

dreams are in your hands, please do not shatter them. Allow me and others to regain what we have lost.”

I urge my colleagues to vote “yes” on the veto override to H.R. 810.

PARK RIDGE, IL,
July 17, 2006.

DEAR CONGRESSWOMAN SCHAKOWSKY: My name is Bishoy Abo-Saif. I am 24 years old. Currently I am studying for my Master’s degree in Social Work, at Dominican University, in River Forest, Illinois. However, I feel that I live in two completely different worlds. These two worlds could not be further apart. Since birth I have had severe physical limitations caused by a condition called Cerebral Palsy. I am one of the lucky few who is not affected cognitively by this devastating condition.

I am writing to you today to implore you to support H.R. 810, for this piece of legislation is vital to millions of people who are afflicted with my condition and other neurological disorders. Since I was diagnosed, at 9 months of age, my parents’ mission was to help me lead a normal life. Unfortunately, the many doctors we visited painted a very bleak picture. A picture, which had no light at the end of the tunnel. One doctor after the other kept telling my parents that I would never walk. Cerebral Palsy is a condition that affects people in different ways. It ranges from severe to mild. Despite the years spent in physical and occupational therapies, the progress is always minimal at best, much to the dismay of the patients and their families.

In our efforts to beat the odds, we kept looking for alternative treatments outside the U.S. We went to Canada, the United Kingdom, Hungary, Poland and Ukraine. The success of these treatments was very limited. Many were not covered by our insurance and the trips were arduous.

To this end, H.R. 810 holds the key to unlock the chains that trap me and others in my condition from experiencing life as it should be experienced. Ever since I was a child, I could not experience activities which other children take for granted. I never knew how it feels like to run or jump, or hit a ball.

Even now despite the fact that I have accomplished academic goals, I still feel that I am on the sidelines, so to speak. The wheelchair is always in the way.

Stem Cell treatment is the only hope to overcome this condition. Doctors have made great strides with animal experiments in the lab. It has been proven that Stem Cells have the ability to regenerate the damaged cells in the brain.

Stem Cell treatment is the catalyst for great progress in the field of medicine. It is the answer to many unsolved medical conditions. This Congress has the opportunity to make history by voting for H.R. 810, which will make a real tangible difference in the lives of the millions for whom Stem Cell treatment is the only answer. People will be able to take steps, regain function of their legs, hands, and affected parts of the brain will regenerate. People will become whole. Our hopes and dreams are in your hands; please do not shatter them. Allow me and others to regain what we have lost.

H.R. 810 is an imperative piece of legislation which will change my life and the lives of millions of other people like me.

Thank you.
Yours truly,

BISHOY ABO-SAIF.

PROPOSED FEDERAL LOAN TO
THE DAKOTA, MINNESOTA AND
EASTERN RAILROAD

HON. BETTY McCOLLUM

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 20, 2006

Ms. McCOLLUM of Minnesota. Mr. Speaker, I rise today to call attention to an unprecedented federal loan that is fraught with risk, would enrich a private company at public expense and threatens the people of my state, Minnesota, as well as one of our state’s most treasured institutions—the Mayo Clinic.

The Dakota, Minnesota and Eastern Railroad, DM&E, is seeking a massive federal government-sponsored loan of \$2.5 billion through the Railroad Rehabilitation and Improvement Program to expand rail infrastructure in order to transport coal from fields of Wyoming’s Powder River Basin. To sell this taxpayer-financed scheme to Congress and residents along the proposed line, the railroad is making big promises. But go beyond the promises and a troubling picture emerges—one stained with questionable accounting, dubious ethics and the threat of real harm for Minnesota communities and institutions.

As a Member of Congress, I am strongly opposed to asking taxpayers to provide an unsecured \$2.5 billion loan to the DM&E, a company that an established, independent firm, Bearing Point, found to be “a poor credit risk.” Bearing Point’s assessment of the railroad concluded: “DM&E currently appears to be a thinly-capitalized, low-volume railroad,” whose “asset acquisitions were funded largely by government loans and subsidies.” Mr. Speaker, I have attached a description and summary of the Bearing Point analysis for the RECORD.

A recent report from the federal Office of Management and Budget shows the stakes for taxpayers are high since the federal government—U.S. taxpayers—would be responsible for covering all losses if DM&E defaults on the loan. Still, the railroad and their powerful friends in Congress who have greased the wheels for this scheme show no hesitation in taking taxpayers for a ride and offer no assurances that \$2.5 billion of our tax dollars will be paid back.

Our nation is spending hundreds of billions of dollars to fight wars in Iraq and Afghanistan while federal budget deficits are adding trillions of dollars of debt on the backs of our children. Yet some of my colleagues in Congress appear eager to gamble unprecedented public funds on a risky railroad scheme that will profit politically connected business executives and leave hard working taxpayers with all the risk. This is bad public policy and it is bad business. The proposed \$2.5 billion, no-collateral loan is more than all the loans ever granted by the Federal Railroad Administration combined. In fact, this loan would be one of the largest ever granted by the federal government to any private company.

Why does the DM&E need to seek this massive federal support? Could it be that private sector investors who have a fiduciary responsibility to invest soundly know a boondoggle when they see one? Unfortunately, it appears the DM&E has been far more successful in attracting Members of Congress who seem willing to ignore their responsibility to the American people to ask the tough ques-

tions and demand protections and accountability. It is not Congress’ role to be the lender of last resort for high risk, private sector boondoggles. This is all the more true considering the threat the DM&E project poses to Minnesota.

The proposed DM&E line would send dozens of mile-long coal trains through the heart of Rochester, Minnesota every day. Any threat to Rochester’s continued growth is a serious concern for Minnesota since it is one of the fastest growing cities in the state and an anchor of Minnesota’s high-tech economy. Rochester is best known as the home of the renowned Mayo Clinic. The Mayo Clinic is one of the world’s premier medical centers, an economic engine for Minnesota and a health care asset for our entire country. This week’s US News & World Report “Best Hospital Issue” celebrates Mayo’s success, ranking the Clinic among the country’s top medical facilities for treating illnesses ranging from cancer to kidney disease.

The 95,000 residents of Rochester expect the trains to tie up traffic and cause daily headaches for local business owners. Mayo Clinic doctors and researchers anticipate the trains will create an environment hostile and incompatible with the work of a world-class medical facility that relies on sensitive medical equipment and conducts delicate scientific testing. In addition to impacts on the community’s long-term economic prosperity and quality of life, the railroad expansion also raises imminent safety concerns.

The DM&E’s proposed expansion would annually direct thousands of trains through downtown Rochester at a speed of 50 miles an hour. Several of Rochester’s downtown rail crossings are only hundreds of yards away from the Mayo Clinic. A derailment or hazardous materials spill at any of these locations would be disastrous for local residents and Mayo’s vulnerable patient population.

In fact, the DM&E has one of the worst railroad safety records in America. In the past 6 years, 17 people have been killed and 93 people have been injured in 227 DM&E accidents at public and private rail crossings. In 2004, the DM&E reported train accidents at a rate over 13 times higher than the national average, and one of these accidents created a hazardous material spill that forced the evacuation of 100 citizens in my home state. The Federal Railroad Administration itself announced as recently as October 2005 that DM&E has “serious safety problems.” I urge the Federal Railroad Administration to take into account this dreadful safety record and the risk to Minnesota residents this proposed expansion poses.

Wrapping a profit driven scheme in the thin veneer of public good, the DM&E and its supporters in Congress are pushing a bad deal for Minnesota and imposing a financial risk upon America’s taxpayers that is irresponsible and unjustifiable. The Federal government does need to make major new investments in transportation infrastructure, but investments consistent with our national goals and in a transparent process that allows Congress to conduct necessary oversight and stewardship of scarce tax dollars. Public dollars should support taxpayer priorities, not the whims of one company and their patrons in Congress. As is too often the case today, Congress has had no opportunity for oversight, no opportunity to ask hard questions of the DM&E and

protect taxpayers from one corporation's sweetheart deal that smells worse by the day. This \$2.5 billion loan to the DM&E should not be allowed take place and taxpayers in Minnesota and across the United States should be outraged at this pork barrel corporate welfare giveaway.

LETTER OF PRESENTATION—MAY 8, 2006

This purpose of this report is to inform Members of Congress, the Department of Transportation, the Federal Railroad Administration ("FRA"), and others of issues surrounding the \$2,500,000,000 loan application of the Dakota Minnesota & Eastern Railroad Corporation ("DM&E") under the Railroad Rehabilitation and Improvement Financing ("RRIF") program.

The broader purpose of the RRIF program is the improvement and expansion of the nation's railroad system. Nevertheless, the program is organized as government loans, not government grants. Therefore, borrowers must exhibit the ability to repay the loan.

In its RRIF loan review capacity, the FRA is charged with responsibility for assessing applications. Each loan application must be approved on its own merits, taking into consideration (among other things) the creditworthiness of the borrower.

DM&E has filed an application for a \$2,500,000,000 FRA loan. Based upon our review, we have serious concerns about the ability of DM&E to repay such a loan. We believe that the applicant may not meet the minimum requirements for the approval of such a loan.

Based on the limited available data, DM&E appears to be an undercapitalized and financially precarious company. However, because DM&E is a private company with little financial disclosure, we are limited in our ability to fully assess the company's financial strength or weakness. As a result, no concerned citizen has adequate information to fully assess DM&E's FRA loan application.

The nondisclosure of the DM&E financial data has been rationalized by the competitive nature of the information contained therein, on the belief that disclosure of even rudimentary financial information would compromise the company's ability to compete in the railroad industry. However, many railroad companies are publicly held, fully disclosing detailed financial information without compromising their competitiveness.

We believe that the primary risk to DM&E of disclosure of its financial status may not be the loss of any competitive advantages, rather the disclosure of its financial weaknesses and unsuitability for the RRTF loan.

Given the available public information concerning DM&E's plans, supplemented with the expertise of consultants in the railroad industry, we have endeavored to construct a reasonable facsimile of what we believe to be DM&E's current economic realities and to forecast the results of the proposed Powder River Basin project assuming extension of the FRA loan.

Our financial projections and assessments utilize dated materials from DM&E's Surface Transportation Board ("STB") application of 1998, as well as more recent information, taking into account the fact that costs, markets, and industry financial conditions have changed materially since that date. We have updated these projections based on the comprehensive knowledge provided by railroad industry consultants, G. W. Fauth & Associates, Inc., and Gerald E. Vaninetti.

If the FRA believes that it should disregard the economics associated with DM&E's proposed project and that non-financial, public policy reasons require approval

of its loan application, then FRA must require collateral in the form of a Credit Risk Premium (CRP). Under current law, this CRP must now be based on DM&E's potential "going concern value." Based on this approach, we have determined that FRA should set a CRP of approximately \$1.4 billion which represents 57% on the loan amount.

To the extent that our information or assumptions are dated or at variance with DM&E's financial statements, internal projections or the contents of its loan application, we welcome the opportunity to review those financial statements.

We note that the DM&E's submissions to the STB were public documents. While the FRA is allowed to keep application data private, it is not required to do so. Like the STB, the FRA could disclose this information to lawyers and independent consultants under a protective order. This is by far the largest FRA loan of its kind, suggesting that the FRA may want to reexamine its non-disclosure policy.

We believe that citizens whose taxpayer dollars may be at risk have the right to inform the FRA of concerns regarding DM&E's \$2,500,000,000 loan application. Only with transparency of the loan application and approval process can the integrity of a fair and honest system be assured.

CONDEMNING THE RECENT ATTACKS AGAINST THE STATE OF ISRAEL

SPEECH OF

HON. MICHAEL H. MICHAUD

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 2006

Mr. MICHAUD. Madam Speaker, I rise today in support of H. Res. 921.

We must fully and clearly condemn the attacks on sovereign, undisputed Israeli territory as the terrorist attacks that they are. The June 25th murders and kidnapping carried out by Hamas are an act of war. The July 12th murders and kidnappings carried out by Hezbollah are an act of war. As a sovereign state, Israel has the right to defend itself and its citizens from these attacks.

Hezbollah must immediately stop its attacks on innocent Israelis. All provisions of United Nations Resolution 1559 calling for the complete withdrawal of all foreign forces from Lebanon and the dismantlement of all independent militias in Lebanon must be fully implemented. Iran and Syria must end their proxy war with Israel at the expense of the Lebanese, Israeli, and Palestinian people.

Israel has the right to defend itself from these most recent criminal attacks, but I believe Israel must show restraint and limit civilian casualties as it struggles to end the threat posed by the terrorist organization Hezbollah—an organization which is responsible for more American deaths in recent decades than any other group except Al Qaeda. The Lebanese government must be able in the future to provide security within its own country and return to the path of peace and mutual security. That is the path of hope.

We all look toward the day when a secure Israel can live in peace with its neighbors, including a sovereign democratic and peaceful Palestinian state. If we are ever going to reach that goal, a goal shared by a majority of the world, then the United States and the inter-

national community must be fully diplomatically engaged in ending the terror and violence suffered in the region. My thoughts and prayers are with the innocent Israelis, Palestinians, Lebanese and foreign nationals who are all in harm's way.

I condemn this new escalation of violence and the terrorist attacks on Israel. I join my colleagues in standing with our ally Israel during this time of struggle. I call on the terrorist groups to release their hostages and turn away from the path of violence. I pray for lasting peace and mutual security and prosperity for all who suffer through this terrible conflict.

FANNIE LOU HAMER, ROSA PARKS, AND CORETTA SCOTT KING VOTING RIGHTS ACT REAUTHORIZATION AND AMENDMENTS ACT OF 2006

SPEECH OF

HON. NYDIA M. VELÁZQUEZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 2006

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 9) to amend the Voting Rights Act of 1965:

Ms. VELÁZQUEZ. Mr. Chairman, I rise today in support of the reauthorization of the provisions of this important civil rights law, the Voting Rights Act. The origins of this law are the truest reflection of our Nation's struggle and aspiration to build a better country for all of its citizens. We have made great advances. This does not mean that we have overcome. We still need to make great strides in our road toward building a more perfect union.

The Voting Rights Act was necessary in the 1960's because for over 100 years, in certain parts of our country, millions of U.S. citizens had their right to vote limited or denied just because of the color of their skin. Those were not our country's proudest years.

Is the Voting Rights Act important today? Yes. The problems in our country that led to the enactment of this law are not in the distant past. Our work is not done. Our country still struggles to find the path of equality and "The Fannie Lou Hamer, Rosa Parks, and Coretta Scott King Voting Rights Act Reauthorization Act" is still needed to keep us on the right and just path in our country's historic democratic experiment.

I celebrate the great accomplishments of the Civil Rights Movement and the political leadership of the time that led to the enactment of the Civil Rights Legislation and the crowning achievement, the Voting Rights Act. The importance of this law can be seen in every election where minorities have the right to elect people that truly stand for their interests; every time someone is able to mark a ballot with instructions in a language that he or she can understand; and every time unfair elections conditions are corrected to be just and fair for all citizens. Mr. Speaker, this law is needed because there are still acts of discrimination taking place. We still need the Voting Rights Act.

Now, I know there are those who believe this is a political party issue. But this is not a Democrat or Republican partisan issue—this is an American issue and this bill has bipartisan support.