JEFFERSON.
H.R. 5472: Mr. FARR, Mr. BROWN of Ohio, Mr. TERRY, Mr. KENNEDY of Rhode Island, Mr. GENE GREEN of Texas, Mr. GEORGE MILLER of California, Mr. BURTON of Indiana, Mr. MCCOTTER, Ms. HARMAN, Mr. HIGGINS, and Mr. MILLER of North Carolina.
H.R. 5482: Mr. GUTIERREZ.
H.R. 5529: Mr. HOLDEN.
H.R. 5536: Mr. SANDERS.
H.R. 5542: Mr. ROSS.
H.R. 5554: Mr. SOUDER.
H.R. 5558: Mr. MARCHANT.
H.R. 5562: Mr. GRIJALVA.
H.R. 5586: Mr. KING of Iowa.
H.R. 5588: Mr. CONYERS, Ms. NORTON, Mr. LIPINSKI, Mr. BOYD, Mr. MCDERMOTT, Mr. HINCHEY, Mr. FORD, Ms. LORETTA SANCHEZ of California, Mr. CUMMINGS, Ms. BALDWIN, Mrs. CHRISTENSEN, Mr. ALLEN, Mr. HIGGINS, Mr. ENGEL, Mr. WEXLER, Mr. MCGOVERN, Mr. MARKEY, Mr. KANJORSKI, Mr. KUCINICH, Mr. MCNULTY, Mr. MEEK of Florida, Mr. DAVIS of Illinois, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. MOORE of Wisconsin, Mr. HOYER, Mr. EMANUEL, Ms. KAPTUR, Mr. KIND, Ms. WATSON, Ms. MATSUI, Mr. ACKERMAN, Mr. MORAN of Virginia, Mr. OBERSTAR, Ms. DELAURO, Ms. SCHAKOWSKY, Mr. ROTHMAN, Ms. SLAUGHTER, Mr. RUPPERSBERGER, Mr. UDALL of Colorado, Mr. UDALL of New Mexico, Mr. RYAN of Ohio, Mr. PETERSON of Minnesota, Mr. WAXMAN, Mr. CARDOZA, Mr.

MELANCON, Mr. NADLER, Mr. SCHIFF, Mr. MOORE of Kansas, Mr. THOMPSON of California, Mr. LEWIS of Georgia, Mr. RUSH, Mr. WYNN, Mr. GUTIERREZ, Mrs. CAPPS, Ms. WASSERMAN SCHULTZ, Mr. BLUMENAUER, Mrs. LOWEY, Ms. WATERS, Ms. KILPATRICK of Michigan, and Ms. ROYBAL-ALLARD.

H.R. 5595: Mr. WALSH.

H.R. 5629: Ms. JACKSON-LEE of Texas, Mr. MCNULTY, Mr. HASTINGS of Florida, and Mr. JEFFERSON.

H.R. 5635: Mr. MICHAUD and Mr. PASTOR.

H.R. 5653: Mr. ROGERS of Kentucky.

H.R. 5656: Mr. MCCAUL of Texas, Mr. SCHWARZ of Michigan, Mr. AL GREEN of Texas, Mr. BARTLETT of Maryland, Mr. GILCHREST, and Mr. REICHERT.

H.R. 5660: Mr. ROGERS of Kentucky.

H.J. Res. 90: Ms. JACKSON-LEE of Texas and Ms. HERSETH.

H. Con. Res. 42: Mr. LAHOOD.

H. Con. Res. 85: Mr. PORTER, Mr. GALLEGLY, Ms. ZOE LOFGREN of California, and Ms. ROYBAL-ALLARD.

H. Con. Res. 137: Ms. LORETTA SANCHEZ of California.

H. Con. Res. 390: Mr. FORD and Mr. BROWN of Ohio.

H. Con. Res. 415: Mr. OLVER and Ms. MILLENDER-MCDONALD.

H. Con. Res. 425: Mr. BERMAN.

H. Con. Res. 432: Mr. YOUNG of Alaska, Mr. BURTON of Indiana, and Mr. MANZULLO.

H. Con. Res. 434: Mr. HASTINGS of Florida, Mr. MCGOVERN, Mr. PASCRELL, Mr. HIGGINS, Mr. OWENS, and Mr. LANTOS.

H. Con. Res. 435: Mr. KUCINICH, Ms. HARMAN, Mr. SMITH of New Jersey, and Mr. AL GREEN of Texas.

H. Res. 189: Mr. ISRAEL, Mr. HINCHEY, Mr. BOEHLERT, Mr. BURTON of Indiana, Mr. WESTMORELAND, Mr. JEFFERSON, Mrs. JOHNSON of Connecticut, Mr. SANDERS, Mr. RAMSTAD, Mr. WELDON of Pennsylvania, and Mr. SALAZAR.

H. Res. 371: Mr. PLATTS.

H. Res. 603: Ms. LORETTA SANCHEZ of California.

H. Res. 721: Mr. TOM DAVIS of Virginia.

H. Res. 745: Ms. ROYBAL-ALLARD, Mr. STARK, and Mr. CALVERT.

H. Res. 854: Mr. CLYBURN and Mr. BACA.

H. Res. 863: Ms. BORDALLO, Mr. HIGGINS, Mr. BROWN of Ohio, Mr. GRIJALVA, Mr. MARSHALL, and Mr. MCNULTY.

H. Res. 884: Mr. BRADY of Pennsylvania.

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. 4157: Ms. JACKSON-LEE of Texas.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 5672

OFFERED BY: MR. ANDREWS

AMENDMENT NO. 27: At the end of the bill (before the short title), insert the following:

SEC. ____. None of the funds made available by this Act may be used to implement the revision to Office of Management and Budget Circular A–76 made on May 29, 2003.

H.R. 5672

OFFERED BY: MRS. JOHNSON OF CONNECTICUT

AMENDMENT NO. 28: Page 10, line 18, after the first dollar amount, insert the following: ''(increased by $3,300,000)''.

Page 39, line 25, after the dollar amount, insert the following: ''(reduced by $3,300,000)''.

H.R. 5672

OFFERED BY: MR. KENNEDY OF MINNESOTA

AMENDMENT NO. 29: Page 23, line 4, after the dollar amount, insert the following: ''(increased by $532,148,000)''.

Page 23, line 9, after the dollar amount, insert the following: ''(increased by $532,148,000)''.

H.R. 5672

OFFERED BY: MR. KENNEDY OF MINNESOTA

AMENDMENT NO. 30: Page 23, line 4, after the dollar amount, insert the following: ''(increased by $50,000,000)''.

Page 23, line 9, after the dollar amount, insert the following: ''(increased by $50,000,000)''.

Page 39, line 25, after the dollar amount, insert the following: ''(reduced by $50,000,000)''.

H.R. 5672

OFFERED BY: MR. MCCAUL OF TEXAS

AMENDMENT NO. 31: At the end of the bill (before the short title), insert the following:

TITLE VIII—ADDITIONAL GENERAL PROVISIONS

SEC. 801. None of the funds made available in this Act may be used to fund any peacekeeping mission in which there are United Nations employees who are under investigation for sexual exploitation, money laundering, or fraud unless such employees have been removed from such mission for the duration of such investigation.

H.R. 5672

OFFERED BY: MR. MCCAUL OF TEXAS

AMENDMENT NO. 32: At the end of the bill (before the short title), insert the following:

TITLE VIII—ADDITIONAL GENERAL PROVISIONS

SEC. 801. None of the funds made available in this Act may be used to fund the administration and operation of the United Nations Human Rights Council while countries designated as state sponsors of terrorism by the Secretary of State are members of the Council.