United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 107th CONGRESS, SECOND SESSION

Vol. 148 WASHINGTON, WEDNESDAY, MARCH 13, 2002 No. 28

House of Representatives

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

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
March 13, 2002.

I hereby appoint the Honorable MICHAEL K. SIMPSON to act as Speaker pro tempore on this day.

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

PRAYER

The Reverend Bryan K. Finch, Chaplain, U.S. Coast Guard Training Center, Yorktown, Virginia, offered the following prayer:

O Lord, we commend the interest of our dearest country to the protection of Your Almighty hand, especially in this day of new challenges and threats. Guide our leaders and this Congress to move with vigilance toward the tests ahead, and let them look beyond mere mortal understanding and seek wisdom and guidance from above. For what is decided here shall not remain here, but will impact the cause of freedom and those who love liberty across this world.

Impress upon our hearts the summation of all the commands, ''To love the Lord our God, and to love our neighbor as ourselves.''

Pour this truth into each heart in order that we may serve You and this country as servants of justice and mercy.

O Lord, these who have the mighty task of superintending hope and peace and freedom in this land and in distant countries, I commit them into Thy holy keeping.

In God's holy name this day we pray. Amen.

THE JOURNAL

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

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

Mr. MCNULTY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Speaker's approval of the Journal.

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

Mr. MCNULTY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

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

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

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

Mr. MCNULTY 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.

WELCOME TO CHAPLAIN BRYAN FINCH OF OLDE YORKE CHAPEL, U.S. COAST GUARD TRAINING CENTER

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

Mr. COBLE. Mr. Speaker, it is my pleasure to welcome as our guest chaplain today, Chaplain Bryan Finch of the Olde Yorke Chapel, U.S. Coast Guard Training Center, Yorktown, Virginia. I would also like to thank Chaplain Finch for his thoughtful and inspiring invocation.

Chaplain Finch is joined today by his wife and Captain John Gentile, who is the Commanding Officer of the Training Center.

Mr. Speaker, I came to know the chaplain last fall when the chief petty officers in the Tidewater, the Yorktown area, invited me to be their guest speaker for their annual gala. A great time was had by all. At that time the Chaplain expressed interest in joining us up here.

Chaplain Finch is an ordained Southern Baptist pastor, a graduate of LaGrange College in LaGrange, Georgia. He earned a Master of Divinity at Southwestern Baptist Theological Seminary in Fort Worth, Texas, and also obtained a Masters of Theology in Culture and Religion at Princeton Theological Seminary in Princeton, New Jersey.

Chaplain Finch also has a distinguished military career, having served in both the Army and Navy. Upon graduation from high school, he enlisted in the U.S. Navy for 4 years. Chaplain Finch then went on to pursue his college seminary degrees and, upon completion, joined the Army where he served as Chaplain of the First Battalion, Sixth Infantry in Vilseck, Germany.

He later received an interservice transfer to the U.S. Navy and was commissioned in the Navy on January 7, 1991.

Presently, Chaplain Finch is assigned to the U.S. Coast Guard Training Center in Yorktown, Virginia, where he has served as Chaplain since June, 2000.

Printed on recycled paper.

Mr. Speaker, I would be remiss if I did not mention one of Chaplain Finch's most noteworthy contributions was his service on the Chaplain Emergency Response Team which was activated to assist in the aftermath of the events of September 11. Along with Chaplain Finch, there were 30-plus other Navy chaplains assigned to Coast Guard units who assisted in this effort, and at this time, I would like to submit their names for inclusion in the RECORD in recognition of their significant contribution, as well.

Mr. Speaker, again, I want to extend a cordial welcome to Chaplain Bryan Finch for being here today. His presence and blessing on this House means so much to me and the thousands of young men and women who proudly wear Coast Guard blue.

CHAPLAINS WHO SERVED WITH THE CERT AT THE WORLD TRADE CENTER

CPT Leroy Gilbert, Chaplain of the Coast Guard, USCG HQ, Washington, DC.

CPT Thomas Murphy, USCG Academy, New London, CT.

CPT Ronald Swafford, USCG Pacific Area, Alameda, CA.

CPT Peter Larsen, U.S. Naval Reserve Chaplain.

CDR Wilbur Douglass, USCG Atlantic Area/Fifth CG District, Portsmouth, VA.

CDR Deborah Jetter, USCG RELSUP 106 (District Nine).

CDR Douglas Waite, Deputy Chaplain of the Coast Guard, Washington, DC.

CDR Derek Ross, USCG Training Center, Cape May, NJ.

CDR Lawrence Greenslit, USCG District Seven, Miami, FL.

CDR Steven Brown, USCG District Nine, Cleveland, OH.

CDR Richard Carrington, U.S. Naval Reserve Chaplain.

CDR Michael Doyle, U.S. Naval Reserve Chaplain.

LCDR Rondall Brown, USCG Air Station, Cape Code, MA.

LCDR Thomasina Yuille, USCG District One, Boston, MA.

LCDR William Brown, USCG District Eight, New Orleans, LA.

LCDR James Jensen, USCG RELSUP 106 (District Thirteen).

LCDR Gregory Todd, USCG Activities New York, Staten Island, NY.

LCDR Manuel Biadog, USCG Training Center, Petaluma, CA.

LCDR Bryan Finch, USCG Training Center, Yorktown, VA.

LCDR Phillip Lee, USCG RELSUP 106 (District Eight).

LCDR Thomas Hall, USCG GANTSEC, San Juan, PR.

LCDR Brian Haley, USCG Academy, New London, Ct.

LCDR Dennis Boyle, USCG Air Station, Cape Code, MA.

LT Keith Shuley, USCG Training Center, Petaluma, CA.

LT Thomas Walcott, USCG Group, Milwaukee, WI.

LT Steven Bartell, USCG RELSUP 106 (District One).

LT James Finely, USCG Training Center, Yorktown, VA.

LT Alan Andraeas, USCG Air Station, Borinquen, PR.

LT Peter Rosa, USCG Group, St. Petersburg, FL.

LT Douglas Vrieland, USCG Group, Charleston, SC.

RAISING AWARENESS FOR THE ERADICATION OF HIV/AIDS AND TUBERCULOSIS

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

Ms. ROS-LEHTINEN. Mr. Speaker, one-third of the world, including 15 million Americans, are infected with tuberculosis. My State of Florida ranks among the top four in tuberculosis cases every year. Tuberculosis is the leading killer among people infected with HIV/AIDS, and both remain public health concerns that we must continue to address.

This year, in conjunction with the Miami-Dade County Health Department, the Florida Department of Health, the South Florida American Lung Association, and the Global Health Council and many other public health organizations, I am promoting a forum entitled ''When HIV and TB Collide: A World TB Day Event.'' This conference will explore how unique partnerships between government, faith-based groups, and community-based organizations can together help combat the deadly combination between HIV/AIDS and tuberculosis that threatens the health and well-being of our communities. I urge my colleagues to help raise awareness on these diseases both globally and locally, and to continue working until they are eradicated from our world.

BRINGING ABDUCTED AMERICAN CHILDREN HOME

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

Mr. LAMPSON. Mr. Speaker, I continue today with my story of Ludwig Koons. Last week, we left off with Jeff Koons finding his son abandoned by his mother and left in a dangerous and pornographic environment. Mr. Koons took Ludwig from this environment and returned with him to New York City where he immediately initiated divorce and custody proceedings in the Supreme Court of New York.

His ex-wife filed an appearance through counsel, and the parties agreed on joint custody of Ludwig. The agreement prohibited either party from removing the child from New York until a final ruling on the divorce. Both parties agreed to be accompanied by a bodyguard outside the home to ensure that Ludwig remain in New York City. The Supreme Court of New York ordered ratification of the parties' agreement, ruling that the parties were prohibited from removing Ludwig from the jurisdiction until further court order.

Well, Mr. Speaker, Ilona Staller ignored that court order and on June 9, 1994 abducted Ludwig to Italy. Neither the United States Government nor the Italian Government is working to help solve this problem.

Mr. Speaker, join me in helping bring Ludwig Koons and all American children home.

CALLING FOR THE IMMEDIATE RETURN OF LIEUTENANT COMMANDER JOHN SPEICHER

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

Mr. PITTS. Mr. Speaker, we learned this week that there are credible reports that Saddam Hussein has been holding an American Navy pilot for the last 10 years. Lieutenant Commander Scott Speicher was shot down over Iraq during the Gulf War, and he has never been accounted for. Now, intelligence sources are saying Saddam Hussein captured him and has been holding him prisoner ever since.

Mr. Speaker, we know that Saddam Hussein does not follow the rules of peace or war. The world knows that he is a tyrant who murders his own people, and we know that he has repeatedly invaded his neighbors. Now it seems he may be secretly imprisoning an American officer.

To be clear, we do not know yet if this is true, but if it is, Saddam Hussein needs to return our pilot to us immediately. If he does not, the Government of Iraq will have to pay the consequences, and I do not need to point out that those consequences will be severe.

PRAYING FOR A SAFE RETURN FOR MIRANDA GADDIS AND ASHLEY POND

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

Ms. HOOLEY of Oregon. Mr. Speaker, I come before the House today to alert those who may be watching in Oregon and across the Nation to the tragic disappearance of two young teenagers from my district.

Miranda Gaddis and Ashley Pond, both 13 years of age, students at Gardiner Middle School in Oregon City and teammates on the school dance team, have been recently reported missing.

Ashley disappeared January 9, and Miranda vanished last Friday, March 8. Both were last seen by their mothers early in the morning as they left their homes at the Newell Village Creek apartments to catch the bus to school on South Beavercreek Road.

The FBI has recently stated that Ashley and Miranda's disappearances appear to be related and that foul play may be involved.

If anyone has any information regarding Ashley or Miranda's whereabouts, please contact your local FBI offices or the Oregon City Police Department.

Our thoughts and prayers are with the families of these girls and law enforcement as they continue to work tirelessly for the safe return of these girls.

FEDERAL BUDGET MUST REFLECT NEW PRIORITIES

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

Mr. GIBBONS. Mr. Speaker, last Monday this Nation recognized the 6-month anniversary of the terrorist attacks which claimed the lives of thousands of innocent Americans. Now, as a Nation, we are in the middle of a war to root out the culprits of the September 11 attacks and to rid the world of terrorism. Our mission is not only right and necessary, but it is also massive and challenging. Like a runner, this is not a sprint, but a marathon.

Terrorist cells exist in countries around the world, and as a result, our work will not be limited to just Afghanistan. Consequently, as our budget process begins, we must provide the critical resources our military and intelligence communities need to win the war against terrorism.

This is a new world, Mr. Speaker, that we are now living in; we are living with new threats, and our Federal budget must reflect our new priorities.

COMMISSION ON BLACK MEN AND BOYS

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

Ms. NORTON. Mr. Speaker, as we move toward welfare reform, I want to report an extraordinary standing-room-only hearing by our Commission on Black Men and Boys here in the District last night. I established this 12-man commission after noting serious challenges facing black men about a year ago; just as by focusing on women and children, we made good progress.

The problems of black men are deep: 6 percent of the population, 50 percent of inmates in jail, half of all HIV cases. The devastating effect has been on the African American family.

This began with a flight of jobs, manufacturing jobs, from the African American community, replaced by an underground economy and an underground culture. We have to do something about those jobs.

The lead witness last night was Darrell Green, the legendary football star who started his own foundation to assist youth and who spoke about manhood and about his own policy work.

The commission is drawing its own action plan that the city has said it will carry out.

I am grateful to the minority staff of the Committee on Government Reform, which is working with me to translate the commission's work nationally to benefit other districts.

□ 1015

REPUBLICAN LEADERSHIP REFUSES TO SCHEDULE DEBATE ON FUTURE OF SOCIAL SECURITY

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

Mr. ALLEN. Mr. Speaker, I rise today to express my disappointment that the Republican leadership refuses to schedule a debate on the future of Social Security. They appear unwilling even to schedule or to bring up the plan introduced by their own majority leader.

Perhaps it is because that plan calls for benefit cuts, substantial benefit cuts for many Americans, including disabled Americans. Perhaps it is because creating private accounts will cost more than $1 trillion in transition costs; and perhaps it is because the plan exposes beneficiaries to unnecessary risks for unlikely rewards.

I welcome the opportunity to debate the future of Social Security, but the Republican leadership so far refuses. Perhaps it is because, if they do, their plan will be rejected by the American people.

IMPORTANCE OF FAKED MISSILE DEFENSE TESTS

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

Ms. MCKINNEY. Mr. Speaker, the GAO recently released a report outlining the ways in which the Pentagon and its contractors fudged the results of a missile defense test in 1997. The report found that missile test results were fabricated by excluding negative test data, ignoring sensor malfunctions, and by delaying the disclosure of undeniable errors. All this is now irrelevant, the Pentagon concludes, because the system used in that test has not been used in 4 years.

Well, Mr. Speaker, I disagree. The fact that these test books were cooked could not be more important. The President has asked Congress to match last year's $8 billion-plus missile defense appropriation and has formally issued his intention for the United States to pull out of the ABM treaty. Yet the Pentagon recently canceled the supposedly important Navy missile defense system due to cost overruns of 65 percent, and more recent missile defense tests were found to have been fixed by the use of GPS location beacons.

Mr. Speaker, the CBO has estimated that a working missile defense system will cost another $64 billion by 2015, and the United States has been working on this since World War II and it still does not work. We do not need to give the Pentagon one more dollar.

SOCIAL SECURITY AND THE BUDGET

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

Mr. RODRIGUEZ. Mr. Speaker, Social Security has been a successful program that has lifted millions of the Nation's seniors out of poverty. Our seniors are facing a dilemma, one that threatens their security and trust as they reach their retirement years.

We must fight to preserve our Social Security trust fund and honor our commitment to our seniors. The President's budget does not honor this commitment to our seniors, and, in turn, fails all Americans.

Now is the time for us to focus on a long-term budget plan that will not only help recover the economy, but also help recover and make sure that our Social Security trust fund is kept intact, returning us to an era where we can protect our Social Security and protect our seniors, and even strengthen the Social Security trust fund.

We need to recommit to the idea that Social Security surplus dollars are for Social Security, and paying down our national debt is something that we all need to do.

We also are aware of the fact that the President has also appointed a committee, and we know that when one stacks a committee, that every single member on this committee was for the purpose of privatizing Social Security. They had no other motive but to do that. Every single one of them on that committee had that one intention.

Mr. Speaker, it is our responsibility to make sure we protect our seniors and future generations.

THE JOURNAL

The SPEAKER pro tempore (Mr. SIMPSON). Pursuant to clause 8, rule XX, the pending business is the question of agreeing to the Speaker's approval of the Journal of the last day's proceedings.

The question is on the Speaker's approval of the Journal.

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

Mr. RODRIGUEZ. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 355, nays 45, answered ''present'' 1, not voting 33, as follows:

[Roll No. 54]

YEAS—355

Abercrombie	Allen	Baca
Ackerman	Andrews	Bachus
Akin	Armey	Baker

Baldacci
Baldwin
Barcia
Barr
Bartlett
Bass
Becerra
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boozman
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cox
Cramer
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis, Jo Ann
Davis, Tom
Deal
DeGette
Delahunt
DeLauro
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Herger
Hill
Hilleary
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
LaFalce
Lampson
Langevin
Lantos
Larson (CT)
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, Jeff
Mink
Mollohan
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Obey
Olver
Osborne
Ose
Otter
Owens
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stearns
Stenholm
Stump
Sununu
Sweeney
Tanner
Tauscher
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Turner
Upton
Velazquez
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Wexler
Whitfield
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn

NAYS—45

Aderholt
Baird
Borski
Brady (PA)
Capuano
Costello
Crane
DeFazio
English
Filner
Gutknecht
Hefley
Hilliard
Hinchey
Hulshof
Kucinich
Larsen (WA)
Latham
LoBiondo
Matheson
McDermott
McNulty
Miller, George
Moore
Moran (KS)
Pallone
Peterson (MN)
Platts
Ramstad
Sabo
Schaffer
Schakowsky
Stark
Strickland
Stupak
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tiberi
Udall (CO)
Udall (NM)
Visclosky
Waters
Weller
Wicker

ANSWERED ''PRESENT''—1

Tancredo

NOT VOTING—33

Ballenger
Barrett
Barton
Bentsen
Blagojevich
Burton
Buyer
Cooksey
Coyne
Cubin
Davis (IL)
DeLay
Ehrlich
Eshoo
Hinojosa
Hunter
Jackson-Lee (TX)
Johnson, Sam
King (NY)
LaHood
Menendez
Oberstar
Ortiz
Oxley
Quinn
Rothman
Rush
Shaw
Slaughter
Sullivan
Traficant
Young (AK)
Young (FL)

□ 1043

So the Journal was approved.

The result of the vote was announced as above recorded.

PROVIDING FOR CONSIDERATION OF H.R. 2341, CLASS ACTION FAIRNESS ACT OF 2002

Ms. PRYCE of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 367 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 367

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. 2341) to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, to outlaw certain practices that provide inadequate settlements for class members, to assure that attorneys do not receive a disproportionate amount of settlements at the expense of class members, to provide for clearer and simpler information in class action settlement notices, to assure prompt consideration of interstate class actions, to amend title 28, United States Code, to allow the application of the principles of Federal diversity jurisdiction to interstate class actions, 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 the Judiciary. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. No amendment to the committee amendment in the nature of a substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

□ 1045

The SPEAKER pro tempore (Mr. SIMPSON). The gentlewoman from Ohio (Ms. PRYCE) is recognized for 1 hour.

Ms. PRYCE of Ohio. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my friend, the gentleman from Texas (Mr. FROST), the ranking member of the Committee on Rules, pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 367 is a structured rule providing for the consideration of H.R. 2341, the Class Action Fairness Act of 2002. The rule provides 1 hour of general debate, equally divided and controlled between the chairman and ranking minority member of the Committee on the Judiciary. It provides that the amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the bill be considered as an original bill for the purpose of amendment.

The rule makes in order only those amendments printed in the Committee on Rules report accompanying the resolution. Each amendment may be offered only in the order printed, may be offered only by a Member designated in the report, shall be debatable for 20 minutes equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment or demand for division of the question.

The rule waives all points of order against consideration of the bill and waives all points of order against such amendments.

Finally, the rule provides one motion to recommit with or without instructions.

I would like to take a moment to clarify for my colleagues that while this is a structured rule, our committee, the Committee on Rules, did make in order every amendment submitted to us on this legislation. The rule simply incorporates some time confines, equally applied to all the amendments, in order to provide some level of certainty and order during consideration of this legislation on the House floor.

Mr. Speaker, the history of the judicial process has established it as a system that, in most instances, employs fairness and balance in the rendering of justice. As one of the many tools of the judicial system, the class action lawsuit, in its ideal form, shares these characteristics. The class action suit is meant to give the many who may have the same claim against the same defendant an efficient way to have their grievances consolidated into a unified and magnified voice.

Mr. Speaker, as used by public interest organizations and truly interested groups of individuals, class action lawsuits can be effective in remedying wrongs, curbing dangerous misconduct, or encouraging better enforcement of laws. However, the reality of the class action lawsuit is far, far from the ideal. Today, this procedural device is often employed in frivolous suits designed to force businesses into quick and often unwarranted settlements while denying those truly wronged of any meaningful recourse. This abuse can stunt economic growth. It can stunt job creation. And, ironically, these frivolous suits can clog the very courts that they are being heard in, making it more difficult to bring the valid litigation that the class action tools are meant to facilitate.

Perhaps worst of all, the abuse of class actions often rewards attorneys and certain plaintiffs while leaving larger segments of the class with little real remedy. In one instance, a State court approved a class action settlement in a case brought by account holders against a bank in which the plaintiffs' attorneys received over $8 million in fees while 700,000 class members, the plaintiffs, only received about $10 each.

Even worse, those 700,000 class members each had up to $100 deducted from their accounts to pay the legal fees owed by the bank under the settlement. As a result, most of the class members ended up with a net loss as a result of litigation designed to protect their interest.

In another class action filed against General Mills, an additive was added to Cheerios, a very popular cereal. The settlement directed $2 million to the lawyers, while the class members each received coupons for free boxes of cereal.

Now, while these examples may seem extreme, and they are extreme, they are sadly and rapidly becoming the normal. This is an aspect of our civil justice system that is in very sore need of reform. Class action filings in State courts have increased 1,000 percent over the past 10 years. That is an incredible jump.

As noted in an editorial in The Washington Post, way last August, ''We must inject the world of class actions with more accountability to real clients and with some consequence to lawyers who file frivolous claims.'' This bill does just that by curbing the abuse of class actions while preserving the right of the truly injured to bring meritorious class action suits.

Specifically, this legislation would preserve the intent of article III of our constitution by allowing large, interstate class actions to be removed to Federal Court when appropriate, thereby creating greater uniformity in considering these cases and allowing greater consolidation of claims. Importantly, this would mean those cases that affect individuals across the Nation could be decided by courts that represent the Nation as a whole and not just one particular State picked by a trial lawyer.

At the same time, this legislation protects individuals in class actions through the Consumer Class Action Bill of Rights. This bill of rights requires that notices sent to class members be simple and intelligible. It also ensures that victorious plaintiffs do not suffer a net loss because of attorneys fees. It prevents geographic discrimination against certain class members, and it prohibits disproportionate awards from going to classes' representatives.

Mr. Speaker, our judicial system and the judges and attorneys that serve within it do noble and important work. I am a past attorney and a past judge, so I can say that with some assurance. But it is the job of this Congress to make sure that the procedural tools given to those in the judicial system are not misused to the point that they frustrate their very purpose. This bill creates important reforms that will reduce abuse and protect individuals.

I urge support for this legislation and for this fair and balanced rule.

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

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

Mr. Speaker, my friends on the other side of the aisle have a very peculiar sense of timing. Here we have this problem with Enron. We have thousands of Enron employees who lost their life savings investing in 401(k)s, and we have thousands, perhaps hundreds of thousands, of Enron's shareholders who lost a lot of money in Enron stock; and yet my friends on the other side of the aisle take this very moment to make it more difficult for those thousands of Enron employees and those thousands of Enron shareholders to bring a class action lawsuit. I have a difficult time understanding their timing.

I understand their interest in this issue. It has been brought up before. But now we have this situation where executives of Enron were telling their employees what a good deal it was to invest in their company's stock at the same time that those executives were secretly selling their stock. And so we have a class of people, a class of employees, thousands of employees who have lost their life savings; and yet my friends on the other side of the aisle would say, well, this is the very moment that we are going to make it more difficult for you to seek class relief. It is a very peculiar sense of timing.

It is an interesting bill. It is important that the American people very clearly understand what this bill, H.R. 2341, the so-called Class Action Fairness Act, would do. It is not, as some claim, a small procedural change. It will not, as some have suggested, curb lawsuit abuse. In fact, there is no statistical evidence of a class action crisis. Unfortunately, some people, for their own political purposes, have made a career out of hyping anecdotal stories of unbelievable lawsuits. The truth is these rare abuses have been appropriately handled by State legislatures and State supreme courts.

So what will this bill do? In a nutshell, it will drastically tilt the justice system in favor of big corporations and their executives and against the individuals they sometimes harm. That may not be the intent of its supporters, but that will be its effect. And, Mr. Speaker, that is just plain wrong.

Mr. Speaker, it is really unbelievable to me. I am frankly astounded, as I mentioned earlier, that Republicans have made protecting big corporate wrongdoers their priority right now. After all, at this very moment Congress is still trying to figure out how Enron executives managed to devastate the life savings of thousands of its employees and shareholders. Mr. Speaker, America has just witnessed the worst corporate robbery in history, and now Republican leaders are pushing a bill to protect big corporate wrongdoers. Do they really want to make it easier for people to do the type things that executives at Enron reportedly did?

Mr. Speaker, there are plenty of additional reasons to vote against this bill. By federalizing class actions, it tramples on the authority of State courts, which is pretty peculiar coming from a Republican Party that preaches the gospel of States' rights on almost every other issue. And it will further clog Federal courts that are already overwhelmed by the large number of criminal drug cases. So it is no surprise that both Federal and State judiciaries have consistently opposed efforts to Federalize class actions.

But the real losers under this bill are ordinary Americans for whom the justice system is the only protection against big corporate wrongdoers. It is people like the thousands of Americans who lost their life savings at Enron and the 800 people who were injured and the 271 who were killed on defective Firestone tires. This bill would actually make it harder for them to hold those corporate wrongdoers accountable. This Congress should be fighting for those Americans, not protecting the corporate wrongdoers that harmed them.

Mr. Speaker, we appreciate that this rule makes in order all of the amendments that were submitted to the Committee on Rules. That does not, in fact, change the fact, Mr. Speaker, that this is a bad bill.

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

□ 1100

Ms. PRYCE of Ohio. Mr. Speaker, I must say that this bill was discussed at length in the Committee on Rules yesterday, and I am not sure, maybe my friend from Texas was not present, but I believe he was, because it is incredible to me that he is making these statements. It was pointed out at great length that the Enron case is already in Federal court. This has nothing to do with Enron. Indeed, Mr. Speaker, securities litigation is carved out entirely by this legislation. It would not cover Enron.

Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Virginia (Mr. GOODLATTE), the author of this legislation, to further bring some light to this subject.

Mr. GOODLATTE. Mr. Speaker, I thank the gentlewoman for yielding time. I want to compliment her and the other members of the Committee on Rules for fashioning a very fine and very fair rule to debate this important piece of litigation reform.

I was pleased to hear the gentleman from Texas acknowledge the fairness of the rule, so I encourage all of my colleagues to support the rule when it comes up for a vote. But I would like to address the other issue the gentleman raised, and, that is to somehow try to associate this with Enron.

Enron's class action lawsuit is already in Federal court. The fact of the matter is, it is in Federal court because the plaintiffs in that case chose to bring it there because it involves Federal questions and because it will be a better place to handle class action lawsuits because our Federal courts are designed to hear cases from plaintiffs and defendants from a multitude of jurisdictions.

But the Enron case could have been brought in a State court in, say, Illinois where there might be a few Enron employees. It would not be appropriate for it to be heard there, but if it were brought there under diversity of jurisdiction and there were no means to remove it to Federal court, all of the gentleman from Texas' constituents in the State of Texas would be denied having an opportunity to have it heard in that court; whereas with this legislation, if it were brought in a State court where it was inappropriate to be brought, it could be easily removed to Federal court. This is not about Enron.

What this is really about is fairness to American consumers. Let me give you some examples.

Here is a case. This case shows what the trial lawyers received, $2 million in attorneys' fees, and the plaintiffs that they were representing, they got a coupon. A coupon for what? A box of Cheerios.

Here is another one. In this case, the plaintiffs' attorneys received $100,000 in attorneys' fees and the plaintiffs got three golf balls.

It gets better. In this particular case, the plaintiffs' attorneys, the trial lawyers, received $4 million in attorneys' fees and the plaintiffs each got a check for 33 cents. In case you cannot see the amount on this check, we blew it up for you. There it is: 33 cents. That is what the plaintiffs got while their attorneys got $4 million. There is a catch to it, though, for those desiring 33 cents because in order to get the 33 cents, they had to mail back in their acceptance of the settlement offer, which cost them 34 cents. So actually they came up a penny short in this particular class action lawsuit abuse.

It goes on. Here is a settlement of a case against an airline that gave the class members a $25 coupon. That sounds pretty good. It is $25. It is better than 33 cents, but it is conditioned upon their purchasing an additional airline ticket for $250 or more. In other words, it is a coupon for a 10 percent reduction in your next airline ticket. What did the attorneys get? $16 million.

This one is the best of all. A Bank of Boston settlement over disputed accounting practices produced $8.5 million in attorneys' fees. Later, the plaintiffs' attorneys in the case sued their own clients, the class members, for an additional $25 million in attorneys' fees, and the class members were required to pay $80 each for a settlement that netted the attorneys $8.5 million.

This is not a Republican effort for reform. There are plenty of folks on both sides of the aisle here who support this, including those who subscribe to this distinguished publication, the Washington Post, where they said that the lawyers cash in while the clients get coupons for product upgrades.

"It's a bad system, one that irrationally taxes companies in a fashion all but unrelated to the harm their products do and that provides nothing resembling justice to victims of actual corporate misconduct."

So, as a result of that which appeared on March 9, this past Saturday, the Post has endorsed this legislation. The Post went on to say, "That it is controversial at all," referring to this legislation, "reflects less on the merits as a proposal than on the grip that trial lawyers have on many Democrats."

So I urge my colleagues on the other side to join the many who will join us in rejecting the idea that somehow we have to have a continuation of a simply bad Federal procedural rule that would allow these cases to be brought into Federal court when all we are trying to do is to correct a very serious problem of abuse.

How does the abuse occur? The plaintiffs' attorneys, and they are good attorneys, they choose the jurisdiction in this country that they think best suits their likelihood of success in the case. That happens in every lawsuit. But in class action lawsuits involving hundreds of thousands or millions of plaintiffs, they can choose from 4,000 different jurisdictions in the country, and a handful of jurisdictions over and over and over again get the cases brought there because those judges are known to certify these classes far more readily than anybody else. Allowing removal of the case by either the plaintiffs or the defendants to Federal court will end this abuse because you will have a more uniform, more standard application of what it takes to certify a class.

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

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Michigan (Mr. CONYERS).

Mr. CONYERS. Mr. Speaker, I would just like to ask my good friend, who is on the Committee on the Judiciary, the gentleman from Virginia (Mr. GOODLATTE), who is himself an ex-trial lawyer, what is his solution to this horrible problem of trial lawyers making too much money?

I would like to yield to the gentleman from Virginia (Mr. GOODLATTE), a former trial lawyer himself.

I will repeat the question. What is the Republican solution to this horrible practice that has allowed trial lawyers, like you used to be, from reaping these incredible profits?

I yield to the gentleman from Virginia.

Mr. GOODLATTE. For better or for worse, if the gentleman would yield, I have to say that I never enjoyed such remuneration for the work that I did.

Mr. CONYERS. You did not like practicing as a trial lawyer. It was not fun.

Mr. GOODLATTE. I did not handle class action lawsuits, but I will tell you that the measure of a good lawsuit is not how much work the attorneys put into it relative to what they receive, but whether they accomplish anything for their clients. And when they get a coupon for Cheerios, they are accomplishing nothing in exchange for the large fees they receive.

Mr. CONYERS. I thank the gentleman for explaining to me what his solution is to the problem of trial lawyers making too much money.

Mr. FROST. Mr. Speaker, I yield myself 1 minute.

My colleagues on the other side want to say no, no, no, no, this is not about Enron. Explain that to the thousands of Enron employees who lost their life savings in their 401(k)s and who would like to bring a civil fraud action against executives at Enron in State court in Harris County, Houston, Texas. Explain that to them, please, if this is not about Enron.

Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. STARK).

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

Mr. STARK. Mr. Speaker, I understand what is behind this. I am not a lawyer, I will never be a judge, but this is really the Republicans' attempt to prevent themselves from being sued as a party under a class action under RICO by the 42 million beneficiaries of Medicare whose plan they are plotting to destroy.

As we sit here today, the Committee on the Budget is giving the Republican budget in the office building, and they are going to tell you how they are going to give 1 year, $8 billion, to Medicare. They have depleted the entire Medicare trust fund, and this 1 year, $8 billion, is contingent on privatizing Medicare, taking the President's reform, which is a voucher system, and destroying Medicare, as the Republicans are on record as wanting to do time and time again, starting with Newt Gingrich.

So they have given us $8 billion, or $40 billion over 5 years, if we privatize the system. That is to cover a drug benefit which ought to cost $70 billion a year by any standards. That does not allow us to correct the inequity in physicians' payments which costs $12 billion a year. This does not take care of hospital inflation, children's hospitals, teaching hospitals, cancer centers, preventive screening.

This is an obscene hoax on the American people. It is just one more indication of protecting the corporate interests and the corporate insurance companies, for instance, who provide Medicare benefits from any class action. They will not let us have the Patients' Bill of Rights. The only way we have now to enforce that is class actions in a few cases. If we could have a Patients' Bill of Rights with the right to sue, that might not be necessary.

But one more case, protect the rich, trample on the poor, do away with Medicare and Social Security, this is the Republicans' plan; and this is one more nail in the coffin of the Medicare beneficiaries.

Ms. PRYCE of Ohio. Mr. Speaker, I am pleased to yield 2 minutes to the distinguished gentleman from Texas (Mr. SMITH), a member of the Committee on the Judiciary, who can get us back on course. This is a bill that is addressing lawsuit reform, not Medicare, not Enron. The gentleman from Texas can help point that out.

Mr. SMITH of Texas. Mr. Speaker, I thank the gentlewoman from the Committee on Rules for yielding me this time.

Mr. Speaker, I strongly support H.R. 2341, the Class Action Fairness Act of 2002. The current class action system makes it too easy for attorneys to bring suit not for the benefit and well-being of class members, but for the attorneys' own monetary gain.

For instance, when attorneys sued Southwestern Bell, which is a constituent firm, alleging misrepresentation of service plans, they made $4 million in fees while the class members received only a $15 credit. A suit brought against Oracle sought no damages, but resulted in $750,000 in attorneys' fees and nothing for the plaintiffs. Unfortunately, these examples are not uncommon.

Congress should not stand by while lawyers shop around the country for a judge who will render a favorable verdict. This bill will give Federal courts jurisdiction over cases that involve aggregate claims of at least $2 million and a plaintiff and defendant from different States. It also creates a class action bill of rights that will require settlement notices to be written in plain English, prevent disproportionate attorneys' fees from being awarded, and protect consumers from actually losing money when there is a verdict in their favor.

Mr. Speaker, we must not let a few lawyers get rich at the expense of working families. I urge my colleagues to support this bill. I thank the gentleman from Virginia (Mr. GOODLATTE) for offering this bill.

Mr. FROST. Mr. Speaker, I yield 4 minutes to the gentleman from Florida (Mr. HASTINGS).

Mr. HASTINGS of Florida. Mr. Speaker, I thank the gentleman from Texas, the ranking member of the Committee on Rules, for yielding me this time.

This bill is opposed by every major environmental organization, every major consumer product safety organization, and I wonder why that is?

Mr. Speaker, it is no doubt trite to proclaim that the road to hell is paved with good intentions. This bill is a perfect example of that aphorism. No Member of this Chamber needs to lecture me about living in a culture of lawsuits and about how the number of lawsuits has spiraled out of control. I am all too familiar with that, being a trial lawyer and being a trial judge.

Let me tell you something, this bill will do nothing but make things worse for our courts in this land, worse for our judges, and, most important, it will make things worse for the people who need redress the most in our judicial system.

This bill does not make our litigious system better. Indeed, it makes it far worse. The bill before us would make it significantly more difficult for consumers to achieve relief from the most outrageous corporate abuses.

□ 1115

Frankly, this bill is a bailout for corporate wrongdoers, and that makes me sick.

Mr. Speaker, if passed, this bill will make it easier for a significant number of corporations, not just Enron, where no real class action has been filed yet, but Arthur Andersen, for example, might not have as much to fear. We may never have even heard about the problems with Firestone if this bill were law today. Monsanto, W.R. Grace, all these corporations had to face the public and face the music because of our Nation's easy access to the courthouse. This bill would have made it significantly easier for these corporations if this bill were law.

This bill would federalize class action lawsuits, plain and simple. You can take my word for it, or you can take Chief Justice Rehnquist's word for it, the Federal courts are already overworked and understaffed. This bill would only exacerbate this problem.

State courts are the much preferred venue for these types of actions. We have heard about problems in a couple of States. The fact is, there really is no crisis. Florida, California, Texas, and New York all are able to handle their caseload without Federal intervention. Certainly, if the four largest States in the United States are not having these problems, the other 46 can manage as well.

Let me tell you some things. I heard the gentleman from Virginia (Mr. GOODLATTE) a moment ago talk about a coupon. I cannot deny there are cases where lawyers have made fees and clients have not received all of the recompense that my brothers and sisters on the other side would have them. But what about tobacco and all of the money that all of the States have received? What about asbestos and black lung? Where would we be if this were law today? Would we have seat belts in our automobiles, air bags, infant car seats, child proof medicine bottles, disability access? All of those were class actions.

I am heartened that the Committee on Rules did make in order the Lofgren amendment and several others, including the amendment of my good friend, the gentleman from Massachusetts (Mr. FRANK).

I want to make it very clear that I recognize that we do not have all the time this morning to talk about this matter, but understand this: there was absolutely no consultation with Federal judges. And we talk all the time in this body about unfunded mandates. Well, this bill was not scored by CBO, according to my Republican colleagues; but CBO did say that there would be increased administrative costs. Let me tell you what some of those increased administrative costs will be: more court reporters, more translators, more clerks. And the impact on the Federal judiciary, it is all but outrageous for us to believe that courts will not bog down. If we impact

the civil litigation system in this country, then the linchpin of this country's economy will come undone.

It is a terrible mistake for us to proceed in this manner, and I urge my colleagues to defeat this bill.

Ms. PRYCE of Ohio. Mr. Speaker, I am very pleased to yield such time as he may consume to the distinguished gentleman from California (Mr. COX).

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

Mr. Speaker, I thank the preceding speaker for pointing out how urgent it is for the Democrats in control of the other body to approve the some 100 judges that President Bush has nominated that are being held hostage to politics. That is the reason that we have some backlog in some of our courts.

The fairness bill which is on the floor today is addressed to something much more discrete, and that is what is the proper role of the Federal courts and what is the proper role of the State courts.

This bill is needed to restore to the Federal courts the jurisdiction that the Framers of our Constitution gave to the Federal courts. It was the Framers that decided that when the parties to a case live in different States, multiple States, when what is at issue in the case are the laws of multiple States, that that kind of jurisdiction, diversity jurisdiction, so-called, is properly vested in the Federal courts.

What we are hearing in opposition to putting nationwide class actions in Federal Court is a sort of reverse Federalism; that somehow if multiple States are involved and parties from multiple States are involved, that a hamlet in some county in America should make law for the whole country.

The Framers gave us this jurisdiction, diversity jurisdiction, to guard against local prejudice to make sure that American citizens would not be dragged to some unfamiliar venue nowhere near where they lived and forced to appear between a rock and a hard place, as it were, unable to argue their rights that they would have back home or in a Federal jurisdiction, and knowing the outcome in advance, that they were going to be home-towned by local judges and juries. The Framers wanted to ensure that citizens would have confidence in their judicial system by eliminating this kind of local bias.

The Framers reasoned that local prejudice could result in discrimination against interstate commerce. As you recall, in article I of the Constitution interstate commerce is a Federal responsibility, not a State responsibility. Of course, prejudice against people from other States, prejudice against interstate commerce, they recognized would be highly detrimental to the country.

We are here today precisely because the Framers intended to prevent what is happening in our court system today in the form of nationwide class action lawsuits filed in local courts. A class action is typically a big lawsuit, a large lawsuit, often with hundreds or even thousands of class members. In fact, most of the Members in this Chamber and most of the people watching what is going on on this floor are probably plaintiffs in lawsuits that they do not even know about, because it is so easy to claim, if you are a lawyer, to represent a whole class of people similarly situated to your cousin.

In these large class actions involving people from all over America, there are often at issue the laws of many different States. It is because of this that a class action involving citizens of multiple States necessarily has significant interstate commerce implications, and as a result it is the quintessential Federal case.

No matter how many citizens from other States are involved, no matter how many States' laws are involved, the law as it exists today places such strict limits on the right of a party to have his or her case removed to Federal Court that it is virtually impossible for an out-of-state party to do so.

This has given rise to what is called in the lawyers parlance ''forum shopping.'' If you were a clever lawyer, you get to pick the one place in America where you know you are going to win, whether you are right or whether you are wrong. Forum shopping has resulted in a very small handful of local courts in such places as Madison County, Illinois; Jefferson County, Texas; and Palm Beach County, Florida, making law for an entire Nation.

But this is not the only negative impact of what I have called reverse Federalism. It is now openly recognized that these local courts can and do harbor actual prejudice against out-of-state defendants. This was acknowledged by the Eleventh Circuit Court of Appeals in a recent opinion in which the court apologized to the out-of-state defendant for the current state of Federal law. They recognized that while they could not permit this action under the current circumstances, which we just described, the current Federal law which makes removal so difficult, they could not permit this action to be heard in Federal Court, it ought to be in Federal Court. So they apologized to the defendant in the case for their anomalous ruling, returning a large interstate class action lawsuit to Alabama State court.

The Eleventh Circuit recognized that it was sending these defendants back to a State court system that was going to treat them, or at least had treated people similarly situated in the past, unfairly; that has produced in their words ''gigantic awards against out-of-state defendants.''

The court quoted a newspaper article noting that Alabama was ''a State whose courts are among the most widely feared by corporate defendants.'' Nonetheless, the Eleventh Circuit concluded there was nothing under current Federal law that could be done about it.

The Eleventh Circuit laid bare the harsh reality that out-of-state defendants can now face in class action lawsuits, where the thumb is put on the scale of justice in advance. You, as an individual citizen in America, as a party to one of these actions, can be dragged into a remote jurisdiction that often has little or no connection with you, or indeed with any of the parties. Appearing in local courts, facing local judges and judges unlikely to treat you fairly, you know the outcome in advance. Almost certainly you will wind up being forced to pay a large settlement just to get out of this nightmare, because you would not want to see it through trial to the unfair result.

This is precisely the kind of injustice and local prejudice the Framers intended to eliminate by explicitly granting to the Federal courts diversity jurisdiction over cases involving people, parties in multiple States, and laws of multiple States. This legislation will restore the balance between State and Federal courts and return to the Federal courts the jurisdiction over diversity indications that the Framers intended.

Now, I must say in closing that our State court system is a good system. It is a wonderful system for resolving a variety of cases. The problem is not with the entire system of State courts; but rather that some lawyers, a small number of amoral and unethical lawyers on many occasions, get to pick not just State courts in general, not just the system, but the precise place where they know they have control and where they can win.

The argument that has been made against this bill bears a heavy burden. People have stood up here and said that this would be bad for the Enron plaintiffs, even though, as we all know, the Enron plaintiffs chose a Federal forum and this bill gives anyone the right to file in a State court or remove to a Federal court.

People are saying that this tramples on the rights of State courts. I think I have dealt fairly with that argument.

I have heard it is going to protect the rich or that it is going to hurt environmental cases. The burden that you bear in making that argument is that you have to say that there is inherent prejudice against environmental issues in the Federal courts. You have to say that there is inherent prejudice according to class in the Federal courts. I do not think any of you really believes that. All that this bill does is state that if multiple States are involved, you can be in the Federal system.

This bill is an affirmation of Federalism and of the Founders' intent. It is the reason that the Washington Post so strongly supports this bill. In their editorial what they have said is that the lawyers cash in while the clients get coupons for product upgrades. That is the kind of misrepresentation that has occurred, as described by the speakers that got up before me, in this bad system that they describe, that irrationally taxes companies in a fashion

all but unrelated to the harm their products do, and that provides nothing resembling justice to victims of actual corporate misconduct.

The Federal system is a good system for resolving cases. It is the ideal system and the one that the Framers intended for resolving complex cases involving citizens and parties of multiple States and the laws of multiple States.

I strongly urge my colleagues to approve not only this rule, but the legislation when it next comes to a vote, and I predict it will pass with a big bipartisan majority.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Michigan (Mr. CONYERS), the ranking member on the Committee on the Judiciary.

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

Mr. Speaker, the gentleman from California (Mr. COX) is one of the best lawyers in the House. I do not know if he was a trial lawyer or not. But I just wanted to point out to him a couple of cases.

This discussion is not new in the Federal judiciary. We have been trying to figure out when you get to State Court and when you get to Federal Court for quite a while. So I want to refer the gentleman, the gentleman has probably seen this case before, Strawbridge v. Curtis, that was decided way back in 1806, dealing with how one has to have complete diversity to bring a State law case into a Federal law case. Indeed, they brought it up to date in another case of which I hope the gentleman is aware, Schneider v. Harris, in 1969, where the court held that the court should only consider the citizenship of named plaintiffs for diversity purposes.

Mr. FROST. Mr. Speaker, I yield 4 minutes to the gentleman from Texas (Mr. SANDLIN).

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

Our friends on the other side know that this issue is not about attorneys. It takes away rights of consumers, it gives corporate wrongdoers additional protections that they are not currently entitled to, and it strips the States of the States' own laws and procedures.

I think it is important to note that neither the Federal judiciary nor the State judiciary has requested any of these changes.

□ 1130

No judge in America has written in and asked for these questions. No organization has asked for these changes, no organization of judges at the State or Federal level. This is not a problem. This is an effort by our friends on the other side of the aisle to create a solution to an imagined problem, and it is a poor solution at that.

Also, this legislation strips powers from our State courts.

I would like to say, what happened to States' rights? What happened to the issue of local control? What happened to what we hear time and time again about local people know best what to do in local communities? This strips the authority of the State court to apply the State court's own procedural rules and the State court's own procedural laws.

This is a very, very serious 10th amendment question. It is unconstitutional. It is an effort by our friends on the other side of the aisle to federalize State actions, and it is just wrong.

Our Federal courts are already overloaded. Right now, there are 68 judicial vacancies in the judiciary, 416 civil cases pending, on average, as of 2001. The criminal trials, of course, get preference; and every commentator has said, this will move practically every single class action in America into the Federal court. Our friends on the other side of the aisle want to federalize every action.

Now, let me tell my colleagues something about this ridiculous argument about forum shopping and trying to get preference. Let me give an example. In my hometown of Marshall, Texas, if one wants to file a class action in State court, it is filed in the State district court. If one would like to file it in the Federal court, you move one block down the street and you file it in the Federal court in Marshall, Texas.

Trying to act like there is some big Federal procedure and big Federal law that covers everything is absolutely not true. Remember, no matter what Federal court one files this in, the Federal court is applying State law. The Federal court is applying State law. I take offense to objections to State courts and State law and State judges.

Let me read something that one of our friends in Congress said not long ago about judges. He said, ''I simply say, the State judge went to the same law school, studied the same law, and passed the same bar exam that the Federal judge did. The only difference is, the Federal judge was better politically connected and became a Federal judge. But I would suggest when the judge raises his hand, State court or Federal court, they swear to defend the U.S. Constitution; and it is wrong, it is unfair to assume ipso facto that a State judge is going to be less sensitive to the law, less scholarly in his or her decision, than a Federal judge.''

The gentleman from Illinois (Mr. HYDE) made those statements.

It is important that we make sure that consumers have access to the courts. It is important that they choose, and it is important that we stick up for the United States Constitution for once, and we do not move everything into the Federal system.

Let me mention one other thing. Oftentimes suits effect changes that are good. There has been a lot of talk about coupons here. Sometimes those coupons are good. Sometimes they change products. There are products on the market today that have increased warnings as a result of suits that have been brought by consumers all across America, where they have been harmed by corporate America, but they cannot afford to have their own suits.

Do the words in litigation, Ford Pinto, fire-safe pajamas, asbestos, do those raise an issue? Those are not class actions, but those are lawsuits that have caused change, and class actions do the same.

I urge my colleagues to vote against this legislation.

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

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

Mr. Speaker, I rise in opposition to this bill because of its substance, which I oppose, but also because of the very fact that it is being brought up at a time when we should be bringing up a bill that the Democrats are asking to be discharged to provide unemployment benefits and health benefits to those people affected by the September 11 attacks.

We lost no time in bailing out the airline industries after the tragedy of September 11, and that was something we probably should have done. At the same time, in tandem with that, we should have had legislation on this floor in order to help those workers who were left unemployed after that tragedy, but we did not. Here we are 6 months later.

Last week we passed legislation, which was the very least we could do, to extend unemployment benefits for workers. But many, many people cannot avail themselves of that benefit, and the bill did nothing last week to address the issue of loss of health benefits by America's workers.

So, instead, I am asking our colleagues today to defeat the previous question; and then that will allow Democrats to bring a comprehensive unemployment insurance bill to the floor, including health care for unemployed workers. Instead of passing anticonsumer class action legislation, we should be bringing legislation to the floor to help unemployed workers.

It is not a question of Democrats and Republicans deciding on how to help unemployed workers; it is a question of whether we are going to fully help unemployed workers. The Democrats say yes, the Republicans say no. The Republicans say we want to use our time on the floor to pass legislation, and in this time of Enron, I mean it is so brazen.

I am surprised that I am surprised, quite frankly, because usually I am not surprised at anything in politics. But it is surprising that with all of the headlines on Enron and Arthur Andersen and the rest, that instead of helping workers put out of work, we are making it harder for consumers to file class action suits.

Mr. Speaker, I urge my colleagues to vote to defeat the previous question.

Ms. PRYCE of Ohio. Mr. Speaker, I would just like to remind the gentlewoman from California that this House has passed health benefits twice. We have passed unemployment benefits,

and it was signed into law actually last weekend; I was at the signing ceremony. This has been done.

I do not know where she is coming from. This House has acted responsibly and we will continue to do that.

Mr. Speaker, I am very pleased to yield 3 minutes to the distinguished gentleman from Indiana (Mr. PENCE), a member of the Committee on the Judiciary.

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

Mr. PENCE. Mr. Speaker, I thank the gentlewoman for yielding me this time and for her masterful handling of this rule and the underlying debate.

I do rise as a member of the Committee on the Judiciary in strong support of the rule and of the underlying legislation, the Class Action Fairness Act of 2002.

I believe as a new Member of this institution that whatever laws that we pass, they ought to ever and always be judged by how they impact not the most prosperous or the most affluent in our country, but by how they impact the least of these; how the laws in this place impact the average, working, struggling American family. And in that, I agree with the sentiment expressed by the gentlewoman from California that this institution should be focused on the least of these and on struggling Americans.

I just simply would offer that, today, the least of these ought not to include doctors, lawyers, and corporate executives, but rather it ought to include aggrieved families and hurting Americans like the employees of Enron or other litigants and plaintiffs in class action lawsuits who have been made the subject of a system that the Washington Post called bad and called corrupt in a recent March 9 editorial.

Mr. Speaker, the father of the gentleman from Oklahoma (Mr. WATTS) says the definition of a contingency fee is, if you lose, your lawyer does not get paid, but if you win, you do not get paid. And regrettably, as we learned in recent examples debated on this House Floor, $2.5 million in a class action lawsuit goes to the attorneys and the litigants get a coupon for a box of Cheerios. Another example: $4 million in legal fees and 33-cent checks distributed to hurting families, not even covering the postage for turning in their application to be members of the class.

The benefits of the legislation on the floor today are truly targeted to benefiting working and aggrieved Americans. Requiring that all class notices and settlement notices be in plain English is one of the requirements of this bill, and ensuring that attorneys' fees in class actions are based on a reasonable percentage and provide protection against loss by class members.

I rise today as a strong conservative Member of this institution, and I must say to my colleagues that it is a rare day that I ever thought that I would be quoting the Washington Post on the floor of this chamber, but I will do so today. The Washington Post wrote in supporting the work of the Committee on the Judiciary, that is on the floor today, that under the current system, ''At settlement time, the lawyers cash in while the clients get coupons for product upgrades. It is a bad system.''

They went on to write, ''This corrupt system is made possible to some degree because of how difficult it is to yank cases from State court and move them into the Federal system where judges tend to examine them more skeptically.'' They point out the positives in the provisions of this bill.

Mr. Speaker, I urge all of my colleagues to support the rule, to support the Class Action Fairness Act, and say ''yes'' to hurting American families and litigants taking their stand in our best courts against the most powerful.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. PELOSI).

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

I rise to respond to the question: ''I do not know where she is coming from; we have passed health benefits for these workers over and over again.''

Where I am coming from is a meeting with James Dodrill, an unemployed worker whose health benefits expired last week at a time when his wife has been diagnosed with serious illness, James and his family, he and his wife and their three children.

James's benefits ran out last week. Under the current law, James would have to spend over $7,000 a year to pay for his COBRA benefits. The legislation in our discharge petition would help pay for 75 percent of that and fund the States to pick up the other 25 percent, so that unemployed workers can continue their health benefits with real health care benefits and would expand the number of people who fall into that category and include some workers who were never eligible for COBRA to be included in Medicaid.

It is a good discharge. I urge my colleagues to sign it. That is where I was coming from.

Ms. PRYCE of Ohio. Mr. Speaker, would the gentlewoman yield to answer the question of whether she voted for extending those health benefits?

Mr. FROST. Mr. Speaker, I believe the gentlewoman's time has expired.

Ms. PRYCE of Ohio. Mr. Speaker, I was just curious as to whether the gentlewoman was in favor of her constituents and voted as such when she had the opportunity.

Ms. PELOSI. Mr. Speaker, I would be pleased to answer on the gentlewoman's time.

Mr. FROST. Mr. Speaker, I yield 6 minutes to the gentleman from Massachusetts (Mr. DELAHUNT).

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

I am really becoming more confused as I listen to this debate. When I first arrived in Congress some 5 years ago, I recollect very passionate rhetoric coming from the other side about States' rights and a new era in federalism. So it is really ironic that this particular week we are considering two bills that would send us off in an entirely different direction.

This bill, the so-called, and let me suggest it is truly mislabeled, Class Action Fairness Act, would remove thousands of class action suits from State courts to Federal courts; and a consequence of that would be that ordinary citizens and hurting American families and consumers would be severely disadvantaged against large corporations. And that is why every consumer group in America is opposed to this bill. Every legitimate major consumer group is opposed to the bill.

Now, the other bill that is scheduled for tomorrow, the so-called ''Two Strikes and You're Out Child Protection Act,'' continues that relentless federalization of crime that has been roundly criticized by such conservative icons as former Attorney General Ed Meese and the Chief Justice of the United States Supreme Court, Mr. Rehnquist.

I remember the Contract for America and, boy, suddenly it seems, oh, so long ago, the Contract For America. Well, according to the Judicial Conference, the class action bill would overwhelm Federal courts that are already staggering under their current caseload. Of course, for the innocent victims of corporate misconduct, this would mean years of delay before they would get their day in court.

How many times have we heard on the floor of this House, ''Justice delayed is justice denied''?

□ 1145

Well, one might suppose that this proposal was written by people who favor a larger role for the Federal Government, but that is not the case. The authors are the same individuals, and let me quote the Washington Post, that referred to the proponents as ''self-proclaimed champions of State power.''

One could also speculate that this proposal was generated by people who advocate a larger role for the Federal judiciary; but again, that is not the case. Some of the sponsors of this bill regularly come to the well and rail against judicial activism by ''unelected Federal judges.''

Now, a while back, these same Members were on the floor attempting to pass a bill, and I am sure some of the Members here remember it, called the Judicial Reform Act, which would have prohibited Federal judges from ordering a State or local government to obey Federal environmental protection, civil rights, or other laws if doing so would cost the States any money. Oh, if hypocrisy were a virtue.

What that bill attempted to do was to strip the Federal courts of jurisdiction over violations of Federal law that were indisputably within their power

and their sphere of authority. What this bill ironically attempts to do is to transfer to those same Federal courts jurisdiction over violations of State and local laws that have never been within the scope of the Federal courts and their jurisdiction.

This is truly Alice in Wonderland: Up is down, and down is up. So much for federalism. So much for local control.

Maybe it is too cynical to suggest that the reason for this about-face has more to do with the financial interests of powerful American corporations than concern for the appropriate division of authority between Federal and State courts. Maybe that is too cynical. Because it certainly has nothing to do with hurting American families, nothing whatsoever.

In any event, Mr. Speaker, we come here today not to praise federalism but to bury it. So its demise has been slow and agonizing, and I guess this bill gives it the proper burial it does not deserve.

Ms. PRYCE of Ohio. Mr. Speaker, I yield 30 seconds to my good friend, the gentleman from Virginia (Mr. GOODLATTE), the author of this legislation.

Mr. GOODLATTE. Mr. Speaker, the gentleman from Massachusetts has turned federalism and States' rights on their heads. This bill is about protecting the rights of States. It is absolutely wrong in a nationwide class action lawsuit for one party to be able to pick one State court judge in one State and have them come in and have them decide the law of the other 49 States; plus, this bill gives complete discretion to the trial judge to remand to the State courts those cases that the judge feels are truly State court matters, and State court matters that are exclusively in one jurisdiction cannot be removed. This is not about States' rights unless Members look at it from our standpoint.

Mr. FROST. Mr. Speaker, I yield 30 seconds to the gentleman from Massachusetts (Mr. DELAHUNT).

Mr. DELAHUNT. Now I am really confused, Mr. Speaker, maybe the gentleman from Texas can explain to me why the National Council of State Legislatures have registered their opposition to this bill. Maybe they have given up on the 10th amendment, also.

Mr. FROST. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, again, as I mentioned earlier, I find this all somewhat puzzling. My friends on the other side rail against these State judges. They think these State judges are out of control.

In my State of Texas, we elect our State judges. In our largest county, Harris County, they are all Republicans. In our second largest county, Dallas County, they are all Republicans. In Tarrant County, where Fort Worth is located, they are all Republicans. Every member of our State supreme court, who is also elected, is a Republican.

I do not understand what the Members on the other side have to fear from State judges, these out-of-control State judges. I guess they are distrustful of some members of their own party.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. SANDLIN).

Mr. SANDLIN. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, we have heard a lot about the Cheerios cases. Let us look at the facts. Basically, the consumers had to throw away a box of Cheerios. They got back their Cheerios and were made whole.

That is not what that litigation was about; it was about tainted food. The pesticide applicator is now serving a 5-year prison sentence for, among other felonies, intentionally altering food under the Federal Food, Drug, and Cosmetic Act; knowing misuse of pesticides under the Federal Insecticide, Fungicide, and Rodenticide Act, and other matters.

The litigation is really between insurance companies and big fees by insurance company lawyers. The policyholders of the insurance company, its general liability insurance company, denied a claim. They both asserted that the loss was not covered; but if it was covered, it was covered by the other insurance company.

As a result, the pleadings have been placed in the court's vault. The name of the parties, the insurance companies and the parties, have been removed from the pleadings, and even from the docket.

More amazing, both parties in that litigation were given pseudo names. The name of that suit has been renamed ABC v. DEF. That is not litigation among class members; that is not fees by class attorneys. That is litigation between insurance companies and big fees by insurance defense attorneys.

If Members want to have true limits, limit that. Limit the fees charged by the insurance defense attorneys. Limit litigation among corporations. Do not take away rights from consumers in America. Do not give additional protections to corporate wrongdoers.

The problem is right there in the Cheerios case, but they did not identify the right problem.

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

Mr. Speaker, if the previous question is defeated, I will offer an amendment to the rule. My amendment will provide that immediately after the House passes the class action bill, it will take up the Putting Americans First Act, which will provide meaningful health care relief for unemployed workers.

My amendment provides that the bill will be considered under an open amendment process so that all Members will be able to fully debate and offer amendments to this critical bill.

Mr. Speaker, this week marked the 6th-month anniversary of the tragic events of September 11. Our economy was already in decline before the event, and became even more troubled following that date. Millions of Americans have lost their jobs, and many more are expected to join the ranks of the unemployed in the future.

Job loss is not only the loss of a paycheck. It usually means the loss of health insurance, as well. These people need relief immediately, and they will get it from this bill. It is time for the House to do its work and pass legislation to help these people.

Let me make clear that a ''no'' vote on the previous question will not stop consideration of the class action bill. A ''no'' vote will allow the House to get on with this much-needed legislation to provide health care assistance for those Americans who have lost their jobs and their health insurance.

However, a ''yes'' vote on the previous question will prevent the House from taking up this worker-relief bill.

Mr. Speaker, I urge a ''no'' vote on the previous question, and I ask unanimous consent that the text of the amendment be printed in the RECORD immediately before the vote on the previous question.

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

There was no objection.

The amendment referred to is as follows:

At the end of the resolution add the following new sections:

SEC. . Notwithstanding any other provision in this resolution, immediately after disposition of the bill H.R. 2341, the Speaker shall declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 3341) to provide a short-term enhanced safety net for Americans losing their jobs and to provide our Nation's economy with a necessary boost. 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 Ways and Means. After general debate the bill shall be considered for amendment under the five-minute rule. The bill shall be considered as read. 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.

SEC. . If the Committee of the Whole rises and reports that it has come to no resolution on the bill H.R. 2341 or H.R. 3341, then on the next legislative day the House shall, immediately after the third daily order of business under clause 1 of rule XIV, resolve into the Committee of the Whole for further consideration of that bill.

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

I have to say that I agree with some of the points made today.

I agree with my friend, the gentleman from Texas (Mr. FROST), that we should be providing health care for unemployed workers. That is why most people on this side of the aisle voted to do that at least twice over the last few weeks.

I also agree that there is a huge vacancy rate on our Federal bench. I urge my friends to urge their friends in the other body to get their work done and act on these nominees.

I agree that there was greed at Enron. This makes our point, Mr. Speaker. Together, three top company executives are accused of bilking shareholders of $198 million.

Yet, for all the alleged greed, the wrongdoing of these three executives is far outweighed by what the lawyers stand to reap. According to news reports, Arthur Andersen made a preemptive settlement offer to Enron shareholders in the amount of $750 million. At the standard 32 percent contingency fee, this would work out to a $225 million share of that sum going to the lawyers. That truly is bilking the shareholders.

Mr. Speaker, I just want to thank my colleague, the gentleman from Virginia (Mr. GOODLATTE), for all his hard work and dedication to reforming our civil justice system to work for the parties and not for the lawyers.

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

The SPEAKER pro tempore. The question is on ordering the previous question.

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

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting, if ordered, on the question of adoption of the resolution.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 221, nays 198, not voting 15, as follows:

[Roll No. 55]

YEAS—221

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boucher
Boyd
Brady (TX)
Brown (SC)
Bryant
Burr
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Moran (VA)
Morella
Myrick
Nethercutt
Ney
Northup
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stenholm
Stump
Sullivan
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)

NAYS—198

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Becerra
Berkley
Berman
Berry
Bishop
Blumenauer
Bonior
Borski
Boswell
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—15

Barrett
Barton
Bentsen
Blagojevich
Burton
Cubin
Davis (IL)
Eshoo
Graham
Hinojosa
Norwood
Ortiz
Radanovich
Traficant
Young (FL)

□ 1219

Ms. SLAUGHTER, and Messrs. FORD, PASCRELL, NEAL of Massachusetts, RUSH, and Mr. DAVIS of Florida changed their vote from ''yea'' to ''nay.''

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the House by Ms. Wanda Evans, one of his secretaries.

CONTINUATION OF NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107–197)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iran emergency is to continue in effect beyond March 15, 2002, to the *Federal Register* for publication. The most recent notice continuing this emergency was published in the *Federal Register* on March 14, 2001 (66 Fed. Reg. 15013).

The crisis between the United States and Iran constituted by the actions and policies of the Government of Iran, including its support for international

terrorism, efforts to undermine Middle East peace, and acquisition of weapons of mass destruction and the means to deliver them, that led to the declaration of a national emergency on March 15, 1995, has not been resolved. These actions and policies are contrary to the interests of the United States in the region and pose a continuing unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. For these reasons, I have determined that it is necessary to continue the national emergency declared with respect to Iran and maintain in force comprehensive sanctions against Iran to respond to this threat.

GEORGE W. BUSH.
THE WHITE HOUSE, *March 13, 2002*.

PERIODIC REPORT ON NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107–188)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa–9(c), I transmit herewith a 6-month periodic report prepared by my Administration on the national emergency with respect to Iran that was declared in Executive Order 12957 of March 15, 1995.

GEORGE W. BUSH.
THE WHITE HOUSE, *March 13, 2002*.

CLASS ACTION FAIRNESS ACT OF 2002

The SPEAKER pro tempore. Pursuant to House Resolution 367 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. 2341.

□ 1220

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. 2341) to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, to outlaw certain practices that provide inadequate settlements for class members, to assure that attorneys do not receive a disproportionate amount of settlements at the expense of class members, to provide for clearer and simpler information in class action settlement notices, to assure prompt consideration of interstate class actions, to amend title 28, United States Code, to allow the application of the principles of Federal diversity jurisdiction to interstate class actions, and for other purposes, with Mr. LINDER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Michigan (Mr. CONYERS) each will control 30 minutes.

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

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

Mr. Chairman, I rise in strong support of H.R. 2341, the Class Action Fairness Act of 2002. Last August, The Washington Post Editorial Board wrote that ''no portion of the American civil justice system is more of a mess than the world of class actions. None is in more desperate need of policymakers' attention.''

Mr. Chairman, the Post almost got it right, except that the world of class action litigation is not a mess, it is a joke. The examples speak for themselves:

An airline price-fixing settlement produced $16 million in attorneys' fees that only provided a $25 credit for class members, if they purchased an additional airline ticket for more than $250.

The Bank of Boston accounting settlement, which resulted in $8.5 million in attorneys' fees but actually cost class members around $80 apiece. And if that was not bad enough, the plaintiffs' attorneys in this settlement actually sued the class members for an additional $25 million.

In Mississippi, an asbestos settlement rewarded class members from Mississippi as much as 18 times more than class members from other States. In another case, a class action settlement against Cheerios over food additives produced $2 million in attorneys' fees and class members only received coupons for more Cheerios.

While these settlements are a disgrace to the American legal system, H.R. 2341 takes important steps to restore its dignity. First, it would implement necessary safeguards against these and other unwieldy settlements that give lawyers millions of dollars in fees and individual class members a small fraction of any settlement or award. Secondly, it would expand Federal diversity jurisdiction over interstate class actions to help curb the serious abuses that continue to take an enormous toll on our society.

A quick examination of the class action world reveals that the scales of justice are unable to balance the interests of class action lawyers and their clients. Currently, attorneys lump thousands and sometimes millions of speculative claims into one class action and then race to any available State courthouse in the hopes of a rubber stamp settlement. Too often these settlements result in millions of dollars of attorneys' fees and a mere pittance or coupons for class members in exchange for an agreement not to sue in the future.

While these class actions serve no public policy or benefit to class members, they are an enormous windfall for their attorneys. In addition, because most State and Federal procedural rules require the class members affirmatively opt out of the lawsuit, there are many instances where people are dragged into class actions and do not know how to get out. The only available advice is supposedly contained in extremely complicated class action notices. Mr. Chairman, this system does not protect the interests of class members.

While case after case demonstrates how greedy attorneys use abusive class action settlements to game the system at the expense of their clients, this bill provides long-needed protections to prevent this from happening in the future. A consumer class action bill of rights would prohibit the payment of bounties to class representatives, bar the approval of unreasonable net-loss settlements, and establish a plain-English requirement for settlement notices which clarify class members' rights. Additionally, H.R. 2341 would require greater scrutiny of coupon settlements and settlements involving out-of-state class members.

With the filing of State court class actions having increased a thousand percent over the last 10 years, the current system has transformed certain State courts into the epicenter for class action abuse. It is widely known that there are a handful of State courts notorious for processing even the most speculative of class actions. These courts end up rendering judgments that make national law and bind people from all 50 States. This is exactly what diversity jurisdiction in our Federal courts was intended to prevent.

The bill would rectify this situation by updating antiquated Federal jurisdictional rules and providing our Federal courts with jurisdiction over large interstate class actions. Currently, the Federal Rules provide Federal court jurisdiction for disputes dealing with Federal laws and disputes based upon complete diversity. That means that all plaintiffs and defendants are residents of different States and that every plaintiff's claim is valued at $75,000 or more. As a result, Federal courts have jurisdiction over lawsuits between people from two different States for just over $75,000 but do not have jurisdiction for national class actions worth billions of dollars. Instead, these massive lawsuits are being processed in various county courts throughout the country.

The bill establishes a new minimal diversity standard for class actions, requiring that any plaintiff and any defendant are residents of different

States and that the aggregate of all claims is at least $2 million. While the bill does not require that all interstate class actions be filed in Federal court, those that do satisfy this minimal diversity requirement may be removed to Federal court. However, the bill also excludes class actions dealing with one State, that are against a State, or consist of less than 100 class members, and all securities and corporate governance litigation.

Mr. Chairman, the Federal court is where these cases belong. The Federal courts are equipped and practiced in handling complex, interstate cases, unlike many of the county courts that have been the source of rampant class action abuse. In addition, Federal courts are trained to balance various State laws in similar complex legislation. This Congress has already endorsed this notion when it designated a single Federal district court to resolve all litigation relating to the September 11 attacks and possible future litigation under the terrorism reinsurance legislation.

Finally, Mr. Chairman, it is important to note that the cost of class action abuses are not limited to the parties of these settlements. They are shared by the American consumer. Because potential liability of a class action is so enormous and unpredictable under the current system, most defendants are willing to settle regardless of the merit. The cost is then passed off to the consumer in the form of higher prices for goods and services. This burdens the American economy and creates unneeded threats against America's ingenuity.

Also, Mr. Chairman, these lawsuits pose a threat to the security of America's retirement plans. While class action liability can be enormous, news of these lawsuits on Wall Street can drive down a particular stock by as much as 8 to 10 points in a day. For someone depending upon a steady return on their invested retirement plan, this drop should be extremely alarming.

□ 1230

The bottom line is that H.R. 2341 is a common-sense approach to promote national litigation efficiency and fairness to all potential plaintiffs. I urge my colleagues to support this legislation.

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

Mr. CONYERS. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia (Mr. BOUCHER), although he is not opposed to the action but supports this bill, and we on this side do not.

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

Mr. BOUCHER. Mr. Chairman, I thank the gentleman from Michigan for yielding me this time.

Cases that are truly national in scope are being filed as State class actions before certain judges who employ an almost ''anything goes'' approach that renders virtually any controversy subject to certification as a class action. In such an environment, defendants and even plaintiff class members are routinely denied their range of normal rights as there is a rush to certify classes and then a rush to settle the cases.

Plaintiffs suffer a range of horrors. In order to prevent removal of the case to Federal court, the amount sued for is sometimes kept artificially below the $75,000 Federal jurisdictional amount even if individual plaintiffs would be entitled to recover more.

In another effort to avoid removal to Federal court, the class action complaint will sometimes not assert Federal causes of action that could legitimately be raised, denying plaintiffs an opportunity for these Federal claims to be heard.

Sometimes in the settlement of these cases, the plaintiffs get coupons while their lawyers receive millions. And in at least one case, the plaintiff class members at the end of the settlement had a debit of $91 posted to their mortgage escrow account while their lawyers received $8.5 million for their services. The plaintiffs had a net loss because of the suit. They were worse off after the class action than before it was filed.

Our legislation addresses these problems by permitting cases that are truly national in scope to be removed to the Federal courts even if the diversity of citizenship requirements of current law are not strictly met. Instead, we look to the center of gravity of the case.

The target of these cases is usually a large out-of-State corporation. The plaintiffs are usually consumers who reside in many States. These cases are national in character and our bill would permit removal to Federal court even if a local defendant has been sued for the purpose of destroying complete diversity of citizenship.

Our reform is truly modest. The procedural remedy it contains narrowly addresses a broad procedural abuse. I am pleased this afternoon to urge its passage by the House.

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

My friend from Virginia has suggested, I thought I heard him say that this is a consumer-friendly piece of legislation. In the interest of all the Members knowing about the objections to this bill, I bring to them communications from the Consumer Federation of America, which urges that we oppose the measure, indicating that this bill will create numerous barriers to participating in class actions by permitting defendants to remove most State class action suits to Federal court and will clog the already-crowded Federal court system.

In addition, we have a letter from Public Citizen sent to myself and the gentleman from Wisconsin (Mr. SENSENBRENNER) which writes to comment about the importance of class actions and how these so-called ''procedural changes'' will do great damage to groups of consumers who, in trying to bring action against corporate defendants, would be forced either to bring individual suits or to remove themselves to a Federal docket for reasons that are not quite clear to most of us that are not happy about the bill. Some of these notions are not in the public interest.

I hope that, first of all, everybody voting on this bill will not think that this is a consumer-supported bill. It is opposed by consumer organizations and would clearly be damaging to consumers trying to get into the court.

PUBLIC CITIZEN,
Washington, DC, March 5, 2002.

Hon. JAMES SENSENBRENNER,
Hon. JOHN CONYERS, Jr.,
Committee on the Judiciary, House of Representatives, Washington, DC.

Re H.R. 2341, Class Action Fairness Act.

DEAR CHAIRMAN SENSENBRENNER AND RANKING MEMBER CONYERS: We are writing to comment on H.R. 2341 relating to class actions. This bill would give the federal courts jurisdiction over most class action lawsuits, and add a ''Consumer Bill of Rights'' for members of a class.

Public Citizen has a long history of working to make class actions fairer and more beneficial to plaintiffs. We have participated in nearly forty cases to advocate for more equitable settlement terms for consumers, oppose excessive attorneys fees, and ensure that the class action vehicle is not weakened. For the reasons stated in our testimony on an earlier version of this bill, which is attached, we strongly oppose this bill. We ask that you include these comments and our earlier testimony in the hearing record.

THE IMPORTANCE OF CLASS ACTIONS

Proponents of this bill have expressed concerns that businesses are being unfairly targeted by class action litigation. We recognize that most businesses are working hard to provide good products to American consumers. But the fact is that many of the business enterprises that are being sued are really no different from the old-fashioned flim-flam men, taking the corporate guise for the legitimacy it bestows, and also for its insulation from liability.

This is illustrated best by the tremendous problem of predatory lending. There are lenders who pay bribes and kickbacks to mortgage brokers, to induce them to sell out their clients and sign them up for higher rather than lower interest rate loans. There are mortgage companies accepting kickbacks from overpriced title insurance companies. There is also nickel-and-dime chiseling, turning $85 recording fees into $100 recording fees, $325 appraisal fees into $500 appraisal fees, and the like. There are $10,000 credit life insurance policies being packed on to loans, which have little if any value to the consumer. The defendants in most class actions are not acting like legitimate businesses, but are simply fast-buck artists and con men.

In other cases, the businesses are legitimate and are trying to provide valuable services, but corner-cutting or overreaching has prevailed. These problems may be caused by ambitious individual managers, a bean-counter mentality, a chainsaw-CEO, groupthink, or just plain greed. As the Enron scandal has demonstrated, in some cases you find that the moral compass has failed.

In many of these cases, it is only the class action lawsuit that can protect the victim. In some instances, the amount of money stolen is too small on a per-person basis to support an individual lawsuit; in others, there

are vulnerable, unsophisticated consumers, who are unable to recognize that they have been fleeced. The class action device permits aggregation of cases and a more efficient disposition of claims.

FEDERALISM AND CLASS ACTIONS

When Congress perceives a problem in an area that is traditionally handled by state and local government, it has five legislative options. You can provide (1) grants or (2) technical assistance to state and local governments to help them solve the problem; (3) you can exercise concurrent jurisdiction; (4) you can mandate state and local compliance with your standards; or (5) you can pre-empt state law with federal law.

Obviously, as you move down this list, you are usurping local control to increasingly greater degrees. So it seems odd that here, broad federal preemption has been the first impulse, rather than the last resort, of those who suggest that class action changes are needed.

We believe that this issue calls for the least onerous federal intervention, for a number of reasons.

First, proponents of the legislation have argued that some rural counties in a few states have become magnets for class actions and invite abuse. If that is the case, the appropriate response is at the state level, not in Washington. Responding to due process and forum shopping concerns expressed by corporate defendants, the Alabama Supreme Court acted to abolish the practice of ex parte certifications of class actions. We are confident that any local problems will be resolved by state governments.

Second, the basic premise behind the bill, that federal judges are ''better equipped'' to monitor cases (to quote Senator Grassley) and ''likely to give closer scrutiny'' to settlements (in the words of Senator Kohl) is untrue.

With regard to the ''better equipped'' proposition, it is argued that federal judges have more ''complex litigation experience'' than state judges. In fact, less than 1 percent of the federal courts' caseload is class actions. Moreover, of the 2,393 class actions filed in the entire federal system in 2000, only 321 involved state law claims. The vast majority of the cases involved uniquely federal law questions, such as securities, civil rights, or antitrust. Only 105 of the cases involved consumer fraud-type claims, which are the mainstay of state court class actions. That's about one consumer fraud claim per federal district, not per judge. If a federal judge has experience with this sort of class action, it is probably because he or she was a state court judge before elevation to the federal bench.

The authors of this bill acknowledge that certain state court judges have expertise in particular areas—the bill makes an exception for corporate governance cases to be heard in Delaware. We believe that expertise among state judges is not limited to Delaware chancery judges. The state court bench in Arizona is perhaps the most innovative in the nation, and has been at the forefront of reforms that have spread to other states and to the federal system. In responding to horror stories from a few rural counties, this bill could take cases away from well-qualified state judges in places like Phoenix or Chicago.

As to the claim that federal judges would do a better job scrutinizing class action settlements, we believe that is, unfortunately, not true. A number of attorneys have alleged that a federal judge in Chicago recently approved an unfair ''reverse auction'' settlement, whereby defendants settled with plaintiffs' firm that accepted the least benefits for the class members. This case involved competing state and federal class actions over ''refund anticipation loans.'' The attorneys intervening to stop the settlement allege that the plaintiff's attorneys accepted a mere $25 million in return for releasing a nationwide class' claims worth a billion dollars. We have no way of knowing the actual value of the claims, but the incident leaves one important question unanswered: If it is true that federal judges are more likely to give close scrutiny to settlements, why did the defendants choose to settle a federal court case rather than one of six identical state court cases? If the premises underlying this bill are correct, shouldn't they have settled one of the state court cases instead? The fact that the federal judge here had law clerks did not deter this settlement.

Moreover, we note also that the RAND Institute's report was very clear in finding no empirical evidence to support the argument that federal judges are better able to manage class actions than state judges. Public Citizen's own experience shows that federal judges can err just as often in approving abusive settlements.

PROCEDURAL CHANGES

H.R. 2341 also contains several ''Consumer Bill of Rights'' provisions. Some of these ideas have merit and some plainly do not. However, we believe Congress should refrain from making adjustments to Rule 23 and leave such changes to the federal judiciary's Advisory Committee on Civil Rules. The Rules Advisory Committee consists of judges, academics, and practicing lawyers who are among the nation's top experts on civil procedure. Pursuant to the Rules Enabling Act, the Advisory Committee is empowered to review the current rules, study problems, and propose amendments. The Advisory Committee solicits and carefully considers input from the bar and from interest groups in formulating changes.

Class actions have been the subject of their attention in recent months, and they are currently considering extensive changes to Rule 23. We respect the expertise that the Congress and its Judiciary Committees have on civil procedure matters. Nonetheless, we feel that these contentious issues are best resolved outside the heated political process.

FINDING A SOLUTION

Sound congressional policymaking must take account of the advantages and disadvantages of our federal system. Achieving good federalism means understanding the competing values of local control and national uniformity, and striking the appropriate balance between these values in individual policy areas.

Unfortunately, the dispersion of authority among 50 states can sometimes create perverse incentives. The reverse-auction phenomenon in overlapping class actions is an example of this. Narrowly tailored federal legislation could fix this problem without upsetting the delicate state/national balance by bringing most state class actions into federal court. But that in no way resembles the legislation that the sponsors of H.R. 2341 have proposed.

Another avenue to explore is RAND's suggestion that one way to improve judicial scrutiny would be to allow judges to seek assistance from neutral experts and auditors to assess the value of settlements. Congress could use its spending power to assist judges, both state and federal, by increasing the resources available to them to manage class actions. A grant program through which individual courts could secure funding for neutral experts and special masters would exemplify cooperative, rather than coercive federalism. Such a program could be administered by the Justice Department, the National Center for State Courts, or the Administrative Office of the U.S. Courts.

As an organization that vigorously opposes abusive class action settlements, we can only conclude from H.R. 2341 that the business community wants this legislation not to end such practices, but because they perceive an advantage to defending class actions in federal court. We urge you not to move forward with this bill.

Sincerely,

JOAN CLAYBROOK,
President, Public Citizen.

FRANK CLEMENTE,
Director, Public Citizen's Congress Watch.

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

Mr. SENSENBRENNER. Mr. Chairman, I yield 4 minutes to the gentleman from Virginia (Mr. GOODLATTE) who is the author of the bill.

Mr. GOODLATTE. Mr. Chairman, I thank the gentleman from Wisconsin for yielding me this time and for his leadership in bringing this legislation forward.

I was pleased to introduce this legislation along with the gentleman from Virginia (Mr. BOUCHER). This much-needed bipartisan legislation corrects a serious flaw in our Federal jurisdiction statutes. At present, those statutes forbid our Federal courts from hearing most interstate class actions, the lawsuits that involve more money and touch more Americans than virtually any other litigation pending in our legal system.

Class actions of national importance should be heard in Federal court by a Federal judge, not by a State or county court judge in one region of the country. Why? Because the plaintiffs' attorneys choose from a very select number of courts around the country where the judges are known to be very favorable to class action lawsuits.

Let me cite on example of a class action horror story. After being named in 23 class action lawsuits, Blockbuster agreed to provide class members with only $1-off coupons, buy-one-get-one-free coupons and free Blockbuster Favorites video rentals. Attorneys are reported to receive around $9.2 million in attorneys' fees.

Cheerios, the gentleman from Wisconsin mentioned this recently, without any allegation of any harm to any of the plaintiffs in the case related to the ingredients of a box of Cheerios, the case was settled. For what? The opportunity for the customers to go out and get another box of Cheerios while their attorneys got $2 million.

This is one of my favorites. In this case against Chase Manhattan Bank, the trial lawyers took $4 million in attorneys' fees and the plaintiffs in the case got, you can read it here, 33 cents. If you cannot read it, we will blow it up for you, 33 cents, while the plaintiffs' attorneys got $4 million in attorneys' fees. What does that amount to?

There is a catch actually for getting your 33 cents. Because it took a 34-cent postage stamp to mail in the acceptance of the settlement. So actually you came up a penny short. But the trial lawyers did not. 4 million bucks.

The Washington Post has it exactly right: ''Having invented a client, the lawyers also get to choose a court. Under the current absurd rules, national class actions can be filed in just about any court in the country. The lawyers cash in while the clients get coupons for product upgrades. It is a bad system, one that irrationally taxes companies in a fashion all but unrelated to the harm their products do and that provides nothing resembling justice to victims of actual corporate misconduct.''

The Rocky Mountain News put it even more to the point:

''Your lawyers have one more surprise for you after they bring these suits. You aren't eligible for the full settlement unless you also agree to spend some of your own money on those stores' products.'' That is exactly what happened in the Blockbuster case. That is exactly what happened in the airline case where the plaintiffs got a $25 coupon against a more-than-$250 airline ticket.

In other words, you must reward the company that supposedly swindled you in order for it to be punished. It makes absolutely no sense except to the trial lawyer taking a very large attorney's fee.

The Washington Post sums it all up with this statement:

''That it is controversial at all reflects less on its merit,'' referring to this legislation, ''as a proposal than on the grip that the trial lawyers have on many Democrats.''

I am pleased that many Democrats are going to vote for this legislation. I would invite the rest of them to come over and join us to make sure that we resolve this inequity where trial lawyers receive millions of dollars and American families receive pennies. That is what this legislation is all about. It is designed to make sure that the most complex litigation in the country is brought in the court where it belongs.

Vote for this legislation.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 3½ minutes to the distinguished gentlewoman from Texas (Ms. JACKSON-LEE), a member of the Committee on the Judiciary.

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

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the distinguished gentleman for yielding me this time.

I would offer to say to my good friend and colleague from Virginia, if we wanted to address the question of attorneys' fees, then why do we not legislate an attorney's fee bill on the floor of the House? That is not what this legislation is all about. We might have some common agreement that there needs to be some equity in how we assess a formula in those instances.

This is clearly a knock against corporate responsibility. Coming from Houston, Texas, I can assure you, ex-Enron employees, existing Enron employees, those who are trying to reconstruct Enron know one thing: Corporate responsibility is a key element to moving this country forward and reinvesting, if you will, reestablishing our faith in the corporate structure here in America. We do not have that now.

What is so insulting by this legislation is that this legislation will move a class action lawsuit from the State courts on the basis of partial diversity. That means that we could have 400 Texans in the local State court, familiarity, the ability to access the court, and one person from Chicago, Illinois, and we have to go into the Federal court.

Everyone knows that the Federal courts are far more burdensome with their rules, far more complex and far more difficult for those plaintiffs who have less resources to be able to access justice. And so I am a little shocked and surprised when this Congress has had any number of hearings on corporate irresponsibility, and now we bring to the floor of the House, on a fast track, legislation that will not help.

When we who oppose this bill simply asked for information, data, to show us that we are log-jamming the courts, no one could provide that. I can assure you our overburdened Federal courts with empty seats all across the country, drug cases beyond their ability to handle, cannot handle any more legislation.

This does not make any sense. That means those plaintiffs who are in desperate need of accessing the justice system will be standing on a bus line waiting and waiting and waiting and waiting to get into Federal courts.

I would simply argue that we understand what these courts and class actions are supposed to do. We also realize that my colleagues on the other side of the aisle have been large and strong proponents that the State should be given the opportunity to decide for their own citizens what is best for them, keep the Federal Government out of their business as much as possible.

But H.R. 2341 goes against Republican philosophy and broadens Federal jurisdiction over State class action lawsuits. In fact, it is clear that in light of events such as asbestos, the Love Canal and tobacco disasters, and now Enron, this bill benefits not consumers but large corporate interests.

I would ask my colleagues and I would ask this House, let us pause for a moment and understand the message that we are sending to America. America now wants corporate responsibility, and we are not doing that.

Class actions were initially created in State courts, based on equity and common law. They permit one or more parties to file a complaint on behalf of themselves and all other people who are similarly situated suffering from the same problem. Love Canal was basically neighbors who lived in New York. If you had some far-reaching opportunity for some person by chance to either have moved to another State and then you put it in Federal court, you are, therefore, denying equity, if you will, and the use of common law.

This is a bad legislative initiative. I would ask my colleagues to defeat this, but I would ask them to likewise consider our amendments that we will offer.

Mr. Chairman, Chairman SENSENBRENNER and Ranking Member CONYERS. I oppose this legislation, H.R. 2341, for several policy reasons.

My colleagues on the other side of the aisle have always held that States should be given the opportunity to decide for their own citizens what is best for them—keep the Federal government out of their business as much as possible. But H.R. 2341 goes against Republican philosophy and broadens Federal jurisdiction over state class action lawsuits. In fact, it is clear that in light of events such as asbestos, the Love Canal, and tobacco disasters, and now, Enron, this bill benefits, not consumers, but large corporate interests.

Class actions were initially created in state courts based on equity and common law. They permit one or more parties to file a complaint on behalf of themselves and all other people who are ''similarly situated'' (suffering from the same problem). A class action is often used when a large number of people have comparable claims. They are an efficient means of seeking justice for a large group of people.

Class actions to help bring justice for many people—the innocent victims. Historically, class actions were brought against huge corporate giants who impact a large percentage of the population.

Take asbestos. They used it on ceilings of gyms and classrooms where our children played and learned. It is of no fault of our children that they unknowingly contracted cancer. Someone should be held accountable for causing irreparable damage, and death, to these innocent victims.

The paradoxical similarity in all of these class actions is that the corporate giant was unaware that their actions could cause cancer. Evidence during litigation showed that the tobacco giants were aware that nicotine was addictive and caused cancer.

It is no different with Enron. The loyal employees of Enron that were terminated lost their life savings, their retirement, their child's college tuition, their second honeymoon, their first home. Top executives were aware allegedly of their spiraling financial situation and yet misrepresented themselves, or had their accounting firm do so, to their stockholders—their employees.

The allegedly barred these employees from selling their shares, while at the same time, allowing only top executives to sell any shares they wanted to. Enron gave out tens of thousands of retention bonuses, while also terminating the ''rank and file''.

I know this because these victims are my constituents and I have heard their stories and accounts. If these accounts are true, these people have been robbed of savings that they were entitled to.

A favorable vote on H.R. 2341 would take away the means by which innocent victims of corporate giants can find justice.

As a threshold matter, I believe that before even considering legislation, Congress should insist on receiving objective and comprehensive data justifying such a dramatic intrusion into state court prerogatives. This legislation potentially damages federal and state court systems. Expanding federal class action jurisdiction to include most state class actions, as H.R. 2341 does, will certainly result in a significantly increase in the already overtaxed workload of our federal courts. For example, it is no surprise that the 68 judicial vacancies that existed as of February 2, 2002 contributed to the average federal district court judge docket backlog of 416 pending civil cases. It is because of these and other workload problems that Chief Justice Rehnquist took the important step of criticizing Congress for taking actions which have exacerbated the courts' workload problem.

H.R. 2341 also has the ability to significantly impact state courts. This is because in cases where the federal court chooses not to certify the state class action, the bill prohibits the states from using class actions to resolve the underlying state causes of action.

It is important to recall the context in which this legislation arises—a class action has been filed in state court involving numerous state law claims, each of which if filed separately would not be subject to federal jurisdiction (either because the parties are not considered to be diverse or the amount in controversy for each claim does not exceed $75,000).

H.R. 2341 also has the potential to raise serious constitutional issues. For one, it unilaterally strips the state courts of their ability to use the class action procedural device to resolve state law disputes. The courts have previously indicated that efforts by Congress to dictate such state court procedures implicate important Tenth Amendment federalism issues and should be avoided. The Supreme court has already made clear that state courts are constitutionally required to provide due process and other fairness protections to the parties in class action cases.

It is also important to note that as fears of local court prejudice have subsided and concerns about diverting federal courts from their core responsibilities increased, the policy trend in recent years has been towards limiting federal diversity jurisdiction.

Thirdly, as the legislation is currently written, it assumes a defendant will be automatically subject to prejudice in any state where the corporation is not formally incorporated (typically Delaware) or maintains its principal place of business. In so doing, it can be said the bill ignores the fact that many large businesses have a substantial commercial presence in more than one state through factories, business facilities or employees.

H.R. 2341 adversely impacts the ability of consumers and other victims to acquire compensation in cases concerning extensive damages. The bill possess the potential to force state class actions into federal courts resulting in expensive litigation and allowing defendants to potentially compel plaintiffs to travel distances to participate in court proceedings.

Essentially, the extensive pleading requirements of the federal court will virtually make it impossible for individuals to bring a class actions case. For example, under the bill, individuals are required to plead with particularity the nature of the injuries suffered by class members in their initial complaints. The plaintiff must even prove the defendant's ''state of mind,'' such as fraud or deception, to be included in the initial complaint.

To meet this criteria is virtually impossible in most instances that the plaintiff is able to provide this information prior to discovery. If the pleading requirements are not met, the judge is required to dismiss the plaintiff's complaint.

Additionally, consumers under H.R. 2341 can be expected to have a far more complicated and time consuming problem in trying to certify class actions in the federal court system. Fourteen states, representing some 29% of the nation's population, have adopted different criteria for class action rules than Rule 23 of the federal rules of civil procedure.

Consumers may also be disadvantaged by the vague terms used in the legislation, such as ''substantial majority'' of plaintiffs, ''primary defendants,'' and claims ''primarily'' governed by a state's laws, as they are entirely new and undefined phrases with no precedent in the United States Code or the case law.

Mr. Chairman, this bill is plagued with problems that cheat consumers of their rights under law and under the Constitution. I oppose it, and I urge my colleagues to joining me.

□ 1245

Mr. SENSENBRENNER. Mr. Chairman, I yield myself 1 minute.

Unfortunately, my colleague, the gentlewoman from Texas (Ms. JACKSON-LEE), has missed the boat on a lot of the points. First of all, I wonder how her Texas constituents would feel if the Enron class action lawsuit was filed in the Mississippi court that acted like the hometown umpire in one class action suit and gave residents of Mississippi who are members of the class 18 times more recompense than residents of other States? I think she would be the first one to come into this Congress and say that that is an outrage and that we ought to provide the protection of the Federal court for people who live outside of Mississippi. This bill does that.

Secondly, the plaintiffs in the Enron class action lawsuit chose Federal Court to file their class action lawsuits. What is the beef?

Thirdly, because Enron has filed for bankruptcy, all claims against Enron are heard in the Federal Bankruptcy Court under the constitutional provision that the Congress adopts a bankruptcy law.

Mr. Chairman, I yield 1½ minutes to the gentleman from Arizona (Mr. FLAKE).

Mr. FLAKE. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, a lot of disinformation is being spread about this bill. We heard a bit of it just a minute ago when the opponents talked about Federal caseload and how that would be increased too much. Well, let us look at the numbers, and we find a different story.

According to the administrative office of the U.S. Courts and the 1998 Court Statistics Project, last year only 2,393 class actions were filed in Federal district courts. Since 1997, there has been an 8 percent decrease in the number of cases pending in Federal district courts nationwide.

Meanwhile, civil filings in State trial courts have increased 28 percent since 1984. In most jurisdictions, each new State court judge is assigned an average of between 1,000 and 2,000 new cases every year. In contrast, Federal court judges are assigned an average of fewer than 500 cases every year.

I would submit that the opponents of this bill and those who argue about Federal caseloads ought to get busy and help those approve Federal judges who are waiting. There are over 100 waiting at the moment. That represents about 10 percent of the caseloads that could be handled in Federal Court.

So on one side, the caseload is too heavy; on the other side, we are not approving, we are holding up, Federal judges who could help with that caseload.

What this has become, as has been mentioned before, is a racket involving invent a client, choose a court, browbeat a company into compliance and settlement, and then watch the money roll in. We need to stop this.

Mr. Chairman, I would urge my colleagues to support the bill.

Mr. CONYERS. Mr. Chairman, I yield 30 seconds to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, let me say to my distinguished colleague from Wisconsin that the question that he raises does not give credence to the fact that the plaintiffs chose where they wanted to file their cases. This legislation bars individuals from making the choice as to whether or not they are in State court, because if there is partial diversity, they are forced to go into Federal courts, which undermines those individuals' access to justice.

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

Mr. Chairman, for the benefit of my distinguished chairman, the gentleman from Wisconsin (Mr. SENSENBRENNER), who referred to the infamous airline cases where the plaintiffs were given airline coupons, and he illustrates this as really something that is not good, that we should not do it, that occurred in a Federal Court. That was a Federal district court case that the gentleman I think is trying to use as an argument against keeping the law the same way that it is.

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

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

Mr. SENSENBRENNER. The gentleman from Michigan knows that there are several features of the bill. One involves jurisdiction on where cases can be filed and removal of cases filed in State court. But there are other provisions that require increased judicial scrutiny of coupon settlements. That would call into play when

you get a coupon to buy more of the product or service that is sold by the corporation that did it to you.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 5 minutes to the distinguished gentleman from North Carolina (Mr. WATT).

Mr. WATT of North Carolina. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, it is always great to come to the floor and engage in a debate with members of the Committee on the Judiciary, because all of them were good lawyers before they came to Congress, so you know that they will try to build their case in the way that they would litigate a case if they were in court, and they will sometimes fudge the facts and obfuscate and do whatever is necessary to prove a point. We have had a lot of that happening already.

The gentleman from Virginia (Mr. GOODLATTE), of course, knows that one of the purposes for class action suits is that sometimes the amount that an individual member of the class would gain from that suit is so small that he or she cannot afford to litigate it without the benefit of putting that claim with other claims of other people who are similarly situated, so the gentleman has done a great job of making it appear that the lawyers in the cases got disproportionate amounts of money to the members of the class.

What the gentleman did not tell you in each of these cases was the total amount that was going to the class members in each one of those cases, whether they were litigated in State court or Federal court, and that is the primary reason that you have class actions.

I want to point out a couple of things. I want to acknowledge that there are abuses in the class action system, and anybody who gets up here and tells you that there are not abuses in the class action system probably does not know anything about litigating cases. The real question, though, is will this bill eliminate those abuses, or will this bill make it possible for other abuses to take place that are worse than the abuses that are taking place now? I would submit that this bill will not eliminate abuses, and that the bill will, in fact, add to the number of abuses in the system.

The one abuse that I think is first and foremost I talked about in 1999 when we first had this bill on the floor. This is not the first time this bill has been here. This is the way I described it back then.

I practiced law for a number of years before I ever got to Congress, and I raised this basic fairness argument. If a plaintiff is injured, he goes and hires a lawyer. That lawyer cultivates, researches, puts together the case, decides where the appropriate place to litigate that case is, spends months and months preparing for the case; and then, 2 days before he is getting ready to go in and start the real processing of the case, somebody from the outside, a member of the class, comes and hijacks that case and moves it to a Federal court.

There is something to me that is basically unfair about that. That is what this bill will allow to happen, one of those abuses that I am talking about.

The second point I want to make is that the proponents of this bill are the same people who in 1994, 1995, I guess, when they came riding into Congress and took the majority, came in talking about that they supported the notion of removing things from the Federal level and returning them to the local level. Decentralized government, they said they believed in. The whole system of federalism was in jeopardy, they said, and we needed to return power to the States.

So, now, why are we on the floor today with a group of people saying to me, well, this is inefficient and this is too time consuming?

Well, democracy is inefficient and time consuming. Federalism is inefficient and time consuming. But we have decided in our Constitution that some things should be done at the State level and some things should be done at the Federal level, and just because we find it convenient to bring something into Federal court should not be the rationale on which we do that.

I think the same people who are out there giving lip service to States' rights should not be in here talking about let us take the whole field of tort law and federalize it and put it in the Federal courts.

Mr. SENSENBRENNER. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, one of the most intriguing documents, legal documents, that has arisen in the American continent was the Constitution of the Confederacy, which was basically based on the whole notion of States' rights. It allowed States through their legislative bodies to nullify decisions made by the Federal courts and their effect within their boundaries, and even to remove Federal officials like Federal judges and postmasters and the like.

Listening to the gentleman from North Carolina, I think he would have done quite well in their Congress.

Mr. Chairman, I yield 4 minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Chairman, I thank the chairman for yielding me time and bringing this bill to the floor, because I was the original sponsor of this bill; and I am very appreciative of our colleagues, the gentleman from Virginia (Mr. BOUCHER) and the gentleman from Virginia (Mr. GOODLATTE), who have gotten this out of committee to the floor, because it is a good bill; and it should be passed, and it should be passed in a bipartisan fashion.

The class action device is an important part of our legal system that allows wrongdoers to be held accountable for harm they have inflicted upon a large number of people. Unfortunately, there are too many lawyers who have abused this tool for their own monetary profit.

Our current system allows cases of national importance to be heard in local courts and allows abuses to take place unchecked because of something called diversity jurisdiction. The Framers of the Constitution created diversity jurisdiction to allow large multi-state lawsuits to be heard in Federal court. However, when they drafted statutes in the 1790s to implement it, no one foresaw class action lawsuits. No one ever could have guessed that large multi-state suits would have been heard in local courts and it was certainly not their intention to create such a situation so vulnerable to abuse.

H.R. 2341, this bill, simply corrects this problem and rationalizes the system by updating the law. Class actions of national importance, affecting people all over the country, should be heard in Federal court by a Federal judge, not by a State or county court judge in one region of the country. No one can rationally say that a large national class action belongs in local courts.

The Washington Post, not the Washington Times, the Washington Post said it best in this weekend's editorial. It said: ''Nowhere is the need for civil justice reform greater than in the high stakes arena of class actions where irrational rules have allowed trial lawyers to enrich themselves . . . without benefit to the lawyers' supposed clients.''

Clearly there is a serious crisis in our court system. Some counties have seen an increase of over 1,000 percent, because once a local court shows a willingness to ignore its own State's rules and constitutional due process, that court and judge becomes a magnet for many national class actions.

Cases heard in State courts have skyrocketed, where Federal cases have only gone up by about 8 percent. So that addresses the argument that there is not enough time or docket space in Federal courts. Federal court is where these cases belong, because the trial lawyers can have these cases heard in a hand-picked court the way it works now.

There is gaming of the diversity rules to keep these cases in State court just by finding one retail outlet or point of sale and one customer in one State. That does not make sense. With over 9,000 State and county courts and 50 States to choose from, there is inevitably at least one court that will certify a class, even in the most egregious class action suits.

Actually, it occurs in courts where judges are invariably elected; and, frankly, they are elected with a substantial amount of trial lawyers' financial and political support. That is one of the biggest problems we are facing. These abusive suits brought in hand-

picked courts do not compensate victims; they do not encourage more responsible corporate behavior. And they are paid for by consumers with higher costs of goods and services.

□ 1300

Simply put, our current system which governs class actions too often works for no one except the lawyers. Most plaintiffs only get coupons to assist them in buying more of the product which caused the injury in the first place, and that is if they are lucky.

When the Bank of Boston was sued in a southern state for their delay in posting mortgage escrow accounts, the attorneys were awarded $8 million, while all their clients got was $9; and then their clients got a bill for $91 for the lawyers' fees, and many of the clients were not even notified that they were plaintiffs in the case. Unbelievable.

This abuse has to be stopped and this is the best vehicle for stopping it. That is why I urge that it be passed, and it ought to be passed in a bipartisan fashion. This is moderate, needed reform. It should not be a partisan issue.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 4 minutes to the gentleman from Texas (Mr. GONZALEZ), himself a judge, a former judge, and a former lawyer as well.

Mr. GONZALEZ. Mr. Chairman, I thank the gentleman from the great State of Michigan for yielding me this time.

Having been a State district court judge, I think I can appreciate some of the facts and some of the arguments that are being advanced today. The importance of it is that hopefully I will be able to distinguish fact from fiction.

I do want to address some comments made earlier about the rising numbers of civil actions, class actions, and otherwise in the State courts. That is historical, that is tradition. The truth is that the Federal courts on the civil side handle a mere fraction of the litigation that is going on out there in the civil courts throughout the United States. They do not handle as many cases as the traffic court in San Antonio handles throughout the whole United States, all the Federal system. We have to look at those numbers as to what they are really doing out there.

They are overburdened. They have to give precedence and priority to criminal cases. Do we see a Federal court that is designated civil in nature and only handles a civil docket? But we see that at the State level, day in and day out, because they are specialized, recognizing the efficiency that it lends to a civil court system.

Judicial appointments. Of course we should fill all vacancies in a most deliberate and efficient manner, but not with just any judge.

We complain of abuses. How we stop the abuses is to make sure that we have qualified and fair individuals to fill those judicial roles.

I will tell my colleagues, as an opponent, this is what I will give the proponents. I will give them everything they are asking for. I will give the proponents everything that they ask for in this bill, save and except for one thing, and that is moving it to the Federal system. I will not have a taker. I will not have a taker, because what this is all about is not giving individual litigants choice. What this is all about is getting it into the Federal court system.

This is not a class action bill, this is a class inaction bill. It is designed, its true motive is to stall, is to obstruct and to delay all class actions, regardless of merit, regardless of merit.

Do we have abuses? Of course we do. But the alternative, the alternative that they seek here today in this House is not a step forward, it is not a positive improvement. It sets us back.

Are our State courts more efficient than Federal courts? I am here to say yes. What I hear from my Federal judges is, Charlie, please do not federalize everything out there. You are doing it on the criminal side, and you want to do it on the civil side. You cannot do it.

The certification process in most State courts, the majority of the State courts, and I know that my colleagues cite the aberrations and the abuses; but where do I find them citing those cases in the State court where we have State district court judges that are responsible, mature, and deliberative in classifying? I myself had the great privilege of having class action lawsuits filed in my district court, and I know how we handled them in Texas.

What happened to States' rights? What I say is, let us work together. Let us come up with something where maybe it can be adopted on a State level addressing the abuses that we all agree exist in today's system. But what my colleagues propose is basically doing away with the class action lawsuit. That is the end result of the proposed legislation.

My colleagues are assuming, and wrongly, that the quantity and quality of the Federal judiciary is superior to the State courts; and if my colleagues want to go out there and talk in a confidential manner with all of the trial attorneys, they will tell us what is going on out there in the system.

All I will say is, this is ill-advised, it is ill-proposed, and it is not a workable alternative.

Mr. SENSENBRENNER. Mr. Chairman, I yield 1 minute to the gentleman from Virginia (Mr. GOODLATTE).

Mr. GOODLATTE. Mr. Chairman, I thank the gentleman for yielding me this time.

I would say to the gentleman from Texas that he has mischaracterized this legislation. This legislation creates the kind of choice that he is talking about, because right now if a plaintiff or a defendant wants to have these cases heard in Federal court, they cannot be heard in Federal court simply because of a Federal rule, even though these are the most complex cases in the country.

As to the case load, more than 12 percent of our Federal judges are awaiting appointment in the other body right now. Help us get our colleagues in the Senate to appoint President Bush's nominees, and we will easily have the ability to handle these cases in the jurisdiction that was actually created in our Constitution in article 3 for the very purpose of handling diversity cases, disputes among folks from many different States.

It is wrong to allow the current system to persist where the plaintiffs' attorney can choose from more than 4,000 jurisdictions in the country, and whatever judge they know is the most favored judge gets the case; and then nobody has the option to have it heard in a fair and neutral court. That is what this legislation is all about.

Mr. CONYERS. Mr. Chairman, I yield myself 1 minute before yielding to the gentleman from Washington.

Mr. Chairman, sometimes we have to look to see where the interest is in these bills. Are the consumer organizations supporting this legislation? Answer: No.

Is the Firestone Corporation supporting this legislation? Answer: Yes.

Is Monsanto supporting this legislation? Answer: Yes.

Is W.R. Grace Corporation supporting this legislation? Answer: Yes.

Are the tobacco companies supporting this legislation, all of them? Answer: Yes.

Are the asbestos people, Johns Manville formerly, supporting this legislation? Answer: Yes.

Are the mining companies, the results of the black lung class action cases, supporting this legislation? Answer: Yes.

Are the Pintos, the airbag cases? Answer: Yes.

All the corporations are supporting this. But I am being told by my friends on the other side that this is a consumer-friendly bill.

Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Washington (Mr. INSLEE).

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

Mr. INSLEE. Mr. Chairman, it takes real chutzpah to bring this bill at this time. It takes real chutzpah, after we have thousands of Enron employees having lost their life savings, to bring a bill to diminish the rights of Americans to be compensated for their losses. It takes chutzpah to bring a bill to the floor of the House at this time to the benefit of the Ken Lays and the Mr. Skillings of the world.

Now, think about the timing of this. Think about the timing of this.

The very first bill that comes to the floor of the House after Enron takes the life savings away from Americans is to make it easier for people to do that and harder for people to get compensation when it happens to them.

Now, before we go home for spring break, when we go home and talk to

our constituents and they ask us, Joe, Mr. Congressman, What did you do about the Enron situation, I do not think the first thing we should say is, We made it hard for Americans to get compensation for their losses.

In fact, that is what this is about, because when we strip away the verbiage and the philosophical language that we have all sincerely engaged in here today, this is about one thing. Some people who have been burned because they got caught with their hands in the cookie jar in class action litigation want to make it harder for Americans to bring class action litigation. That is what this is about because they know a simple thing. The Federal courts do not have room for any more class action litigation. They will go to the end of the line. This simply will result in making it more difficult for people to have their cases get a day in court.

If my colleagues do not believe me, listen to Chief Justice Rehnquist who said, and this is in 1998: ''I also criticize Congress and the President for their propensity to enact more and more legislation which brings more and more cases into the Federal court system. This criticism received virtually no public attention. If Congress enacts and the President signs new laws allowing more cases to be brought into the Federal courts, just filling the vacancies will not be enough. We will need additional judgeships.''

The fact of the matter is, as the proponents of the bill and those who advocate this bill know very well, there is a pipeline that is this big in our Federal court system. Now we want to take cases out of State courts and try to jam it through a pipeline with that pipeline getting no bigger, they will not go. They will not go. That is why this bill has sought the support of those like Jack-in-the-Box Corporation who served E. coli with their hamburgers, the result of which was a young girl and many hundreds in the State of Washington ending up with kidney damage. They used the State courts class action for compensation.

Now, I do not think I should go home and tell them that we are reducing our ability to have a fair day in court in our State courts. For that reason, we should reject this.

Mr. SENSENBRENNER. Mr. Chairman, I yield myself 1 minute.

I deeply regret my friend from Washington has not read the bill. This bill has nothing to do with Enron, and it specifically states that claims like the Enron claim are not covered by the differing jurisdictional provisions of this. The Enron claim involves tax law, Federal tax law where the jurisdiction is in the Federal courts. It involves securities law, Federal securities law where the jurisdiction is in the Federal courts.

On page 14 of the amendment in the nature of a substitute, this bill's jurisdictional aspect is exempt from the internal affairs or governance of a corporation that arises under or by virtue of the laws of a State in which such corporation or business enterprise is incorporated or organized. So everything that the gentleman from Washington has said relating to Enron is simply not true under the terms of the bill.

Now, finally, that would be the case if Enron were not in bankruptcy. Because they are in bankruptcy, all claims are presented to the Federal bankruptcy court.

Mr. Chairman, I would say to the gentleman from Washington, please read the bill.

Mr. CONYERS. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. SANDLIN).

Mr. SANDLIN. Mr. Chairman, our friends on the other side have had some pretty charts, but they have had some very misleading stories.

Let us talk about the effects of class actions and how it helps normal Americans. A class action in Texas forced Turn of the Century Adventure, Inc., and Travelbridge International, Inc, to stop defrauding consumers. If we want to talk about coupons, let us talk about the coupons that they gave folks, giving thousands of dollars in coupons in return for false discount promises. It took a class action suit to cure that.

My friend from Washington brought up the suit against Foodmaker, Inc. Three children died and 500 people were injured as a result of eating E. coli. It took a class action suit to take care of that.

Are we are going to complain about attorneys' fees all day? Is that what we are going to talk about in class action?

Why do we not complain about Beech-Nut? Do we know what those folks did? They sold sugar water labeled as pure apple juice for infants. They gave it to parents and parents all across America fed it to their children as nutrition. It took a class action to make that corporation back down and say, We are going to sell you apple juice if we charge you for apple juice.

□ 1315

Native Americans in San Juan County, Utah, 52 percent of the residents there were Native Americans. None served on juries from 1932 to 1960. It took a class action to make people stand up for the Constitution of the United States and get them access to the courts.

How about promoting accountability? A group of homeless students and their parents brought a class action suit against the Chicago Board of Education and the Illinois State Board of Education because the defendants turned away homeless children from the Chicago public school system because they could not show proof of permanent residency. Twelve thousand homeless students in Chicago were denied schooling. It took a class action to cure that, and we are going to complain about pennies?

It took a class action when UDC Homes filed for bankruptcy in 1995 and 15,000 shareholders were left holding worthless stock certificates. They had been artificially inflating profits. Does that sound familiar? Does that sound like Enron? I can tell the Members this, when they say it walks like a duck and quacks like a duck, it is a duck. When they say it is not about Enron, it is not about Enron, it is not about Enron, it is about Enron.

They want to put all of America, everyone watching us today and everyone on this floor, in the same position that they have put Enron. They want to tie our hands, not give us access to the court, not let us go to State court, not use the State law, not use the State procedure. They say everyone in America has to be in the position that the Enron pensioners and employees and stockholders are in. That is what they want to do.

Support States' rights, use State law, use State procedure. Let us remember that, and protect consumers against wrongdoing corporations.

Mr. SENSENBRENNER. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, this bill does not take away a cause of action that any member of a class has. All of the class action suits that the gentleman from Texas has talked about could still be filed and litigated, but litigated fairly.

Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. COX).

Mr. COX. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, this debate is difficult to understand for me because on the one hand people are talking about putting multistate claims with plaintiffs all over the country into the form that the Founding Fathers described in article III of the Constitution, a Federal form; and on the other hand, people are saying that class actions help normal Americans, class actions are good, and class actions can bring about good results. Those two things are hardly incompatible.

What we are talking about is making sure that class actions, which involve the whole country and not just local issues, are resolved in the jurisdiction that the Framers had in mind, Federal jurisdiction in a Federal court.

We do not have a problem in this Congress, I do not believe, in appreciating the work that our State courts do. Indeed, one prolific source of the people who serve on the Federal bench is the State courts themselves.

The problem is not with State courts; the problem is with lawyers trying to manipulate the system who pick not the State court system but a particular place, a particular forum, where they shop for where they know, because of their connections with that particular forum, that they can put their thumb on the scale of justice and they can skew the result so the facts and the evidence and the law do not matter.

The leading treatise on Federal civil procedure has declared that the current rules for deciding when admittedly nationwide class actions are

heard in Federal court make no sense: ''The traditional principles in this area have evolved haphazardly and with little reasoning. They serve no apparent policy.''

An 11th circuit case recently had the judge apologizing to litigants because they could not have a Federal forum because the rules as presently written for diversity are so easily defeated by lawyers trying to manipulate the system.

Judge John Nangel, who was for many years the Chair of the Federal Judicial Panel on Multidistrict Litigation, said this: ''Plaintiffs' attorneys are increasingly filing nationwide class actions in various State courts, carefully crafting language . . . to avoid . . . the Federal courts. Existing Federal precedent . . . [permits] this practice . . . although most of these cases . . . will be disposed of through 'coupon' or paper settlements,'' that is, through extortion, at settlements at which the lawyers are paid to go away and the plaintiffs in the case, in most cases who have never even met the lawyers, get sent pennies on the dollar.

In an opinion by Judge Anthony Scirica, the chairman of the Federal Judicial Conference's Standing Committee on Rules and Procedure, the U.S. Court of Appeals for the Third Circuit observed that ''national (interstate) class actions are the paradigm for Federal diversity jurisdiction. . . .'' That is what the Federal courts are telling us; that is what the Federal judiciary is telling us.

Former Solicitor General Walter Dellinger, someone who most Democrats, I would think, would be happy to learn from, testified before the Committee on the Judiciary: ''If Congress were to start over and write a new Federal diversity statute, interstate class actions would be the first kind of cases'' that we would put within that diversity jurisdiction.

This is good for litigants, good for defendants, good for plaintiffs, good for fairness, good for America, and good for the American consumers, which is why The Washington Post has supported it: ''That it is controversial reflects less on its merit as a proposal than on the grip that trial lawyers have on many Democrats.'' I do not believe that would be true, and I think many Democrats will support this legislation.

Mr. CONYERS. Mr. Chairman, I am pleased to yield the balance of my time to the gentlewoman from California (Ms. WATERS).

Ms. WATERS. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. CONYERS. Mr. Chairman, will the gentlewoman yield?

Ms. WATERS. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I know Enron is not a nice word to bring up on the floor with our conservative friends. I raise the name Enron reluctantly, because it is offensive to some of our colleagues.

But several of the employees in the Enron case, if they were suing Mr. Lay, affectionately known as ''Kenny boy'' in some parts of the government, for breach of an employment contract, they would be brought, under this bill, into Federal court. We need that, do we not? I do not think so, and I thank the gentlewoman for yielding to me.

Ms. WATERS. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I beg to differ with the gentleman from Wisconsin (Chairman SENSENBRENNER). This has everything to do with Enron.

As a matter of fact, I think the American public must know and understand the difference between this side of the aisle and that side of the aisle. We are about the business of protecting consumers, and we are about the business of allowing the average person to have their day in court.

This bill would make it more difficult. It would put obstacles in the way. It would send class action lawsuits to the Federal court, which are overjammed. We do not have enough judges there. We have the big drug cases there. These cases would be backlogged, and they know it. They are creating obstacles to people getting their fair day in court.

Members heard some of the cases referred to, where class action lawsuits are the only way people can get any justice. Let me remind Members of just a few of them.

As a matter of fact, the average person would not be able to go into court and get any justice against Enron. It would only be through class action lawsuits.

Remember Firestone? They knowingly sold defective tires, where tread separation caused more than 800 injuries and 271 deaths. They failed to recall and replace defective tires in a timely manner.

What about Monsanto? They hid 40 years' worth of dumping of toxic PCBs, mercury, lead, and mustard gas in Anniston, Alabama. They continued dumping toxic chemicals even after dangers were known.

It goes on and on and on. Without class action lawsuits brought in State courts, we would never be able to get at this kind of injustice.

People on the other side said do not charge them with wanting to protect big corporations when they have done something bad, but they speak for themselves. They speak for themselves with this bill. What they are saying is, Poor consumers, working class people, we know you cannot afford to hire a lawyer. We know the only way you can get some justice is through class action, but we are going to make it tougher for you. We are going to make it more difficult for you. We are going to send you to the Federal courts, because you will never get there.

As a matter of fact, people may go in the State courts under this bill and find out in the middle of the trial that it is going to be sent to the Federal court, another big obstruction.

Well, it is very difficult for my friends on the other side of the aisle to claim to be for working people, for consumers, with this kind of action. This really tells who they really are and who they care about.

Mr. SENSENBRENNER. Mr. Chairman, I yield 1½ minutes to the gentleman from Michigan (Mr. ROGERS).

Mr. ROGERS of Michigan. Mr. Chairman, I thank the chairman for his great work, and I thank the gentleman from Virginia (Mr. GOODLATTE) for a great bill. I think it finally brings justice back to the American people. We are hearing a lot about judges, lawyers, technicalities, which is exactly why I think we have the problem of litigation in America as it stands now.

As simply as I can put it, something we all experience when Americans get to the end of the roll of toilet paper, they find aggravation. When our friends, the trial lawyers, get to the end of the roll of toilet paper, they find a pot of gold.

What am I talking about, Mr. Chairman? There is a class action suit in California that is suing because there is a roll of premium toilet paper that only has 340 sheets as opposed to the regular that has 400. That is not justice. Justice is fairness. Justice is logic. Justice is a case heard by a jury of one's peers.

Do not let what happens in California cost my constituents in Michigan more money for everyday living expenses. Because what happens here, Mr. Chairman, is that Cheerios go up and milk goes up and toilet paper goes up.

Enron will get its day in court, and the people who are abused by Enron will get their day in court. Let us stand united about this. Let us stand for that fairness and that justice. Let us stand for a court system that will represent all Americans, when it comes to asking me and my family and my neighbor's family and the working families of Michigan to pay more for the goods they need to survive.

The people who make out in this, Mr. Chairman, are the trial lawyers. Let us stand up for justice. Let us stand up for families. Let us pass this bill.

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

Mr. Chairman, there has been an awful lot of hyperbole that is floating around this Chamber from those who are opposed to this legislation.

First of all, the legislation does not diminish any cause of action that anybody may have, either as an individual or member of a class. So if they have a cause of action and the right to sue now, if this bill becomes law, they will still have that cause of action and that right to sue. So what is the beef?

What this bill does do is it provides fairness. I think the biggest example of how unfair the State court system can be involves the Mississippi case that has been referred to several times previously, where the hometown judge in Mississippi approved a class action settlement that gave Mississippi residents

as much as 18 times more than residents of other States. That is what the Federal court diversity citizenship jurisdiction that was put into the Constitution was designed to prevent.

This bill changes the way diversity is defined so that the abuses that the Framers were concerned about in 1787 can be prevented in class action lawsuits that they never thought would ever arise in this country. So that is what we are dealing with here.

What we are dealing with here also is a better way of having the courts review the fairness of noncash settlements. We have heard an awful lot about the coupons, where people end up having to buy the same product of the company that injured them, or the same service of the company that injured them.

It seems to me that if somebody injured me enough to go to court and file a lawsuit and try it, if I won my lawsuit, I ought not to be forced to go back to the same company that caused the problem to begin with. This bill provides for increased scrutiny to protect consumers against that.

Mr. Chairman, I think that the hyperbole we are hearing from the people who are opposed to this bill really is designed to try to get the attention of this body and the American public away from what is in the bill.

□ 1330

All I would ask while we continue debating this bill and the amendments is for the opponents to read the bill, because most of the complaints that they have are really not present in this legislation.

Ms. SCHAKOWSKY. Mr. Chairman, I rise in strong opposition to H.R. 2341, the ''Class Action Fairness Act.'' The Republican sponsors of this legislation falsely claim that it will rein in ''frivolous lawsuits.'' This bill is not about lawyers and lawyers' fees; it is about whether consumers will have legal rights when corporate wrongdoing, dangerous practices or faulty products injure them. This bill would take away legal rights that consumers need. Class action lawsuits are one of the few protections consumers have against corporate fraud and abuse.

In fact, anyone who wants to lower the cost of health care for consumers should oppose this bill. Class action suits are an important tool for health care consumers who have been forced to pay exorbitant prices for prescription drugs and medical bills. For example, in Iowa, Blue Cross/Blue Shield negotiated ''secret discounts'' with hospitals and providers but charged the full amount to consumers, pocketing the difference. Many policyholders ended up paying 10 to 20 percent more than they should have.

In response, three state court class action lawsuits were filed against Blue Cross/Blue Shield. Eventually Blue Cross/Blue Shield agreed to pay $14.6 million to settle the claims. The tens of thousands of consumers affected by the lawsuit received reimbursements for all claims over $50. Since the settlement agreement, Blue Cross has changed its billing practices to lower the cost for consumers. The money lost was not enough for any one policyholder to bring suit on his or her own. But through a class action lawsuit, all policyholders were able to be protected against this practice.

This case would have never seen the light of day if the bill before us today were the law of land. This legislation will take money out of people's pockets and will make consumers even more vulnerable to abuses by HMOs. For the sake of everyone who relies on health care insurance please join me in opposing this ill-conceived piece of legislation.

Mr. KNOLLENBERG. Mr. Chairman, I rise in strong support of H.R. 2431, the Class Action Fairness Act of 2002.

I do so because this bill represents common sense reforms that will make our civil justice system simpler and fairer while curtailing the abusive and frivolous lawsuits that cost us so much.

Lawsuit abuse is a serious problem. I should know—back when I was running my insurance company, lawsuit abuse was one of the principal reasons that insurance premiums kept rising each year. And that rise has not stopped.

And we do not just pay for lawsuit abuse through higher insurance premiums. We pay for it through higher health care costs, higher prices for consumer items, higher taxes, and fewer jobs. In fact, according to a study by the Public Policy Institute in New York, people in my home state of Michigan pay a hidden lawsuit tax of $574 per year. I know many families who could put that money to good use, but cannot.

Not all lawsuits are abusive, but I believe there are reforms that can be made that will protect the rights of businesses and consumers alike. Today's bill strikes that balance.

When the federal government acts, it too often does so to detriment of our economy. The Class Action Fairness Act is an excellent chance for us to remove some of the drag on our economy by curtailing costly, abusive lawsuits.

I urge all my colleagues to support this legislation and return the legal system to the individuals who it is supposed to benefit—the average American.

Mr. UDALL of New Mexico. Mr. Chairman, I rise today in opposition to final passage of H.R. 2341, laughingly called the Class Action Fairness Act. I say ''laughingly'' because there is nothing fair about this bill, unless your idea of fair means changing the tort system to benefit corporate polluters, monopolistic enterprises, and irresponsible groups at the expense of everyday Americans. If enacted, this bill will change the rules to make it easier than ever for corporations to move important class action lawsuits from state courts—the courts that are most in touch with and responsible to our constitutents—to federal courts. While this change may not sound like a very big change at first, the impact will actually be enormous.

Every corporate defender in this country knows that federal courts are the most desirable venue in which to try class action cases because federal court rules disadvantage plaintiffs and ordinary citizens. As they attempt to defend their wealthy clients, corporate lawyers try every trick in the book to have important cases moved from local courts to federal courts, and this bill will only make their job easier! I cannot imagine why we would want to make the enormous challenges faced by the plaintiffs in class actions cases even harder, but the leadership of this body had made it a priority!

At a time when our armed forces are defending this country across the ocean, when millions of Americans are out of work, and when we face serious threats to Social Security and Medicare, it is amazing to me that this body would decide to address the issue of class action ''fairness'' instead of addressing the most serious issues facing this country. I urge my colleagues to join me in opposing this bill and ask that this body move forward in addressing real problems.

Mrs. CAPITO. Mr. Chairman, today I rise in support of H.R. 2341, the Class Action Fairness Act of 2002. This legislation will streamline our judicial system, making it more consistent, fair and efficient.

First, H.R. 2341 will cut down on and discourage so-called forum shopping, where trial attorneys file lawsuits based on which state's law is most favorable to their claim. This practice results in a small handful of state courts, whose laws are most favorable to plaintiffs, exerting their jurisdiction over other states and creating precedent for entire national industries across the Nation.

Second, there's the issues of fairness. We all have heard stories of lawsuit abuse. There are the so-called ''coupon settlements,'' where class action members receive coupons from a sued business while the attorneys reel in millions. You get a coupon, and they get a fortune! In fact, many business are coerced into settling meritless claims, believing their defense is too costly to litigate.

This system cannot be allowed to go on. There are too many small business out there, surviving on thin margins as it is. And there are too many class action members, people who have been wronged, who deserve compensation, but watch their attorneys take the lion's share of the award.

Finally, Congress needs to pass real class action reform because it will make our federal courts more efficient. Class action lawsuit filings have increased by 1,000 percent over the past decade. Businesses and consumers need protection from these runaway lawsuits and frivolous cases that clutter the courts. This backlog of excessive suits hurts the economy by closing down businesses and costing people their jobs.

Remember, it is the consumer who has to ultimately pay for these transferred liability costs to businesses. It comes out of the pockets of hard working men and women when someone decides that they want to take the local business for a ride.

Mr. Chairman, let's restore the true intent of the Constitution and allow federal courts to hear large interstate class action lawsuits. It is the right thing to do so that we can protect class action members and businesses from unscrupulous trial lawyers. We owe it to our citizens, our country and our economy.

Mr. ISSA. Mr. Chairman, I rise in support of H.R. 2341, ''The Class Action Fairness Act of 2002.'' I thank Congressman BOB GOODLATTE, author of this bill, House Judiciary Committee Chairman JAMES SENSENBRENNER and the Judiciary Committee staff for their leadership on this bill.

Class action lawsuits serve a very important role, but the legal system is being compromised because attorneys have been the benefactors of class action lawsuit settlements, not the plaintiffs. These lawsuits should

be weighed on their own merits. The decision to file in a certain state or region should not be based on the possibility of the courts having favorable attitudes toward certifying class action suits against out-of-state corporations. Many times, attorneys find a topic or angle for a class action lawsuit and then begin to seek plaintiffs, sometimes in a different region than where the problem occurred. When they register a large number of plaintiffs, the lawyers file a class action suit in a favorable state forum and modify the case so that it will be exempt from federal jurisdiction. These attorneys then are not beholden to any one individual, allowing them to broker a settlement that provides minimal benefits to the class members, but may reward the attorneys handsomely. Additionally, lawyers in other states can bring forward an identical ''copy cat'' lawsuit, forcing companies to defend the same case in another court, with potentially different results. Ultimately, the cost is passed on to consumers in the form of higher prices for their products.

H.R. 2341 brings fairness to the class action arena by providing a federal forum for out-of-state defendants and out-of-state plaintiff class members. Instead of having plaintiffs in multiple states bring forward the same lawsuit. This bill will only allow one lawsuit and it must be handled at the federal level. It emphasizes efficiency by ensuring only one bite at the apple. The current system has judges from one state deciding the fate of plaintiffs from other states, and binding them to whatever decision the judge brings down or the lawyers reach in a settlement. This legislation will provide the plaintiff an opportunity for settlements that benefit them.

H.R. 2341 protects the rights of the plaintiffs or class members with inclusion of a Consumer Class Action Bill of Rights. It will begin to address reform on an issue and at a time where numbers of class action suits have skyrocketed.

I thank you for the opportunity to speak on this bill and I urge all my colleagues to vote in favor of this legislation.

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

The CHAIRMAN pro tempore (Mr. SWEENEY). All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute printed in the bill shall be considered as an original bill for the purpose of amendment under the 5-minute rule and shall be considered read.

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

H.R. 2341

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

SECTION 1. SHORT TITLE; REFERENCE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Class Action Fairness Act of 2002''.

(b) REFERENCE.—Whenever in this Act reference is made to an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 28, United States Code.

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

Sec. 1. Short title; reference; table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Consumer class action bill of rights and improved procedures for interstate class actions.
Sec. 4. Federal district court jurisdiction of interstate class actions.
Sec. 5. Removal of interstate class actions to Federal district court.
Sec. 6. Appeals of class action certification orders.
Sec. 7. Effective date.

SEC. 2. FINDINGS AND PURPOSES.

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

(1) Class action lawsuits are an important and valuable part of our legal system when they permit the fair and efficient resolution of legitimate claims of numerous parties by allowing the claims to be aggregated into a single action against a defendant that has allegedly caused harm.

(2) Over the past decade, there have been abuses of the class action device that have harmed class members with legitimate claims and defendants that have acted responsibly, and that have thereby undermined public respect for our judicial system.

(3) Class members have been harmed by a number of actions taken by plaintiffs' lawyers, which provide little or no benefit to class members as a whole, including—

(A) plaintiffs' lawyers receiving large fees, while class members are left with coupons or other awards of little or no value;

(B) unjustified rewards being made to certain plaintiffs at the expense of other class members; and

(C) the publication of confusing notices that prevent class members from being able to fully understand and effectively exercise their rights.

(4) Through the use of artful pleading, plaintiffs are able to avoid litigating class actions in Federal court, forcing businesses and other organizations to defend interstate class action lawsuits in county and State courts where—

(A) the lawyers, rather than the claimants, are likely to receive the maximum benefit;

(B) less scrutiny may be given to the merits of the case; and

(C) defendants are effectively forced into settlements, in order to avoid the possibility of huge judgments that could destabilize their companies.

(5) These abuses undermine our Federal system and the intent of the framers of the Constitution in creating diversity jurisdiction, in that county and State courts are—

(A) handling interstate class actions that affect parties from many States;

(B) sometimes acting in ways that demonstrate bias against out-of-State defendants; and

(C) making judgments that impose their view of the law on other States and bind the rights of the residents of those States.

(6) Abusive interstate class actions have harmed society as a whole by forcing innocent parties to settle cases rather than risk a huge judgment by a local jury, thereby costing consumers billions of dollars in increased costs to pay for forced settlements and excessive judgments.

(b) PURPOSES.—The purposes of this Act are—

(1) to assure fair and prompt recoveries for class members with legitimate claims;

(2) to protect responsible companies and other institutions against interstate class actions in State courts;

(3) to restore the intent of the framers of the Constitution by providing for Federal court consideration of interstate class actions; and

(4) to benefit society by encouraging innovation and lowering consumer prices.

SEC. 3. CONSUMER CLASS ACTION BILL OF RIGHTS AND IMPROVED PROCEDURES FOR INTERSTATE CLASS ACTIONS.

(a) IN GENERAL.—Part V is amended by inserting after chapter 113 the following:

''CHAPTER 114—CLASS ACTIONS

''Sec.
''1711. Judicial scrutiny of coupon and other noncash settlements.
''1712. Protection against loss by class members.
''1713. Protection against discrimination based on geographic location.
''1714. Prohibition on the payment of bounties.
''1715. Clearer and simpler settlement information.
''1716. Definitions.

''§ 1711. Judicial scrutiny of coupon and other noncash settlements

''The court may approve a proposed settlement under which the class members would receive noncash benefits or would otherwise be required to expend funds in order to obtain part or all of the proposed benefits only after a hearing to determine whether, and making a written finding that, the settlement is fair, reasonable, and adequate for class members.

''§ 1712. Protection against loss by class members

''The court may approve a proposed settlement under which any class member is obligated to pay sums to class counsel that would result in a net loss to the class member only if the court makes a written finding that nonmonetary benefits to the class member outweigh the monetary loss.

''§ 1713. Protection against discrimination based on geographic location

''The court may not approve a proposed settlement that provides for the payment of greater sums to some class members than to others solely on the basis that the class members to whom the greater sums are to be paid are located in closer geographic proximity to the court.

''§ 1714. Prohibition on the payment of bounties

''(a) IN GENERAL.—The court may not approve a proposed settlement that provides for the payment of a greater share of the award to a class representative serving on behalf of a class, on the basis of the formula for distribution to all other class members, than that awarded to the other class members.

''(b) RULE OF CONSTRUCTION.—The limitation in subsection (a) shall not be construed to prohibit any payment approved by the court for reasonable time or costs that a person was required to expend in fulfilling his or her obligations as a class representative.

''§ 1715. Clearer and simpler settlement information

''(a) PLAIN ENGLISH REQUIREMENTS.—Any court with jurisdiction over a plaintiff class action shall require that any written notice concerning a proposed settlement of the class action provided to the class through the mail or publication in printed media contain—

''(1) at the beginning of such notice, a statement in 18-point Times New Roman type or other functionally similar type, stating 'LEGAL NOTICE: YOU ARE A PLAINTIFF IN A CLASS ACTION LAWSUIT AND YOUR LEGAL RIGHTS ARE AFFECTED BY THE SETTLEMENT DESCRIBED IN THIS NOTICE.'; and

''(2) a short summary written in plain, easily understood language, describing—

''(A) the subject matter of the class action;

''(B) the members of the class;

''(C) the legal consequences of being a member of the class;

''(D) if the notice is informing class members of a proposed settlement agreement—

''(i) the benefits that will accrue to the class due to the settlement;

''(ii) the rights that class members will lose or waive through the settlement;

''(iii) obligations that will be imposed on the defendants by the settlement;

''(iv) the dollar amount of any attorney's fee class counsel will be seeking, or if not possible, a good faith estimate of the dollar amount of

any attorney's fee class counsel will be seeking; and

''(v) an explanation of how any attorney's fee will be calculated and funded; and

''(E) any other material matter.

''(b) TABULAR FORMAT.—Any court with jurisdiction over a plaintiff class action shall require that the information described in subsection (a)—

''(1) be placed in a conspicuous and prominent location on the notice;

''(2) contain clear and concise headings for each item of information; and

''(3) provide a clear and concise form for stating each item of information required to be disclosed under each heading.

''(c) TELEVISION OR RADIO NOTICE.—Any notice provided through television or radio (including transmissions by cable or satellite) to inform the class members in a class action of the right of each member to be excluded from the class action or a proposed settlement of the class action, if such right exists, shall, in plain, easily understood language—

''(1) describe the persons who may potentially become class members in the class action; and

''(2) explain that the failure of a class member to exercise his or her right to be excluded from a class action will result in the person's inclusion in the class action or settlement.

''§ 1716. Definitions

''In this chapter—

''(1) CLASS ACTION.—The term 'class action' means any civil action filed in a district court of the United States pursuant to rule 23 of the Federal Rules of Civil Procedure or any civil action that is removed to a district court of the United States that was originally filed pursuant to a State statute or rule of judicial procedure authorizing an action to be brought by one or more representatives on behalf of a class.

''(2) CLASS COUNSEL.—The term 'class counsel' means the persons who serve as the attorneys for the class members in a proposed or certified class action.

''(3) CLASS MEMBERS.—The term 'class members' means the persons who fall within the definition of the proposed or certified class in a class action.

''(4) PLAINTIFF CLASS ACTION.—The term 'plaintiff class action' means a class action in which class members are plaintiffs.

''(5) PROPOSED SETTLEMENT.—The term 'proposed settlement' means an agreement that resolves claims in a class action, that is subject to court approval and that, if approved, would be binding on the class members.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of chapters for part V is amended by inserting after the item relating to chapter 113 the following:

''114. Class Actions ..... 1711''.

SEC. 4. FEDERAL DISTRICT COURT JURISDICTION OF INTERSTATE CLASS ACTIONS.

(a) APPLICATION OF FEDERAL DIVERSITY JURISDICTION.—Section 1332 is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following:

''(d)(1) In this subsection—

''(A) the term 'class' means all of the class members in a class action;

''(B) the term 'class action' means any civil action filed pursuant to rule 23 of the Federal Rules of Civil Procedure or similar State statute or rule of judicial procedure authorizing an action to be brought by one or more representative persons on behalf of a class;

''(C) the term 'class certification order' means an order issued by a court approving the treatment of a civil action as a class action; and

''(D) the term 'class members' means the persons who fall within the definition of the proposed or certified class in a class action.

''(2) The district courts shall have original jurisdiction of any civil action in which the matter in controversy exceeds the sum or value of $2,000,000, exclusive of interest and costs, and is a class action in which—

''(A) any member of a class of plaintiffs is a citizen of a State different from any defendant;

''(B) any member of a class of plaintiffs is a foreign state or a citizen or subject of a foreign state and any defendant is a citizen of a State; or

''(C) any member of a class of plaintiffs is a citizen of a State and any defendant is a foreign state or a citizen or subject of a foreign state.

''(3) Paragraph (2) shall not apply to any civil action in which—

''(A)(i) the substantial majority of the members of the proposed plaintiff class and the primary defendants are citizens of the State in which the action was originally filed; and

''(ii) the claims asserted therein will be governed primarily by the laws of the State in which the action was originally filed;

''(B) the primary defendants are States, State officials, or other governmental entities against whom the district court may be foreclosed from ordering relief; or

''(C) the number of proposed plaintiff class members is less than 100.

''(4) In any class action, the claims of the individual class members shall be aggregated to determine whether the matter in controversy exceeds the sum or value of $2,000,000, exclusive of interest and costs.

''(5) This subsection shall apply to any class action before or after the entry of a class certification order by the court with respect to that action.

''(6)(A) A district court shall dismiss any civil action that is subject to the jurisdiction of the court solely under this subsection if the court determines the action may not proceed as a class action based on a failure to satisfy the requirements of rule 23 of the Federal Rules of Civil Procedure.

''(B) Nothing in subparagraph (A) shall prohibit plaintiffs from filing an amended class action in Federal court or filing an action in State court, except that any such action filed in State court may be removed to the appropriate district court if it is an action of which the district courts of the United States have original jurisdiction.

''(C) In any action that is dismissed under this paragraph and is filed by any of the original named plaintiffs therein in the same State court venue in which the dismissed action was originally filed, the limitations periods on all reasserted claims shall be deemed tolled for the period during which the dismissed class action was pending. The limitations periods on any claims that were asserted in a class action dismissed under this paragraph that are subsequently asserted in an individual action shall be deemed tolled for the period during which the dismissed action was pending.

''(7) Paragraph (2) shall not apply to any class action brought by shareholders that solely involves a claim that relates to—

''(A) a claim concerning a covered security as defined under section 16(f)(3) of the Securities Act of 1933 and section 28(f)(5)(E) of the Securities Exchange Act of 1934;

''(B) the internal affairs or governance of a corporation or other form of business enterprise and arises under or by virtue of the laws of the State in which such corporation or business enterprise is incorporated or organized; or

''(C) the rights, duties (including fiduciary duties), and obligations relating to or created by or pursuant to any security (as defined under section 2(a)(1) of the Securities Act of 1933 and the regulations issued thereunder).

''(8) For purposes of this subsection and section 1453 of this title, an unincorporated association shall be deemed to be a citizen of the State where it has its principal place of business and the State under whose laws it is organized.

''(9) For purposes of this section and section 1453 of this title, a civil action that is not otherwise a class action as defined in paragraph (1)(B) of this subsection shall nevertheless be deemed a class action if—

''(A) the named plaintiff purports to act for the interests of its members (who are not named parties to the action) or for the interests of the general public, seeks a remedy of damages, restitution, disgorgement, or any other form of monetary relief, and is not a State attorney general; or

''(B) monetary relief claims in the action are proposed to be tried jointly in any respect with the claims of 100 or more other persons on the ground that the claims involve common questions of law or fact.

In any such case, the persons who allegedly were injured shall be treated as members of a proposed plaintiff class and the monetary relief that is sought shall be treated as the claims of individual class members. The provisions of paragraphs (3) and (6) of this subsection and subsections (b)(2) and (d) of section 1453 shall not apply to civil actions described under subparagraph (A). The provisions of paragraph (6) of this subsection, and subsections (b)(2) and (d) of section 1453 shall not apply to civil actions described under subparagraph (B).''.

(b) CONFORMING AMENDMENTS.—

(1) Section 1335(a)(1) is amended by inserting ''(a) or (d)'' after ''1332''.

(2) Section 1603(b)(3) is amended by striking ''(d)'' and inserting ''(e)''.

SEC. 5. REMOVAL OF INTERSTATE CLASS ACTIONS TO FEDERAL DISTRICT COURT.

(a) IN GENERAL.—Chapter 89 is amended by adding after section 1452 the following:

''§ 1453. Removal of class actions

''(a) DEFINITIONS.—In this section, the terms 'class', 'class action', 'class certification order', and 'class member' have the meanings given these terms in section 1332(d)(1).

''(b) IN GENERAL.—A class action may be removed to a district court of the United States in accordance with this chapter, without regard to whether any defendant is a citizen of the State in which the action is brought, except that such action may be removed—

''(1) by any defendant without the consent of all defendants; or

''(2) by any plaintiff class member who is not a named or representative class member without the consent of all members of such class.

''(c) WHEN REMOVABLE.—This section shall apply to any class action before or after the entry of a class certification order in the action, except that a plaintiff class member who is not a named or representative class member of the action may not seek removal of the action before an order certifying a class of which the plaintiff is a class member has been entered.

''(d) PROCEDURE FOR REMOVAL.—The provisions of section 1446 relating to a defendant removing a case shall apply to a plaintiff removing a case under this section, except that in the application of subsection (b) of such section the requirement relating to the 30-day filing period shall be met if a plaintiff class member files notice of removal within 30 days after receipt by such class member, through service or otherwise, of the initial written notice of the class action.

''(e) REVIEW OF ORDERS REMANDING CLASS ACTIONS TO STATE COURTS.—The provisions of section 1447 shall apply to any removal of a case under this section, except that, notwithstanding the provisions of section 1447(d), an order remanding a class action to the State court from which it was removed shall be reviewable by appeal or otherwise.

''(f) EXCEPTION.—This section shall not apply to any class action brought by shareholders that solely involves—

''(1) a claim concerning a covered security as defined under section 16(f)(3) of the Securities Act of 1933 and section 28(f)(5)(E) of the Securities Exchange Act of 1934;

''(2) a claim that relates to the internal affairs or governance of a corporation or other form of

business enterprise and arises under or by virtue of the laws of the State in which such corporation or business enterprise is incorporated or organized; or

''(3) a claim that relates to the rights, duties (including fiduciary duties), and obligations relating to or created by or pursuant to any security (as defined under section 2(a)(1) of the Securities Act of 1933 and the regulations issued thereunder).''.

(b) REMOVAL LIMITATION.—Section 1446(b) is amended in the second sentence by inserting ''(a)'' after ''section 1332''.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—The table of sections for chapter 89 is amended by adding after the item relating to section 1452 the following:

''1453. Removal of class actions.''.

SEC. 6. APPEALS OF CLASS ACTION CERTIFICATION ORDERS.

(a) IN GENERAL.—Section 1292(a) is amended by inserting after paragraph (3) the following:

''(4) Orders of the district courts of the United States granting or denying class certification under rule 23 of the Federal Rules of Civil Procedure, if notice of appeal is filed within 10 days after entry of the order.''.

(b) DISCOVERY STAY.—All discovery and other proceedings shall be stayed during the pendency of any appeal taken pursuant to the amendment made by subsection (a), unless the court finds upon the motion of any party that specific discovery is necessary to preserve evidence or to prevent undue prejudice to that party.

SEC. 7. EFFECTIVE DATE.

The amendments made by this Act shall apply to any civil action commenced on or after the date of the enactment of this Act.

The CHAIRMAN pro tempore. No amendment to that amendment is in order except those printed in House Report 107–375. 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.

The Chair has been informed that Amendment No. 1 will not be offered.

It is now in order to consider Amendment No. 2 printed in House Report 107–375.

AMENDMENT NO. 2 OFFERED BY MR. NADLER

Mr. NADLER. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. NADLER:

Page 9, insert the following after line 20 and redesignate the succeeding section accordingly:

''§ 1716. Sunshine in court records

''No order, opinion, or record of the court in the adjudication of a class action, including a record obtained through discovery, whether or not formally filed with the court, may be sealed or subjected to a protective order unless the court makes a finding of fact—

''(1) that the sealing or protective order is narrowly tailored, consistent with the protection of public health and safety, and is in the public interest; and

''(2) if the action by the court would prevent the disclosure of information, that disclosing the information is clearly outweighed by a specific and substantial interest in maintaining the confidentiality of such information.

Page 6, in the matter preceding line 1, strike the item relating to section 1716 and insert the following:

''1716. Sunshine in court records.
''1717. Definitions.''.

MODIFICATION TO AMENDMENT NO. 2 OFFERED BY MR. NADLER

Mr. NADLER: Mr. Chairman, I ask unanimous consent to modify the amendment and further request that such modification be considered as read.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The text of the amendment, as modified, is as follows:

Page 10, insert the following after line 4 and redesignate the succeeding section accordingly:

''§ 1716. Sunshine in court records

''No order, opinion, or record of the court in the adjudication of a class action, including a record obtained through discovery, whether or not formally filed with the court, may be sealed or subjected to a protective order unless the court makes a finding of fact—

''(1) that the sealing or protective order is narrowly tailored, consistent with the protection of public health and safety, and is in the public interest; and

''(2) if the action by the court would prevent the disclosure of information, that disclosing the information is clearly outweighed by a specific and substantial interest in maintaining the confidentiality of such information.

Page 6, in the matter preceding line 7, strike the item relating to section 1716 and insert the following:

''1716. Sunshine in court records.
''1717. Definitions.''.

The CHAIRMAN pro tempore. Pursuant to House Resolution 367, the gentleman from New York (Mr. Nadler) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from New York (Mr. NADLER).

Mr. NADLER. Mr. Chairman, I yield myself such time as I may consume.

I am pleased to offer this amendment along with the gentleman from Massachusetts (Mr. DELAHUNT) and the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON).

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

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

Mr. SENSENBRENNER. Mr. Chairman, I think this is a very constructive amendment, and we are pleased to support it.

Mr. NADLER. Mr. Chairman, in that case, let me never take yes for an answer. I appreciate the comments of the gentleman, and I urge everyone to vote for it and I suppose, aside from saying that this deals with the question of shielding records in settlements.

Mr. Chairman, I am pleased to offer this amendment with the gentleman from Massachusetts, Mr. DELAHUNT and gentlewoman from Texas, Ms. JOHNSON.

Mr. Chairman, this amendment is designed to prevent the sealing of information regarding settlements of class action lawsuits—information that would protect the health and safety of others.

I have been concerned for a number of years about agreements to seal the information about settlements of lawsuits that affect public health and safety.

More often than not, a class action suit is filed because a number of people have been harmed by the actions of a large corporation. They come together to seek to recover damages by providing that a company behaved in a way that resulted in foreseeable harm to public health and safety. Often, the company settles the lawsuit, pays the people it harmed who sued, and then tells them to be quite. But the company may never change its dangerous practices. They simply regard the lawsuits as the cost of doing business, and ignore the underlying problem. Since the companies force the plaintiffs never to discuss the problems with anyone else, more people end up getting hurt by the companies. This is reprehensible.

The Firestone Tire situation is a case in point. One of the main reasons why there was not timely public disclosure of the dangers of Firestone tires is because Firestone insisted on a series of gag orders when settling product liability lawsuits.

An article in the September 25, 2000, edition of the Legal Times points out that:

> One of the principal roadblocks to timely public disclosure of the danger of Firestone tires has been a series of gag orders the company insisted on as a condition of settling product liability lawsuits in the early 1990s.
>
> Simply put, Firestone made a calculated determination that they would compensate victims so long as the plaintiffs agreed not to share their stories with other victims or the public. Congress was given the opportunity to address this very problem in 1995 when an amendment was offered that would prevent such gag orders if the public safety need outweighed the privacy interests of the litigants. Unfortunately, the amendment was defeated, with opponents arguing that the information was proprietary information that does not belong in the public domain.

The reality is that the release of such information in the Firestone case 7 or 8 years ago potentially could have saved scores of human lives. We can't blame the people who settled their case for recovering damages and agreeing to the gag orders as a condition of getting the money. But as a result, the public is kept in the dark, and many more people are injured. This should not happen again.

It is important for the people to be aware of the health and safety hazards that may exist so that other people can make informed choices about their lives, and, I might add, so that public agencies, perhaps, can crack down on such dangers. To often critical information is sealed from the public and other people may be harmed as a result.

Let me add that this amendment is very reasonably drafted. The amendment is written in such a way that the judge must make a finding of fact where a gag order is requested. If the judge finds that the privacy interest is broader than the public interest, then the judge must issue the gag order. If the judge finds that the public interest in the health and safety outweighs the primary interests asserted, the judge may not issue the gag order. The judge also has to make sure the gag order is drafted as tightly as possible. This will prevent the unnecessary disclosure of confidential information, but will not allow the sealing of information that may harm the public.

When it comes to health and safety, public access to class action lawsuit materials is absolutely essential. I urge my colleagues to support the Nadler/Delahunt/Johnson Amendment.

Mr. KUCINICH. Mr. Chairman, today Congress is considering a bill to make it easier for corporations to avoid compensating victims for injuries corporations and their products cause. But current law is already heavily skewed toward their interests, and the public health suffers as a result.

Case in point is the gag order on victims who receive a settlement. Under current law, victims receiving compensation under a settlement of a class action suit can be required not to disclose the dangers, evidence and admissions made by the corporate criminal as a condition of settlement. As a result, dangerous products remain on the market and able to do harm to an unknowing public.

In a society dedicated to safety and security, there is no place for these gag orders. Safety and security cannot be realized with secrecy agreements. The Nadler/Delahunt/Johnson amendment is narrowly drafted to clear the way for disclosure of information unearthed in settled class action cases that would benefit the public health.

It is a fact that enforcing the Nation's product liability laws rests in part on citizen-suits brought as class actions. But prevention is worth a pound of cure. If we repeal the gag rule on evidence of dangerous products, we will make society a safer, more secure place for the Nation's citizens. Vote ''yes'' on Nadler.

Mr. DELAHUNT. Mr. Chairman, I urge a ''yes'' vote on this amendment.

It is simple and straightforward. And it's been well-presented and fully explained by previous speakers. It outlaws a practice that has cost the lives of hundreds, if not thousands, of Americans—the sealing of court records in class action settlements where the health and safety of the public are at risk.

And if you have any doubts about the consequences of this practice, just ask the families of those who lost loved ones who were driving Ford Explorers outfitted with Firestone tires. At last count, 271 people had died.

The company knew about the problem. But insisted on secrecy as a condition of settlement. And just kept on selling those tires to an unsuspecting public who were unaware of the danger.

In committee, the lead sponsor of the bill stated that publicizing the details of settlement agreements would deter people from entering into them. Let's be clear. There is absolutely no evidence to support that claim.

And he further suggested that the amendment would eliminate an effective negotiating tool for plaintiffs. His concern for plaintiffs and hard-working American families is noble. But I can't quite believe that the U.S. Chamber of Commerce and the National Association of Manufacturers, who support this bill, share that same concern. I believe that would be a real stretch, Mr. Chairman.

But even if it were true, I submit that the price of secrecy is too high if it costs a single human life.

Consumers are entitled to know when there are dangerous and defective products on the market. They are entitled to the information that will protect them and their families from the unconscionable conduct that we witnessed in the Firestone case.

Well, let's exercise our collective conscience and do the right thing. Let's remember those families, who were the victims of corporate secrecy and greed. It's time to let the sunshine in, before more innocent people are hurt.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, I urge members of this body who care about the health and safety of the public to support the Amendment I offer today with my colleagues Mr. DELAHUNT and Mr. NADLER.

This amendment will require a judge to look at the facts and determine whether the plaintiff's interest in privacy outweigh the public's need and right to know. Often plaintiffs who find themselves in difficult circumstances will agree to seal documents in order to obtain a settlement. These plaintiffs and their attorneys are looking out for their own interests. This is understandable. When faced with the prospect of not obtaining a settlement or going along with the defendant's demands to seal the documents and forever keep them secret, few people will jeopardize their own recovery. And that is why the interests of justice demand that a judge review these agreements. The parties involved in the suit are consumed with pursuing their own interests. Only a judge is required to keep the public interests in mind and to look down the road and determine what effect secrecy will have on future litigants. Florida, Texas and Washington all have rules prohibiting secrecy in cases involving defective products. And several states, including California and Illinois, through their court rules require that a judge review any secrecy deal. Mr. Speaker, the public needs this protection and this body should not refuse to provide ordinary people with the means to pursue justice in the courts of this land.

Let me just outline a few instances in which these secret agreements have endangered the public health and safety:

My colleagues have discussed the Firestone Tire case in which plaintiffs in over 50 cases all over the country were required to agree to secret settlements before the problems with these tires finally came to light. We have all heard of the injuries that resulted from people unwittingly continuing to drive on these defective tires.

In 1999 alone, about 300 asbestos lawsuits were settled for $200 million in Cook County Illinois. That deal kept secret not only the dangers uncovered but also the exact number of plaintiffs, their injuries and the amount received by each.

In 2000, BP Amoco reached an out of court deal with one former employee and the estates of four others, settling lawsuits that claimed the five developed brain tumors as a result of working at Amoco's Naperville research center. The company insisted that the amount it paid be kept secret. But two of the settlements were revealed when a Judge insisted that wrongful death benefits be made public.

Mr. Chairman, we must follow the lead of Texas and several other states. We must assure that the secrecy which has become so fashionable lately not overtake our judicial system and deny justice to ordinary people who have been harmed by the negligence of others or defectively made products. I urge my colleagues to support this amendment.

Mr. NADLER. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment, as modified, offered by the gentleman from New York (Mr. NADLER).

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

Mr. NADLER. Mr. Chairman, I demand a recorded vote.

The SPEAKER pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from New York (Mr. NADLER) will be postponed.

It is now in order to consider Amendment No. 3 printed in House Report 107–375.

AMENDMENT NO. 3 OFFERED BY MR. CONYERS

Mr. CONYERS. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. Is the gentleman from Michigan (Mr. CONYERS) a designee of the gentlewoman from California (Ms. WATERS)?

PARLIAMENTARY INQUIRY

Mr. SENSENBRENNER. Mr. Chairman, parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman from Wisconsin will state it.

Mr. SENSENBRENNER. Mr. Chairman, I believe that the rule that was adopted, House Resolution 367, requires that amendments may be offered only by the Member designated in the report and not by a designee. Am I correct?

The CHAIRMAN pro tempore. That is not correct. A designee may offer the amendment.

Mr. CONYERS. Mr. Chairman, I ask unanimous consent to offer an amendment and present it on behalf of the gentlewoman from California (Ms. WATERS).

The CHAIRMAN pro tempore. That unanimous consent request is not in order in the Committee of the Whole.

Mr. CONYERS. Mr. Chairman, may I ask unanimous consent that we move to the next amendment and reserve the opportunity to bring it up later?

The CHAIRMAN pro tempore. That request is also not in order in the Committee of the Whole.

PARLIAMENTARY INQUIRY

Mr. SENSENBRENNER. Mr. Chairman, parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Chairman, under the rule, which amendment may be offered now?

The CHAIRMAN pro tempore. Right now, Amendment No. 3 by the gentlewoman from California (Ms. WATERS) is in order.

POINT OF ORDER

Mr. CONYERS. Mr. Chairman, a point of order. Can the gentlewoman from California (Ms. WATERS) offer her amendment at a later time?

The CHAIRMAN pro tempore. Only by unanimous consent granted by the House. That unanimous consent request is not in order in the Committee in the Whole. Under the rule, amendments only may be offered printed in the report.

Mr. SENSENBRENNER. Mr. Chairman, I call for regular order.

The CHAIRMAN pro tempore. Is the gentleman from Michigan (Mr. CONYERS) a designee of the gentlewoman from California (Ms. WATERS)?

Mr. CONYERS. Mr. Chairman, I am.

The CHAIRMAN pro tempore. If the gentleman from Michigan (Mr. CONYERS) is a designee of the gentlewoman from California (Ms. WATERS), the gentleman from Michigan is recognized to offer Amendment No. 3.

Mr. CONYERS. Mr. Chairman, I offer Amendment No. 3.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. CONYERS:

Page 9, insert the following after line 20 and redesignate the succeeding section accordingly:

"§1716. Withholding or destruction of material

''If the court in a class action issues a discovery order and a party to which the order is directed withholds or destroys material subject to the order or makes a misrepresentation with respect to the existence of such material, such action by that party shall be deemed an admission of any fact with respect to which the order was issued.

Page 6, in the matter preceding line 1, strike the item relating to section 1716 and insert the following:

''1716. Withholding or destruction of material.

''1717. Definitions.''.

PARLIAMENTARY INQUIRY

Mr. SENSENBRENNER. Mr. Chairman, parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman from Wisconsin will state his inquiry.

Mr. SENSENBRENNER. Mr. Chairman, I have the text of House Resolution 367 before me, and the relevant part says 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 and shall be divided and controlled by the proponent and opponent. The words ''or a designee'' is not in the rule. It is not in the text of the summary provisions of the resolution in House Report 107–375, but is in a head note.

The CHAIRMAN pro tempore. House Resolution 367 says ''a Member designated in the report'' and House Report 107–375 designate ''the gentlewoman from California (Ms. WATERS), or designee.'' Under those circumstances, the gentleman from Michigan (Mr. CONYERS) is recognized as a designee.

Does the gentleman from Michigan (Mr. CONYERS) wish to withdraw his offering of the amendment as the designee of the gentlewoman from California?

Mr. CONYERS. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

AMENDMENT NO. 3 OFFERED BY MS. WATERS

Ms. WATERS. Mr. Chairman, I offer Amendment No. 3.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Ms. WATERS:

Page 9, insert the following after line 20 and redesignate the succeeding section accordingly:

"§1716. Withholding or destruction of material

''If the court in a class action issues a discovery order and a party to which the order is directed withholds or destroys material subject to the order or makes a misrepresentation with respect to the existence of such material, such action by that party shall be deemed an admission of any fact with respect to which the order was issued.

Page 6, in the matter preceding line 1, strike the item relating to section 1716 and insert the following:

''1716. Withholding or destruction of material.

''1717. Definitions.''.

MODIFICATION TO AMENDMENT NO. 3 OFFERED BY MS. WATERS

Ms. WATERS. Mr. Chairman, I ask unanimous consent to modify the amendment and further request that such modification be considered as read.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

The text of Amendment No. 3, as modified, is as follows:

Page 10, insert the following after line 4 and redesignate the succeeding section accordingly:

"§1716. Withholding or destruction of material

''If the court in a class action issues a discovery order and a party to which the order is directed withholds or destroys material subject to the order or makes a misrepresentation with respect to the existence of such material, such action by that party shall be deemed an admission of any fact with respect to which the order was issued.

Page 6, in the matter preceding line 7, strike the item relating to section 1716 and insert the following:

''1716. Withholding or destruction of material.

''1717. Definitions.''.

The CHAIRMAN pro tempore. Pursuant to House Resolution 367, the gentlewoman from California (Ms. WATERS) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentlewoman from California (Ms. WATERS).

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

My amendment seeks to prevent a disgraceful action taken by some defendants. Specifically, it addresses the problems of withheld or shredded documents. We have recently heard allegations that Enron and Arthur Andersen have engaged in document shredding. Those documents were being sought by lawyers for the company's former employees, by Members of Congress and by government investigators.

In any lawsuit involving shredded documents, the information those documents contain may be lost forever. So while a court may sanction a party that shreds documents, other parties will never be able to use the documents to prove their case.

Under my amendment, any party that withholds or destroys material related to a court discovery order would be deemed to have admitted to any fact relating to the discovery order. Before that can happen, it would have to be proven that the party did, in fact, destroy or withhold those documents or that the party made a misrepresentation as to their existence; but once that has been proven, the party that engaged in illegal activity would have essentially admitted to the facts relating to the discovery order. That party would no longer have the option of arguing that it did not do the facts alleged under that order.

Keep in mind that this amendment would not impact on the facts of the case. It only addresses the facts directly related to the discovery order that was violated.

All this amendment does is to ask that parties comply with court orders. It says if they have broken the law by destroying or withholding evidence, then they cannot deny the allegations under the discovery request; we are going to rule that they are guilty with regard to the information destroyed or withheld.

This amendment provides a commonsense approach to a very serious problem. We should provide a strong disincentive to companies that think destroying documents is a way to save their case.

Mr. Chairman, I know that there are a lot of people who are tired of hearing about Enron, but Enron is not going to go away. The collapse of Enron represents the largest corporate failure in American history. At its height, Enron's total market capitalization was over $90 billion while today it trades at less than 25 cents a share. Enron's collapse resulted in tens of billions of losses for individual investors and pension funds.

Mr. Chairman, I am absolutely surprised that even with all of us knowing and understanding what took place at Enron, and each day we continue to learn more, I am surprised that we still have efforts anywhere to try and protect our corporations that not only are involved in wrongdoing, such as Enron, but Enron has gone beyond wrongdoing. It has tried to cover its tracks by shredding documents, and they did not just shred, get caught and stop. After it was discovered that they were shredding documents, they shredded more documents. It is absolutely unbelievable what we are learning about Enron.

We not only wish to protect our consumers against the Enrons and the Global Crossings of the world and others that we are going to find out about, we want to create statutes that will to help to shine the light on these corporations in every conceivable way. It goes beyond the need for transparency.

We still have those who would argue, and just a moment ago I was in our

Committee on Financial Services where I had someone from American Enterprise arguing that we should not interfere, we should not try and create too many laws, we should allow the marketplace to work their will, correct itself.

I am sorry, we cannot watch people be harmed. We cannot watch investors harmed. We cannot watch pensioners harmed and say, Well, Enron is going to go down and that is the price they will pay.

How many times do we have to watch consumers hurt? How many times do we have to unveil the manipulations of the greedy corporations of America that will take advantage of anybody that it has the opportunity to take advantage of?

This business of shredding documents should have us all outraged, but we do not hear a chorus of voices coming from those who are trying to protect Enron and the other corporations of America who are manipulating their consumers. What we hear is, Let us make a few new rules, not too many, let us do something to let the American public know we hear them, but let us not do too much.

□ 1345

Well, I want to make sure that we pass laws in this Congress that will not only deal with the tricks of Enron and the way that they created all of these phony and funny companies, but I also want to deal with the accounting firms. I want to make sure they are never able again to receive consulting fees from the same company that it is supposed to be auditing; never able again to turn a blind eye to the practices of the corporation.

We cannot do all of that in this legislation. This is about something else. But we have an opportunity here to do something about the shredding of documents. The shredding of documents shows intent, intent to hide something, intent to make sure there is not a certain kind of discovery. It is really criminal on its face. The shredding of documents by a major corporation in the middle of a scandal, where they have declared this huge bankruptcy, cannot be left untouched.

Mr. CONYERS. Mr. Chairman, will the gentlewoman yield?

Ms. WATERS. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I would ask the gentlewoman, is it not true that in the Enron case that the shredding was flagrant and outrageous in the sense that even after they were discovered shredding, they continued to shred?

Ms. WATERS. Reclaiming my time, Mr. Chairman, that is absolutely correct; and that is what is so outrageous about it all. They started shredding early, they continued shredding, and even after it was discovered, they shredded some more.

So what they have done is to flaunt their criminal activity in all of our faces; and literally, in the way they are acting, they are daring us to do something about it.

Mr. CONYERS. If the gentlewoman will continue to yield, I would ask her if her amendment, then, would hold them accountable and reinforce any existing remedies against shredding, sanctions of the court, criminal prosecution, and emphasizes this, in the face of the arrogance that has been displayed in this case, and perhaps other cases that have not even come to light?

Ms. WATERS. Mr. Chairman, the gentleman is absolutely correct. Everybody knows about the shredding that took place in Enron. We have all the employees who said, yes, we did it; they told us to do it. And so what we have here is such an admission and knowledge by so many people that with my amendment here they would not be able to get out from under the fact that they absolutely committed the shredding of the documents.

Mr. CONYERS. Well, Mr. Chairman, I want to thank the gentlewoman on behalf of many of us on the committee for a very timely, appropriate, and very sensible provision in the light of what has come to become common knowledge to everyone in the country now.

Ms. WATERS. Reclaiming my time once again, Mr. Chairman, the gentleman is certainly welcome, and let me just say this to him. I believe that as we legislate in this Congress, we must take every opportunity to close every loophole, shut every door, shut down every opportunity for any corporation in America to ever do again what Enron and what appears Global Crossing is doing and has done.

I hate to repeat it because I know people do not want to keep hearing it, but I know the stories of Enron employees who had paid into their 401(k)s. They only had $400,000 for their retirement to last them for the rest of their lives. It is gone. It is gone. There is nothing that anybody can say about us being too involved, overlegislating, attempting to micromanage. There is nothing that anybody can say that should keep us from using every opportunity.

The CHAIRMAN pro tempore (Mr. SWEENEY). The time of the gentlewoman has expired.

Mr. SENSENBRENNER. Mr. Chairman, I yield myself such time as I may consume, and I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to this amendment because it confuses discovery orders with factual evidence and appears to give the court discretion to admit unproven facts into evidence. This not only undermines the bill but it undermines the very notion of a fair trial that our judicial system is based upon.

There are rules for a fair trial: the right to confront your accuser, a right to a jury in some instances, and a rule that allows both sides to discover information. But there is no precedent in the American legal system for a court to have the authority to simply decide facts without proof. The amendment of the gentlewoman from California (Ms. WATERS) proposes to do that.

The gentlewoman's amendment strikes at the heart of so many constitutional protections intended to protect the rights of all Americans when they are brought before the court, and it sticks the thumb on the scale of justice against those rights that have been protected both by court rules and statutes, as well as the Constitution of the United States.

For that reason, and for that reason alone, it ought to be rejected. But I would like to talk about two things. The other side keeps on talking about Enron, and we will confront that directly. Enron is broke. No matter what comes out of the bankruptcy court, the people that have lost money in their 401(k)s and had employment contracts ripped up and all of that are not going to get very much money out of it. I think that is a given. And that is a shame, and it is something that we are going to have to get into in another forum. But the law is quite clear that the destruction of subpoenaed documents is a criminal obstruction of justice, and this bill does not change that criminal statute. This bill does not deal with the criminal law in any respect whatsoever.

If people did do that destroying of documents, as we have read that they did, they should be indicted and prosecuted. And if the jury finds them guilty, they should go to jail and they should go to jail for a long time. But I think they deserve a fair trial just like everybody else who is accused of a crime. Because they happen to be associated with Enron or Arthur Andersen really should not make any difference. Because if we erode the right of a fair trial to those defendants, we have set a precedent that is going to bite the people of this country and this Congress for years and years to come. The way to keep the lid on Pandora's box is to reject the amendment of the gentlewoman from California.

Now, the second thing I would like to bring up is let us run the wheel back about 3½ or 4 years. There were certain e-mails in the Clinton White House that were destroyed after having been subpoenaed by the Committee on Government Reform. Now, under the amendment of the gentlewoman from California, whatever the gentleman from Indiana (Mr. BURTON), the chairman of the Committee on Government Reform, thought he was looking for would have been admitted as evidence and as fact and could not be impeached, even though the destroyed e-mails might have had nothing to do with what he put in his subpoena. That is the type of Pandora's box that this misdrafted amendment is opening up.

And I think my friends on the other side of the aisle, including the gentlewoman from California and the gentleman from Michigan, who were most

eloquent in their defense of the former President, regardless of what the facts were, would have really talked about how unfair a Waters provision would have been relating to those destroyed e-mails. So I think that if it would have been bad as it applied to former President Clinton, it is bad if it applies to Enron or anybody else. We should not open up the Pandora's box.

Mr. Chairman, I yield 2 minutes to the gentleman from Utah (Mr. CANNON).

Mr. CANNON. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in opposition to this amendment. It is frivolous. Its premise is that courts cannot or do not have the power to sanction wrongdoing by parties in discovery or that the system itself does not prosecute crimes when they occur in our court system.

But, Mr. Chairman, the Democrats have talked today about Enron. They have talked about prescription drug benefits, they have talked about apple juice, tires and the environment. Our friend from Texas even raised my constituents in San Juan County, Utah. Yes, each of these cases presents terrible tragedies committed by one party against a group of others. But this debate is not about whether the plaintiffs in each of these cases is entitled to sue or even entitled to seek class action status. I have heard no one in this Chamber calling for doing away with class action lawsuits. This debate is about where the cases are heard, Federal or State court, and that is it.

When our friends on the other side of the aisle talk about Enron, prescription drugs, truck tires, the environment, or my constituents in San Juan County, what they are doing is to change the subject. Make no mistake, they do not want to talk about multimillion dollar awards for trial lawyers while Americans get coupons in the mail.

It is not often I agree with The Washington Post editorial page, but today I do. The current system is obscene. Trial lawyers take advantage, the little guys get taken to the cleaners, and consumers ultimately pay the price in the form of higher prices.

This legislation deserves everyone's support. I encourage a vote against this amendment and for H.R. 2341.

Mr. SENSENBRENNER. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN pro tempore. The gentleman from Wisconsin has 3½ minutes.

Mr. SENSENBRENNER. Mr. Chairman, I yield the balance of my time to the gentleman from Virginia (Mr. GOODLATTE).

Mr. GOODLATTE. Mr. Chairman, I thank the gentleman for yielding me this time.

There are two major problems with this amendment, which I strongly oppose and which is not well thought out. First, it betrays a serious misunderstanding about how discovery works in civil litigation.

The amendment says if documents subject to a discovery order are destroyed or withheld such action shall be deemed an admission of any fact with respect to which the order was issued. The problem is that discovery orders normally are not issued with respect to facts. The orders normally say that certain categories of documents should be retained or produced.

For example, the order may say produce all letters sent between person A and person B; or the order may say preserve all documents regarding subject X. Thus, the punch line to this amendment does not make any sense. If a party withheld a letter sent between person A and person B, what fact would be admitted? And if a party destroyed a document regarding subject X, what facts would be admitted?

In sum, the amendment is fatally flawed because it bears no relationship to how civil discovery really works. Second, and perhaps more importantly, the amendment would actually disrupt and water down existing rules that apply to the destruction or withholding of documents in the discovery process.

Federal Rule of Civil Procedure 37 already provides for an array of sanctions if a party destroys or withholds documents. The court may order that certain facts be admitted. The court may order that a party may not introduce certain defensive evidence at trial. The court may order that monetary sanctions be paid. And most importantly, the court may order a default judgment. The court may issue an order that the party that disobeyed a discovery order loses the entire case and must pay the plaintiffs what they requested.

There is a considerable risk that courts would view this amendment as replacing this very tough rule 37 in the context of class actions. The amendment only requires admissions. Rule 37 authorizes a court to impose much more serious penalties. Thus, this amendment likely would substantially weaken existing law in addressing and correcting discovery abuses in the context of class actions.

Rule 37 is a preferable approach to discovery abuse issues because it awards various levels of sanctions that may be imposed depending upon the seriousness of discovery abuse. Not every document destruction or withholding situation is the same, and rule 37 allows courts to impose even stronger sanctions than this amendment, if the circumstances warrant.

The chairman of the Committee on the Judiciary is exactly right. If we allow a person making an allegation and then demanding a production of documents to be deemed to have proven their point; that whatever they allege was in those documents to have been what that party alleged, a serious misjustice will occur and abuses will crop up all throughout our legal system. This is a bad approach and I urge my colleagues to oppose it.

The CHAIRMAN pro tempore. The gentleman's time has expired. All time for debate on amendment No. 3 has expired.

The question is on the amendment, as modified, offered by the gentlewoman from California (Ms. WATERS).

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

Mr. CONYERS. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from California (Ms. WATERS) will be postponed.

The point of no quorum is considered withdrawn.

□ 1400

The CHAIRMAN pro tempore (Mr. SWEENEY). It is now in order to consider amendment No. 4 printed in House Report 107–375.

AMENDMENT NO. 4 OFFERED BY MR. KELLER

Mr. KELLER. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. KELLER:

Page 9, insert the following after line 20 and redesignate the succeeding section accordingly:

"§ 1716. Disclosure of attorney's fees

''Any court with jurisdiction over a plaintiff class action shall require that, if there is a settlement of the class action or a judgment for the plaintiffs, the attorneys for the plaintiffs shall disclose to each plaintiff—

''(1) at the time when any payment or other award is transmitted to the plaintiff in accordance with the settlement of judgment, or

''(2) in a case in which no such payment or award is made to a plaintiff, at the time when notice of the final settlement or judgment is transmitted to such plaintiff,

the full amount of the attorney's fees charged by the attorneys for services rendered in the action.

Page 6, in the matter preceding line 1, strike the item relating to section 1716 and insert the following:

''1716. Disclosure of attorney's fees.
''1717. Definitions.''.

AMENDMENT NO. 4, AS MODIFIED, OFFERED BY MR. KELLER

Mr. KELLER. Mr. Chairman, I ask unanimous consent to modify the amendment and further request that such modification be considered as read.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The text of the amendment, as modified, is as follows:

Amendment No. 4, as modified, offered by Mr. KELLER:

Page 10, insert the following after line 4 and redesignate the succeeding section accordingly:

"§ 1716. Disclosure of attorney's fees

''Any court with jurisdiction over a plaintiff class action shall require that, if there is a settlement of the class action or a judgment for the plaintiffs, the attorneys for the plaintiffs shall disclose to each plaintiff—

''(1) at the time when any payment or other award is transmitted to the plaintiff in accordance with the settlement of judgment, or

''(2) in a case in which no such payment or award is made to a plaintiff, at the time when notice of the final settlement or judgment is transmitted to such plaintiff,

the full amount of the attorney's fees charged by the attorneys for services rendered in the action.

Page 6, in the matter preceding line 7, strike the item relating to section 1716 and insert the following:

''1716. Disclosure of attorney's fees.
''1717. Definitions.''.

The CHAIRMAN pro tempore. Pursuant to House Resolution 367, the gentleman from Florida (Mr. KELLER) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from Florida (Mr. KELLER).

Mr. KELLER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is a straightforward amendment relating to the disclosure of attorneys' fees. Simply put, if there is a settlement or a judgment for the plaintiffs in a class action suit, the plaintiffs' attorneys shall be required to disclose to their own clients the full amount of the attorneys' fees they are charging.

Why is this necessary? Too often, lawyers cash in while the client gets a coupon or a de minimis cash payment.

For example, in a class action suit against General Mills over a food additive in Cheerios cereal, lawyers were paid $2 million in fees while their clients received a coupon for a free box of cereal. In a class action lawsuit against Chase Manhattan Bank, the lawyers reached a settlement which provided the lawyers with $3.6 million in attorneys' fees and provided their clients with 33 cents each.

In another settlement agreement reached last year with Blockbuster, the trial lawyers received $9.25 million in attorneys' fees and their clients got two free movie rentals and $1-off coupons.

In a Texas class action suit against two auto insurance companies, the lawyer who filed the suit got $8 million in attorneys' fees. The policyholders got $5.50.

In a class action suit brought against manufacturers of computer monitors, the trial lawyers settled the case for $6 million in attorneys' fees for themselves and $6 for their clients. The list literally goes on and on.

This amendment simply brings some much-needed sunlight to this situation by requiring attorneys to disclose their own fees. It does not tell them how much to charge, how little to charge, but whatever they charge they are going to have to disclose to their clients.

I ask my colleagues to vote ''yes'' on the Keller amendment and vote ''yes'' on final passage of the Class Action Fairness bill.

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

The CHAIRMAN pro tempore. Does the gentleman from Texas rise in opposition?

Mr. SANDLIN. Mr. Chairman, I rise in opposition.

The CHAIRMAN pro tempore. The gentleman from Texas is recognized for 10 minutes.

Mr. SANDLIN. Mr. Chairman, I yield myself such time as I may consume.

Everyone is interested in fairness. Everyone is interested in transparency. I think no one has any opposition to making sure that both sides in the litigation and the court know about the amount of attorneys' fees, and that is fine.

But this amendment is one-sided, Mr. Chairman, because this amendment requires only that the plaintiffs' attorney reveal the amount of fees to the clients. That is fair to neither the plaintiffs nor the defendants.

Also, our friends on the other side of the aisle forget to note that courts already review fees with a long laundry list of issues and criteria such as time and labor involved, novelty and difficulty of the questions, skill requisite to perform the employment, the customary fees and things such as that. So our position is that what is good for the goose is good for the gander. If we want to have transparency and we want to know what the fees are, let us talk about the fees on both sides so everyone knows where we are.

I wonder if the gentleman from Florida would be willing to consider requiring equal treatment for both sides, require the disclosure of fees for both defense attorneys and plaintiffs' attorneys.

REQUEST TO OFFER MODIFICATION TO AMENDMENT NO. 4

Mr. SANDLIN. Mr. Chairman, I ask unanimous consent that the Keller amendment be amended by inserting the words ''and the defendants'' after ''plaintiffs'' in line 5 of the amendment.

The CHAIRMAN pro tempore. The Chair only would recognize that unanimous-consent request to make a modification if it was made by the amendment's sponsor himself.

Mr. SANDLIN. Mr. Chairman, as I said before, this amendment is one-sided and unfair. If the other side was really interested in letting consumers and the court and the public know about fees, the other side would say the defense should reveal the fees that the defense attorneys are charging, too. That is fair. That is equitable. They know it.

The change I offered to this amendment, which was rejected by the gentleman from Florida, would have corrected that inequality. I would support a fair and equitable disclosure of all attorneys' fees, and those on the other side would not.

I would note that later today the gentlewoman from Pennsylvania (Ms. HART) will offer an amendment to commission a study to look at, among other things, attorneys' fees and get recommendations from experts on how best to ensure that they are fair and reasonable. Let us not put the cart before the horse. Let us not make change and then do a study. If we want to see if fees are fair, if they are equitable, if they are based upon the law, let us do the study and see what the study says; then we can look at the changes.

The change should be applicable to the plaintiffs, the change should be applicable to the defendants. I think the gentlewoman from Pennsylvania's approach would better ensure that we are addressing the real problems.

I urge my colleagues to defeat this amendment. If you want to review attorneys' fees on both sides, then support HART, support the study. But do not support one-sided legislation and then have the nerve to get up here and put the word ''fairness'' in the name of the bill. We know there is nothing fair about this bill.

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

The CHAIRMAN pro tempore. The Chair would note that the gentleman from Texas is not a member of the committee. Therefore, the gentleman from Florida has the right to close.

Mr. KELLER. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia (Mr. GOODLATTE).

Mr. GOODLATTE. Mr. Chairman, I thank the gentleman from Florida for yielding me this time. I commend him for offering this amendment and I strongly support it. Let me tell you why.

To the gentleman from Texas, the plaintiffs in a class action lawsuit do not pay the defendants' attorneys' fees, but they sure do in some class actions. How about the Bank of Boston settlement? Would it not have been a good idea for all the plaintiffs in that case if they knew, after the attorneys in the case were paid $8.5 million in attorneys' fees, that the members of the class would then be sued by their own attorneys to pay $25 million more? Would that not have been a useful thing for the plaintiffs to have had in that case, when they decide whether or not they want to support this particular proposed settlement of the class?

Or how about the plaintiffs in the airline case where the attorneys received $16 million in fees, and the plaintiffs themselves received coupons for $25 off a $250 or more airline flight, in other words, a 10 percent reduction? Many of those plaintiffs may have said the attorneys are getting $16 million and I am getting a coupon, no, I do not want that settlement. They ought to know that ahead of time.

How about the case against the National Football League, where the attorneys received $3.7 million and the subscribers got somewhere between $8 and $20? Maybe they would like that, maybe they would not, but they ought to know ahead of time before they vote on the settlement.

How about the Blockbuster case? Twenty-three class action lawsuits in

which the class members got dollar-off coupons and buy-one-get-one-free coupons; and the attorneys are estimated, we do not know for sure because we do not have this disclosure requirement, are estimated to get $9.2 million in attorneys' fees. I think disclosure would be good in that case as well.

And then, of course, my favorite again, this case where, against Chase Manhattan Bank, the attorneys get $4 million in fees and the plaintiffs get a check for 33 cents. But, of course, I remind you again they had to mail in that acceptance, so it cost them 34 cents to mail it in to get their 33 cents. I bet people who knew that the attorneys in this case were getting $4 million would not vote to get a penny off which is what the net result of that is.

Again, that is the actual check from Chase Manhattan Bank. They cut all these checks. It cost 33 cents apiece to issue the check plus more than that to mail the checks to the plaintiffs. The attorneys, of course, their check is $4 million and I think if the plaintiffs knew that, they would vote against these settlements. They would let the court know, do not approve a settlement where all we get is a 33-cent check and the plaintiffs' attorneys get a $4 million fee.

I urge my colleagues to support this very good amendment.

Mr. SANDLIN. Mr. Chairman, I yield myself such time as I may consume.

The statement from our last speaker shows a gross misunderstanding of these suits and the way the fees are paid. He indicated that the plaintiffs do not pay the attorneys. They fail to recognize that there is only so much money in these suits.

What are the defendants scared of? What are the Enrons of the world trying to hide? What are the accounting firms trying to hide? What do the chemical manufacturers want to hide from the public? Why will they not accept fair and reasonable disclosure of the fees charged by defense counsel? That is because defense counsel is charging $750 an hour, $500 an hour, $450 an hour, countless hours with scores of attorneys, most of them not doing any work.

If we are going to have transparency, if you are really interested in good public policy, if you really want to know how much fees are being paid, you should stand up there and do the right thing and say, we agree that the defense should reveal and show how much the defense is getting in addition to what the plaintiffs are getting.

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

Mr. KELLER. Mr. Chairman, I yield myself such time as I may consume.

The gentleman from Texas says, well, let us have the defense attorneys reveal how much they are charging. What he does not point out is that the class members themselves in this plaintiffs' suit are bound to class actions unless they affirmatively opt out.

Defendants, in contrast, actually hire and fire their attorneys. There is a stark difference. They get those bills on an hourly basis every month. They know precisely what they are being charged and how much the attorneys make. It is the poor guy who gets the Cheerios coupon and then sees the attorney get several million dollars who is a little bit upset. And he is the one who needs some sunlight here; there already is sunlight on the other side.

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

Mr. SANDLIN. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. CONYERS), the ranking member.

Mr. CONYERS. Mr. Chairman, I would like to ask my friend on the committee, the author of the amendment, the gentleman from Florida (Mr. KELLER). Is he not aware of the fact that in most of these settlements, the court requires that the amounts of recovery or payment to the lawyers is revealed in the settlement?

Mr. KELLER. If the gentleman will yield, I am aware that if that is the case, then he should have no objection to my amendment.

Mr. CONYERS. Is he aware or is he not?

Mr. KELLER. I am aware that a lot of people who are members of the class are shocked and appalled to find out.

Mr. CONYERS. I know they are shocked, but are you aware? You know that, do you not?

Mr. KELLER. I am not aware of that most of the time.

Mr. CONYERS. You do not know that.

I thank the gentleman very much. He is not aware of it.

Mr. KELLER. I am aware of the opposite.

Mr. CONYERS. Just a moment, sir. I am not yielding you any more time.

Mr. KELLER. You asked me a question.

Mr. CONYERS. Now that we do understand that this is revealed frequently in the court, even though the gentleman did not know it before, the courts make this matter public.

The other thing is, and this is a question I am going to yield to you on. Are you aware that in section 1715 of this bill that there is the same provision that you are now offering as an amendment?

I yield to the gentleman.

Mr. KELLER. To answer your first question?

Mr. CONYERS. Just answer this one, please. Are you aware or are you not?

You are not. Then I suggest you look at section 1715, and you will see that this request that you are making, as one-sided as it is, is already in the bill that I guess you are supporting; and so it is redundant.

I am impressed by the fact that defense attorneys' fees are not to be revealed, but plaintiffs' attorneys' fees are to be revealed, giving up yet another secret of the practice, namely, that defense lawyers frequently get far more than plaintiffs' lawyers.

So thanks a lot for public disclosure. This is a very helpful amendment in trying to get what we call the vengeance of the ex-trial lawyers in Congress on their former profession.

□ 1415

Mr. KELLER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I was asked several questions and really did not get a chance to respond to them, but I will go ahead and respond to them now.

I was asked are you aware you already have this identical language in section 1715? First, I would make the point if the language really were there, then the gentleman, of course, would have no objection to this amendment, which he obviously does, so that is a little bit of a supercilious argument.

Second, having looked directly at section 1715, I can say that language is not there. There is language talking about on the front end providing notice to members of the class as to a perspective amount of payment. My amendment deals with the actual payment that the attorney has received after there has been a judgment or a settlement. So it is distinctly different and is worthy of support.

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

Mr. SANDLIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as was indicated by my friend, the gentleman from Michigan, fees are already revealed in settlements. Fees are a matter of public record; and they are approved, the fees, by the court based upon certain criteria that has been set out and is of long standing approval by the courts.

There are two basic methods, the percentage method and the load star method. They have many of the same elements; but they consider things, such as an evaluation of the number of hours worked, benefits secured, the nature and complexity of the issues involved, the amount of money or value of property, the extent of the responsibilities assumed by the attorney, or that the attorney lost employment as a result of being employed in this case, novelty and difficulty of the questions, time limitations, experience, reputation and ability of counsel, undesirability of the case, awards in similar cases and customary fees.

That is the general rundown. Those things are considered by the court and fees are placed against that standard when they are approved, and that is placed in the approval.

Now, true enough, attorneys do get fees and do get paid; but our friends on the other side do not want the defense to reveal that. Why not? What are they scared of? What are they hiding? Answer me why the defense will not do it.

In one case, Food Maker, Inc., as we heard today, killed three people. The attorneys got paid in a class action, and they got paid under the criteria that I read to you.

In another case, a sulfuric acid compound leaked from a car in a General

Chemicals Richmond, California, plant; 24,000 people sought medical treatment. The attorneys were paid, and they were paid based upon this criteria.

There was another case where we had $50 million to a class of 3,500 people living near a pesticide plant contaminated in New Orleans. The amount paid to each plaintiff depended on the years they lived in the area, the extent of exposure, whether they owned their land, what illnesses arose, did they increase in severity, all reasonable things. The attorneys were paid. They were paid based on the criteria approved by the court and by the law.

Lawyers recently filed assault in New Jersey on behalf of by diabetics who used the prescription drug Rezulin to lower blood sugar levels. It was marketed as safe, but later it was showed that it caused severe liver damage, liver failure or death in 100 cases. It was shown the manufacturer knowingly concealed facts about the dangers of the drug from the consumers and the FDA in order to increase sales and make more money. They reached a settlement, and, you know what? The attorneys were paid, as they should have been, based upon the criteria approved by the law.

It is transparent, it is clear. Everyone knows what the plaintiff gets. Everyone knows what they are paid. And the people here that are hiding something are over on that side of the aisle that say we refuse to let you know what defense gets; we refuse to let you know what the insurance lawyers are paid; we refuse to let you know what corporate America's attorneys get paid, because it would offend people such as Enron.

If you want to protect corporate wrongdoers, you need to just get up there and say it and say that is what we are doing, because there is no excuse to say it should be transparent on one side but not transparent on the other. If you want to be fair, be fair; stand up, be fair about it. If you want to be partisan, if you want to protect corporate wrongdoers, just get up there and say it, because that is exactly what you are doing.

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

Mr. KELLER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is a straightforward amendment. We are just shedding some sunlight on the situation and requiring that the plaintiffs' attorneys tell their clients the full amount of fees they are charging. It is as simple as that. We are not saying how much they can charge, how little they can charge, just shed some sunlight on the situation.

We have heard three principal objections to this amendment. First, we hear that some class actions may have merit, and you hear about the Enron case. Well, I agree. I think the Enron class action probably does have merit and probably think there are other class actions that have merit. This has nothing to do with the merit or lack of merit or any particular class action. It has nothing to do with how much they can charge. It simply relates to disclosure of attorney fees, shedding some sunlight on the situation.

The second thing we have heard is this language of the Keller amendment is already in the bill. Well, it is not in the bill; but even if it were, then so be it. That would be great news. Vote for final passage.

The third thing we hear is, well, defense attorneys should be required to tell their clients how much they charge. In fact, they do. In fact, defense attorneys, unlike the poor people in the class, actually hire and fire their attorneys. They get a monthly statement as to how much they are being charged. There already is full disclosure on that side. So there is a clear distinction.

Mr. Chairman, I urge my colleagues to vote ''yes'' on the Keller amendment. Let us bring some much-needed sunlight to this situation to require attorneys to disclose their fees.

Mr. KELLER. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. SWEENEY). The question is on the amendment, as modified, offered by the gentleman from Florida (Mr. KELLER).

The amendment, as modified, was agreed to.

WITHDRAWAL OF REQUEST FOR RECORDED VOTE ON AMENDMENT NO. 2, AS MODIFIED, OFFERED BY MR. NADLER

Mr. NADLER. Mr. Chairman, earlier I asked for a recorded vote on amendment No. 2, as modified. I ask unanimous consent to withdraw that request.

The CHAIRMAN pro tempore. Without objection, the recorded vote requested by the gentleman from New York (Mr. NADLER) on amendment No. 2, as modified, is withdrawn.

There was no objection.

The CHAIRMAN pro tempore. The amendment is agreed to pursuant to the voice vote taken earlier today.

It is now in order to consider amendment No. 5 printed in House Report 107–375.

AMENDMENT NO. 5 OFFERED BY MS. LOFGREN

Ms. LOFGREN. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Ms. LOFGREN:

Page 15, line 6, strike ''if—'' and all that follows through line 17 and insert the following: ''if monetary relief claims in the action are proposed to be tried jointly in any respect with the claims of 100 or more other persons on the ground that the claims involve common questions of law or fact.''.

Page 15, line 21, strike ''The'' and all that follows through ''subparagraph (A).'' on line 24.

Page 16, line 2, strike ''subparagraph (B)'' and insert ''this paragraph''.

MODIFICATION OF AMENDMENT NO. 5 OFFERED BY MS. LOFGREN

Ms. LOFGREN. Mr. Chairman, I ask unanimous consent to modify amendment No. 5 so that the page numbers comport with the report this morning.

The CHAIRMAN pro tempore. The Clerk will report the amendment, as modified.

The Clerk read as follows:

Amendment No. 5, as modified, offered by Ms. LOFGREN:

Page 15, line 15, strike ''if—'' and all that follows through page 16, line 2, and insert the following: ''if monetary relief claims in the action are proposed to be tried jointly in any respect with the claims of 100 or more other persons on the ground that the claims involve common questions of law or fact.''.

Page 16, line 6, strike ''The'' and all that follows through ''subparagraph (A).'' on line 9.

Page 16, line 12, strike ''subparagraph (B)'' and insert ''this paragraph''.

Ms. LOFGREN (during the reading). Mr. Chairman, I ask unanimous consent that the modification be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

The CHAIRMAN pro tempore. Without objection, the modification is agreed to.

There was no objection.

The CHAIRMAN pro tempore. Pursuant to House Resolution 367, the gentlewoman from California (Ms. LOFGREN) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentlewoman from California (Ms. LOFGREN).

Ms. LOFGREN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, there is no doubt that there have been problems in the area of class action lawsuits. We have heard some reference to those problems here today, and certainly the Committee on the Judiciary heard testimony about some of the issues that do need to be addressed.

However, the fact that there are problems with coupon settlements does not mean that we can adopt any old thing as a remedy. In fact, this bill has some flaws, and the amendment before the body now is a very important amendment because it cures one of those flaws.

This is an amendment that is very important for local prosecutors. H.R. 2341, oddly enough, prevents district attorneys from taking civil actions to benefit the public under the guise of ''class action reform.''

This provision of the bill is opposed by the California District Attorneys' Association, and that is because this provision of the bill is not limited to consumer protection class actions brought by plaintiff attorneys. It has a far-more reaching effect. It federalizes any State cause of action that is brought on behalf of the general public.

California, like many other States, has enacted strong antitrust laws that prohibit unfair combinations and unlawful restraints of trade, and Californians have chosen to allow their district attorneys, in addition to the State attorney general, to enforce

these laws in State courts. This bill would usurp California's choice with an expansive definition of ''class action'' that includes any case brought on behalf of the general public.

The Federal Government should not force a local prosecutor to try State antitrust lawsuits in Federal court. Nor should the Federal Government force local prosecutors to comply with Federal class certification requirements that they likely cannot comply with, and if they fail to comply, their cases will be dismissed and very likely they will not be able to refile in State court.

This bill would have a chilling effect on State and local antitrust law enforcement, as well as consumer protection actions in the civil side that are undertaken by district attorneys.

The ability to bring these suits is a powerful tool for local district attorneys, many of whom, including in my own county of Santa Clara, have set up consumer protection units. In fact, one such unit in the San Francisco District Attorney's Office successfully settled a major consumer protection action against Providian Financial Corporation that netted $300 million for consumers.

I would note that in addition to standing up for consumers, local district attorneys can also generate revenue for local government in their very modest fees that do not match the fees that we have heard talked about on this floor.

Now, some have asked me, how can this bill do what I have described? I would simply direct Members to page 15 of the bill where class action is defined in this way: ''The named plaintiff purports to act for the interests of its members (who are not named parties to the action) or for the interests of the general public, seeking a remedy of damages, restitution, disgorgement, or any other form of monetary relief, and is not a State attorney general.''

Well, I think the drafters of the bill have understood that State attorneys general bring civil actions. They just apparently have not understood that district attorneys and city attorneys can bring those same kinds of actions. It does not make any sense at all to force those district attorneys into Federal court, where they are going to then be asked to comply with rule 23, and the district attorneys will not be able to comply with rule 23 because they are not bringing a class action lawsuit, and, then, according to the bill, their lawsuits made on behalf of the people, most mandatory, will be dismissed.

So this amendment offered by myself and the gentleman from California (Mr. SCHIFF), a former prosecutor in California, would remedy this serious defect in the bill.

I urge its adoption.

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

The CHAIRMAN pro tempore. Does the gentleman from Wisconsin (Mr. SENSENBRENNER) rise in opposition to the amendment?

Mr. SENSENBRENNER. I do, Mr. Chairman.

The CHAIRMAN pro tempore. The gentleman is recognized for 10 minutes.

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

Mr. Chairman, I rise in strong opposition to this amendment, which effectively excludes private attorney general claims from the provisions of H.R. 2341.

Allowing citizens to use private rights of actions as a class is an enormous loophole in this law that can be easily accessed and lead to continued abuses in local courts, even in California.

Now, let me say when we are talking about diversity jurisdiction as established in the Constitution, we are talking about claims between plaintiffs in different States and defendants in different States, so if all the plaintiffs lived in California and the defendant was living in California, there would be no Federal diversity jurisdiction whatsoever and the case would be tried in the California court.

However, the Federal courts were intended by the Framers in diversity jurisdiction to get away from having a State court be the hometown umpire and thus favoring litigants from the State where the court sat. So if I had a claim and were potentially a member of a class as a citizen of the State of Wisconsin, I really would not appreciate very much one of these private attorney general actions litigating my claim in a California court which is 1,500 miles away from my State. I would end up having my rights litigated and my remedies extinguished as a citizen of Wisconsin in a court that I might not think I would get a fair trial in.

Now, under H.R. 2341, I, as a citizen of Wisconsin, if I were a defendant in this action, would have the right to remove the case into a Federal court and even the playing field.

Mr. Chairman, I think we ought to realize that every case that arises under diversity jurisdiction arises under State law. Cases that arise under Federal law jurisdiction, the jurisdiction is in the Federal courts, and they can automatically be removed simply because a Federal question is posed. So diversity jurisdiction applies where no Federal question is posed, but you have plaintiffs and defendants who live in different States and are citizens of different States.

Now, I think that in order to protect the nonresident litigants, there ought to be a procedure to remove those types of private attorney general class action claims into Federal court. The bill provides that procedure. The gentlewoman from California wants to eliminate that procedure, and that means that those of us who happen to be either plaintiffs in a class action or a defendant in one of these private attorney general actions in a State like mine that does not allow them will end up having the case litigated in a court that might be thousands of miles away from where we live and would have the hometown bias.

□ 1430

That is not what this bill should be about, and that is why I hope this amendment will be defeated.

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

Ms. LOFGREN. Mr. Chairman, I yield myself 45 seconds to note that in the Providian case I mentioned where the district attorney in San Francisco pursued a remedy for the citizens, the public, the people in San Francisco, obtaining a $300 million benefit for consumers, there was incomplete diversity and it was not removed because one of the subsidiary defendants was from out of State. However, under this act, that action would have to be removed and would have to be dismissed, because rule 23 relative to class actions cannot possibly be complied with by district attorneys acting on behalf of the people, and I think that this is a very stealthy way to eliminate jurisdiction of district attorneys and city attorneys acting in their civil capacity on the part of the people. I would urge that this amendment be adopted to cure this fatal defect.

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

Mr. SENSENBRENNER. Mr. Chairman, I yield such time as he may consume to the gentleman from Virginia (Mr. GOODLATTE).

Mr. GOODLATTE. Mr. Chairman, I thank the gentleman for yielding me this time. I too oppose this amendment.

A rose by any other name would smell as sweet; a class action by any other name is still a class action. This legislation is designed to treat all similar types of actions similarly, and it is totally unfair to place parties in other States at the mercy of those who would have an exception to this rule that if it were brought by a local prosecutor or other attorney, that they would then be able to keep these cases in State court.

As to the concern raised by the gentlewoman regarding the bringing of these actions in Federal court, no, they do not have to be moved to Federal court; and if they are, the Federal court judge has wide latitude to remand cases to State court where the judge finds that an inequity would result or where it would be better to bring that case in State court in the first place.

So there is no reason to draw a distinction. There are many, many class action lawsuits that can and should be heard in the State courts. If they meet the criteria of the law, they should do it.

This bill is simply designed to make sure that cases that otherwise could be brought in Federal court because of diversity of jurisdiction can indeed be

brought for that reason and not bogged down under a $75,000 per plaintiff limitation, which in so many, many of these class actions involving peanuts, being the amount of the settlement for the plaintiffs, could not be brought in Federal court and, instead, gets brought in that favorite jurisdiction, whether it is in California or any other State. This levels the playing field and makes sure that all of these actions are treated fairly and equally. There is no reason to make a distinction for this type of action.

Mr. Chairman, I would encourage my colleagues to oppose this amendment.

Mr. SENSENBRENNER. Mr. Chairman, I reserve the balance of my time.

Ms. LOFGREN. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. SCHIFF).

Mr. SCHIFF. Mr. Chairman, I rise in support of the amendment proposed by the gentlewoman from California (Ms. LOFGREN).

The gentleman who just spoke quoted that a rose by any other name is still a rose, and I would like to talk about one of those roses that we talk about frequently in this House, and that is the rose of federalism, that is the rose of State rights. Because State rights and deferring to the legislatures of the 50 States is as pure and as beautiful as a rose, both in this context, as it is in so many other contexts that our colleagues remind us of from time to time.

What does that mean in the case of this amendment? It means that when a legislature like that in California passes a law to protect the consumers of that State by empowering individuals to act as private attorneys general, rather than simply expanding the attorney general's office and hiring more and more attorneys general, California has chosen to protect consumers by empowering individuals to act as the attorney general when the attorney general lacks the resources to do it. Maybe the case is too small to impose upon the attorney general, so private citizens can bring these actions to protect their rights.

This is exactly what the States are supposed to do; they are supposed to innovate. They are supposed to use new methods of attacking old problems. So California has used this new method of private attorneys general to attack unfair business practices.

What is the Congress doing in this bill right now by opposing this amendment? It is saying that, well, we are fine with federalism, we are fine with State rights except when the rights are about protecting consumers; except when we do not like the direction where the State may be headed.

I served in the California legislature for 4 years. We have very strong consumer protections. Large corporations that do business in California, they take advantage of those protections in a positive way. They take advantage of all of the benefits of California law, and we should not pass a bill today that basically says that these large, out-of-state companies that want to take advantage of the good economic environment in California and sell goods and products and services to Californians, to take advantage of that forum should be somehow immune, be able to remove from California courts, maybe remove from California completely, any action that consumers might bring or a private attorney general might bring on their behalf. That simply is not right.

A rose by any other name is a rose, and the rose of federalism supports this amendment. I urge an ''aye'' vote.

Ms. LOFGREN. Mr. Chairman, I yield 1½ minutes to the gentleman from Michigan (Mr. CONYERS), the ranking member of the full committee.

Mr. CONYERS. Mr. Chairman, I want to compliment the gentlewoman from California (Ms. LOFGREN) on this amendment because the State of Michigan has precisely the same provision as the State of California.

The gentleman from California (Mr. SCHIFF) and the gentlewoman from California (Ms. LOFGREN) have explained it perfectly. I just had a Committee on the Judiciary staffer, Scott Deutchman, call the attorney general, Jennifer M. Granholm, in Michigan to confirm with her before I made the statement in support of the Lofgren provision that the Michigan attorney general is totally supportive and is stunned by the notion that anything in our laws, our procedures here would require her or citizens to go into a Federal court to seek a remedy that is uniquely available to them under State procedures.

So I am very pleased to indicate that our attorneys general and like those of California are totally in support of the Lofgren amendment. I hope that the Members will appreciate the significance of this provision.

Ms. LOFGREN. Mr. Chairman, do I have the right to close?

The CHAIRMAN pro tempore (Mr. SWEENEY). The gentleman from Wisconsin (Mr. SENSENBRENNER) has the right to close. The gentlewoman from California has 1¼ minutes remaining.

Ms. LOFGREN. Mr. Chairman, I yield myself the remaining time.

I have heard the comments that the provision in the bill is fine because it is diversity jurisdiction, and I just do not buy that argument. I will tell my colleagues why.

Take a look at the provision that creates sort of class action coverage for the actions of district attorneys, our local prosecutors. It specifically exempts State attorneys general. So the argument my colleagues are making that these cases need to be brought and heard in Federal court when there is diversity of any sort at all does not wash if we are exempting the State attorneys general from the provisions of these consumer protection actions.

I called yesterday, I was ill last week and I wish I had called him before yesterday, but I called the district attorney in Santa Clara County. He was stunned to see this provision and adamantly opposes it. He put me in touch with the California State Attorneys General Association. They could not believe that this provision would be proposed; and they were absolutely amazed that it would seriously be considered, that their divisions that act in behalf of the people would essentially be shut down because they could never comply with rule 23.

Please, support this amendment and cure this serious problem in the bill.

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

Mr. Chairman, the reason there is an exemption for State attorneys general in this bill is because the State attorney general is the chief law enforcement officer of the State. In most States, the attorney general is an elected official.

Now, if the attorney general is not doing his job, then it is up to the voters to choose a new attorney general in the next election. But just because attorneys general might not be able to do their job is no reason why we should empower a whole host of other people to file pseudo class actions, which is what the amendment of the gentlewoman from California seeks to do.

Now, again, diversity jurisdiction interprets State law. Federal questions are automatically removable to Federal court. The reason the Framers put diversity jurisdiction into the Constitution was to prevent a State judge from being a hometown umpire to the prejudice against citizens of other States who happen to be litigants.

So very simply, what we do in this bill is to provide a better way of protecting litigants who come from other States. For that reason, I would urge that this amendment be rejected.

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

The CHAIRMAN pro tempore. The question is on the amendment, as modified, offered by the gentlewoman from California.

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

Ms. LOFGREN. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from California (Ms. LOFGREN) will be postponed.

It is now in order to consider Amendment No. 6 printed in House report 107–375.

AMENDMENT NO. 6 OFFERED BY MR. CONYERS

Mr. CONYERS. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mr. CONYERS:

Page 16, line 2, strike the quotation marks and second period.

Page 16, insert the following after line 2:

''(10)(A) For purposes of this subsection and section 1453 of this title, a foreign corporation which acquires a domestic corporation in a corporate repatriation transaction shall be treated as being incorporated in the State under whose laws the acquired domestic corporation was organized.

''(B) In this paragraph, the term 'corporate repatriation transaction' means any transaction in which—

''(i) a foreign corporation acquires substantially all of the properties held by a domestic corporation;

''(ii) shareholders of the domestic corporation, upon such acquisition, are the beneficial owners of securities in the foreign corporation that are entitled to 50 percent or more of the votes on any issue requiring shareholder approval; and

''(iii) the foreign corporation does not have substantial business activities (when compared to the total business activities of the corporate affiliated group) in the foreign country in which the foreign corporation is organized.''.

AMENDMENT NO. 6, AS MODIFIED, OFFERED BY MR. CONYERS

Mr. CONYERS. Mr. Chairman, I ask unanimous consent to modify the amendment, and I further request that such modification be considered as read.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The text of amendment No. 6, as modified, is as follows:

Page 16, line 12, strike the quotation marks and second period.

Page 16, insert the following after line 12:

''(10)(A) For purposes of this subsection and section 1453 of this title, a foreign corporation which acquires a domestic corporation in a corporate repatriation transaction shall be treated as being incorporated in the State under whose laws the acquired domestic corporation was organized.

''(B) In this paragraph, the term 'corporate repatriation transaction' means any transaction in which—

''(i) a foreign corporation acquires substantially all of the properties held by a domestic corporation;

''(ii) shareholders of the domestic corporation, upon such acquisition, are the beneficial owners of securities in the foreign corporation that are entitled to 50 percent or more of the votes on any issue requiring shareholder approval; and

''(iii) the foreign corporation does not have substantial business activities (when compared to the total business activities of the corporate affiliated group) in the foreign country in which the foreign corporation is organized.''.

The CHAIRMAN pro tempore. Pursuant to House Resolution 367, the gentleman from Michigan (Mr. CONYERS) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from Michigan (Mr. CONYERS).

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

Mr. Chairman, I begin by hoping that this amendment may be accepted; but moving on, I would describe the amendment to my colleagues.

This is an amendment designed to help adjust the problem that is happening with increasing frequency where our domestic United States corporations reincorporate at an office somewhere abroad, out of the United States, for the purpose of, one, avoiding United States taxes; and, two, avoiding legal liability.

Now, in the 6 months of our fight against terrorism at home or abroad, it would seem to me the last thing that we should be doing would be to pass legislation which would in any way aid, help, or assist what I would call these corporate tax traitors.

With increasing frequency, there are U.S. companies setting up shell companies in places like Bermuda, and the company continues to be owned by United States shareholders, continues to operate in the United States and do business in the USA and all its locations. The only difference is that the new foreign company escapes substantial tax liability and, under the provisions of this bill, could more easily avoid legal liability in State class action cases.

□ 1445

The actions of these companies are a slap in the face to every citizen who works hard and pays their taxes in this country. Our amendment responds to this egregious behavior by treating the former United States companies as a domestic corporation for class action purposes.

Now, apologists for these financial outlaws may attempt to argue that our amendment may not be necessary because the bill only deals with national class actions. But, Mr. Chairman, nothing could be further from the truth.

Under this bill, actions involving State consumer protection laws brought by residents who all reside in one State could be removable to a Federal court simply because the financial outlaws tried to abscond from the State. This is not a national class action. This is a State class action that belongs in a State court, the fact that a financial corporate outlaw engaged in a sham transaction should be irrelevant as far as the legal liability in these cases would be concerned.

So the bottom line is simple: as presently written, the bill gives a liability windfall to these foreign tax evaders. Today we have an opportunity to send a message that it is wrong to pretend one is a U.S. corporation when one is incorporated in Bermuda. It is wrong to seek the benefits of corporate citizenship without responsibility. It is wrong to engage in sham offshore transactions which leave hard-working United States citizens paying more taxes because they are paying less.

Mr. Chairman, I urge support for this Conyers-Jackson-Lee-Neal amendment.

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

The CHAIRMAN pro tempore (Mr. SWEENEY). Does any Member rise in opposition?

Mr. GOODLATTE. Mr. Chairman, I claim the time in opposition.

The CHAIRMAN pro tempore. The gentleman from Virginia (Mr. GOODLATTE) is recognized for 10 minutes.

Mr. GOODLATTE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong opposition to this amendment. This is a red herring if there ever was one. There is nothing in this legislation that has anything to do with the tax liability of corporations that may have been moved offshore. To raise it in this class action lawsuit is a big mistake. It would provide more jurisdiction over larger cases to State courts and undermine our effort to allow Federal courts jurisdiction over large, interstate class actions, the very point of bringing this legislation forward. The most complex cases should be heard in the courts designed to hear them: the Federal courts.

Attempting to redefine the home base of a corporation just for the purposes of class action lawsuits will not affect any other lawsuits brought against the corporation. It certainly will not affect their tax liability. If this amendment is about tax loopholes, then that is something that should be dealt with by the Committee on Ways and Means.

This amendment is intended to prevent nationwide, even international, class actions having national implications then plaintiffs from many States from being heard in Federal court.

The premise of H.R. 2341 is to allow Federal courts to resolve these large class actions in a balanced and fair way. That is why the Founding Fathers created article III courts, to resolve Federal questions and issues of a wide degree of diversity. That is what class actions are by their very nature.

The fact of the matter is that a dispute between two individuals from different States for slightly more than $75,000 can be resolved by a Federal court, but with a national class action worth billions of dollars, in the case of this amendment a foreign corporation, the case cannot be heard in Federal court. That is wrong.

I urge my colleagues to oppose this amendment. It is something that would give State courts jurisdiction over cases that involve U.S. companies that have been purchased by foreign companies. These are generally large, nationwide lawsuits that we are talking about. They are precisely the kind of cases that should be brought and heard in Federal court.

I urge my colleagues to oppose the amendment.

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

Mr. CONYERS. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Massachusetts (Mr. NEAL), who has worked on this subject matter for many years.

Mr. NEAL of Massachusetts. Mr. Chairman, I thank the gentleman from Michigan (Mr. CONYERS) for yielding time to me and certainly acknowledge some of the questions that have been raised by a former constituent of mine, the gentleman from Virginia (Mr. GOODLATTE).

But I want to call attention to this issue. The gentleman from Colorado (Mr. MCINNIS) is sitting on the floor, as well. I know that he has filed similar legislation to the bill that I filed last week.

Let me, if I can, Mr. Chairman, outline the nexus of this problem. Last week the Defense Department announced that the U.S. was sending military advisers to Yemen, the Philippines, and Georgia, in the former USSR. This is going to be expensive, but we acknowledge it is a necessary defensive action.

And as we prosecute this war on terrorism, Mr. Chairman, one U.S. corporation next week will vote on whether or not to leave the United States solely to avoid U.S. income taxes, taxes which our constituents and I will have to pay more of to fund this war against evil.

Today I am urging the Members to support a commonsense amendment telling these corporate expatriates, these financial deceivers, that they should not enjoy special legal protections. This amendment is based on bipartisan legislation that surely at some point is going to see the light of day and make it to the floor of this House.

But, Mr. Chairman, one accountant, a very aggressive accountant, I might add, advised her clients just 3 months ago to sneak out of the United States; just leave in the dark of night to avoid paying American income taxes. The Treasury Department just stated 2 weeks ago: ''We are seeing a marked increase in the size and frequency of these transactions.'' For a mere $27,000, a corporate expatriate can rent a post office box offshore and avoid $40 million in Federal income taxes.

If individuals were doing this, the American people would be outraged. As our Senate colleague from Iowa, the ranking Republican on the Finance Committee, said last week, it is a slap in the face to individual taxpayers who bear the brunt of the total Federal tax burden when the business community buys into these deals. Support this amendment today denying a liability windfall to these corporations that shelve the Stars and Stripes to simply save on the bottom line.

Mr. GOODLATTE. Mr. Chairman, it is my pleasure to yield 3 minutes to the gentleman from Colorado (Mr. MCINNIS).

Mr. MCINNIS. Mr. Chairman, I thank the gentleman for yielding time to me.

First of all, I agree with the comments of the gentleman from Michigan (Mr. CONYERS). I agree with most of the comments of the gentleman from Massachusetts (Mr. NEAL). I think it would be beneficial, and we would ask the gentleman to merge his bill with our bill.

Mr. NEAL of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MCINNIS. I yield to the gentleman from Massachusetts.

Mr. NEAL of Massachusetts. Mr. Chairman, perhaps the gentleman from Colorado (Mr. MCINNIS) would merge his bill with my bill. We are only 5 percent different.

Mr. MCINNIS. Mr. Chairman, as the first in order of number, we will take the gentleman on our bill.

Mr. Chairman, the point is, we agree on the substance of the abuse that is taking place out there, and we want to close the loophole. This is not the bill to close the hole. This is not the Committee on Ways and Means, and this is not the Committee on Ways and Means' bill.

What has happened here is they put this amendment out, I think, simply to express our disdain, properly express our disdain with what is going on out there and with what some of the corporations are doing, including Stanley Tool Corporation and some others that I think ought to be held publicly accountable.

In fact, I would say to the gentleman from Massachusetts, I was at a dinner last weekend with several hundred blue-collar workers, mechanics; and I urged every one of them not to buy Stanley tools as a result of what Stanley Tool Corporation is attempting to do. While our American young people fight overseas, we have these corporations that enjoy the protection of this putting up a post office box in Bermuda.

This simply has nothing to do with it. This amendment deals with diversity. This amendment deals with standing. To try and link, to make that leap, we are not making the link. So the issue is right and the platform is wrong.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. MCINNIS. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I just want to compliment the gentleman on his support for the theory behind this.

I would just point out to him that escaping legal liability is not a function of any other committee but the Committee on the Judiciary. So we are not trying to get to the tax prosecution, sir. We are just getting to those who are escaping, to escape the kind of jurisdiction of class action suits.

Mr. MCINNIS. Reclaiming my time very quickly, Mr. Chairman, I am not trying to take jurisdiction from the gentleman's committee, obviously. I disagree that this amendment is going to do what the gentleman is saying it is going to do. I say that with all due respect. I think this amendment out there is simply to bring up this discussion.

We ought to have lots of discussion and public exposure, I say to the gentleman from Massachusetts (Mr. NEAL), on what is going on out there. It is wrong. But this is not the platform to do it. This amendment does not accomplish what the sponsors say it will as far as the legal corporation for standing in class suits and diversity. I think it is a good discussion, wrong place.

Mr. GOODLATTE. Mr. Chairman, will the gentleman yield?

Mr. MCINNIS. I yield to the gentleman from Virginia.

Mr. GOODLATTE. Mr. Chairman, would the gentleman from Colorado (Mr. MCINNIS) agree that not only is this not the right place to do this, but this amendment does not cure the problem that the gentleman is talking about? It has nothing to do with changing the tax laws of these corporations.

Mr. MCINNIS. Reclaiming my time, Mr. Chairman, the gentleman from Virginia is absolutely correct. This does not accomplish what the intent behind it may be, and the proper discussion that is taking place here really will take place in great detail in front of the Committee on Ways and Means with both of our bills, and I urge that is where we move it back to and get on with the business at hand.

Mr. CONYERS. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Texas (Ms. JACKSON-LEE), who is a cosponsor of the amendment.

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

Mr. CONYERS. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I just wanted to go back to the comments of the gentleman from Colorado (Mr. MCINNIS), who I more frequently see on Special Orders at night in my home than I do on the floor. I am happy to find he and I in agreement.

But he asked the question, will this amendment accomplish what we say it will. Well, we have talked with the American Law Division, and they agree that, in its current form, the measure offers new abilities, this bill, to remove cases to Federal court for companies that engage in corporate repatriation transactions that are not available under present law.

So, in other words, the only place we can stop this is in the Committee on the Judiciary in terms of this jurisdictional opportunism.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman for yielding to me, and I would like to pursue the argument he just made. I think that is the crux of the difference of opinion that we have in opposing this legislation but supporting this amendment. That is, where there is a benefit, there has to be a burden.

I think that the Committee on the Judiciary in this jurisdiction is frankly the appropriate place for this amendment to be placed, because what we are suggesting is that if one is absconding from the United States, absconding from paying taxes, then one should not have the benefit of going into the Federal courts where they will be able to, in essence, block petitioners who are in a class action litigation.

We are opposed to this particular legislation because it does undermine

class actions that have been successful in State courts. Let me cite an example: Foodmaker, Inc., the parent company of Jack-in-the-Box restaurants, agreed to pay $14 million in a class action settlement in Washington. The class included 500 people, mostly children, who became sick early in 1993 after eating undercooked hamburgers tainted with e. Coli bacteria.

The victims suffered from a wide range of illnesses, from more benign sicknesses to those that required kidney dialysis. Three children died. The settlement was approved on September 25, 1996, in King County, Washington Superior Court.

If, for example, this legislation was in place, there is clear opportunity, possibly if one of the plaintiffs had just moved over to Oregon or had been visiting from Oregon, that case would have been in a Federal court.

We are suggesting that if one absconds from the United States in order not to pay taxes, if this legislation were to have passed, we do not believe they should have any right to the benefit of moving the case, a class action case, to the Federal courts. That is the crux of this. This is the bill that is moving through the House now.

I certainly appreciate the legislation of the gentleman from Massachusetts (Mr. NEAL), and I want to support the legislation. I appreciate his support. He is on the Committee on Ways and Means.

□ 1500

That bill can move of its own legs, and we will support it, but this bill is moving, and we are only talking about legal liability, the inability to access the Federal court, a benefit that one would secure if this legislation passed. We want to block that benefit because we need to protect consumers on this.

Let me just simply say, we are standing here today to say to Americans, who have just gone through a traumatic experience with the collapse of a major corporation, that we are going to smack them in the face and go against the rights of consumers. We are also going to allow someone who absconds to another island, another place to establish a foreign corporation, to now not only access the Federal courts and benefit from the presence of that legislation, but also not pay taxes.

This is a common-sense, good-sense consumer protection amendment, and I believe my colleagues, if they look at it, will understand it is appropriately tracking this legislation which is under the jurisdiction of the Committee on the Judiciary, because we are preventing them from having a legal benefit when they abscond from the United States and desire not to pay taxes.

Thank you Mr. Chairman and Ranking Member CONYERS.

I am proud to join Mr. CONYERS in offering the Conyers Jackson-Lee Neal amendment which would deny corporations who relocate to foreign countries simply to avoid paying income taxes from enjoying the benefits of this bill.

As the saying goes, "death and taxes are the only guarantees in life". You and I could never avoid paying taxes, but we try to minimize them to the best of our ability. The same philosophy applies to companies.

However, there is a growing trend in this country where American companies are incorporating Bermuda, or other countries that do not have income taxes, to avoid paying taxes altogether while maintaining the benefits and security of doing business in the United States. But these companies don't actually relocate to Bermuda. Rather, they are a Bermuda corporation only on paper.

But the tax benefits are profound. Tyco International, a diversified manufacturer headquartered in New Hampshire but incorporated in Bermuda, saved more than $400 million last year in taxes alone. And Stanley Works, a Connecticut manufacturer for 159 years, will cut its tax bill by $30 million a year to about $80 million.

Although it is a growing trend, some companies hesitate to incorporate in Bermuda because of patriotism issues, especially after the tragedies of September 11. But low and behold, "profits trump patriotism".

Enron Corp had set up an estimated 2,800 to 3,000 "special purpose entities" (SPEs) in an attempt to hid amounting debt and losses and to avoid paying taxes. As a matter of fact, Enron had not paid any income taxes in the last five years. And due to the nature of these transactions, and the fact that these SPEs were created as a separate entity from Enron, government officials have been unable to acquire more information to determine the extent of liability.

Allowing companies who relocate to foreign countries simply to avoid paying taxes and still benefit from class actions in a federal forum would enable a defendant corporation to avoid accountability and result in the plaintiff class having a more difficult time seeking redress.

Again, this amendment would attempt to bring justice within the reach of the victims aggrieved by these corporate giants. I ask my colleagues to support this amendment.

Mr. CONYERS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. SWEENEY). The gentleman from Virginia (Mr. GOODLATTE), who has the right to close, has 4 minutes remaining.

Mr. GOODLATTE. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, frankly this amendment is not just wrong, it does not make any sense at all. What the other side is proposing to do here will not have the effect that they are suggesting. They are limiting the options of those who would bring class action lawsuits against some of these corporations that they refer to.

There are many instances now in which a case cannot be brought in Federal court because of this diversity rule which could be brought against those corporations; in my State of Virginia, for example, a State that does not recognize class action lawsuits, so making it easier to bring actions in Federal court is not something that is going to harm these corporations whatsoever.

As explained during the Committee on the Judiciary markup, the purpose of this amendment is to discourage companies from moving their parent entities offshore, to turn them into foreign corporations in order to achieve tax advantages. Thus, although this amendment does not seek to derail enactment of the core provision of the bill, that is, the provisions expanding Federal diversity jurisdiction over interstate class actions, it would preclude companies owned by foreign or offshore companies from exercising that change.

This effort to establish tax policy through procedural and jurisdictional rules applicable to civil litigation is truly bizarre, the ultimate non sequitur.

As stated by its authors, the purpose of the amendment is to punish companies with offshore owners by forcing them to litigate class actions brought against them in State court, while companies that have U.S. parents may remove their cases to Federal court under the expanded Federal jurisdiction of provisions of this bill.

Obviously, making this sort of distinction among companies based on foreign ownership is a constitutionally suspect policy, but equally important is the fundamental premise of the amendment, that forcing parties to litigate interstate class actions in State courts constitutes a sort of punishment.

Thus, although this amendment should be defeated, it does suggest agreement on the key predicate for H.R. 2341: State courts are not an ideal place for parties to litigate class actions.

This amendment should be defeated, but this amendment should be remembered as confirming the key reasons why the overall bill, the fundamental provisions of H.R. 2341, should be enacted.

Let us not limit the choice that is involved here where these cases can be considered. Let us make the Federal diversity rules work. That is what this bill is about. That is what this amendment would defeat, and I urge my colleagues to oppose the amendment.

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

The CHAIRMAN pro tempore. The question is on the amendment, as modified, offered by the gentleman from Michigan (Mr. CONYERS).

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

Mr. CONYERS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Michigan (Mr. CONYERS) will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. 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. 3 offered

by the gentlewoman from California (Ms. WATERS); Amendment No. 5 offered by the gentlewoman from California (Ms. LOFGREN); and Amendment No. 6 offered by the gentleman from Michigan (Mr. CONYERS).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 3, AS MODIFIED, OFFERED BY MS. WATERS

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on Amendment No. 3, as modified, offered by the gentlewoman from California (Ms. WATERS) on which further proceedings were postponed on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 174, noes 251, not voting 9, as follows:

[Roll No. 56]

AYES—174

Abercrombie
Ackerman
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Becerra
Berkley
Berman
Berry
Bishop
Bonior
Borski
Boswell
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Conyers
Costello
Coyne
Crowley
Cummings
Davis (CA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doyle
Edwards
Engel
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frost
Gephardt
Gilman
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hilliard
Hinchey
Hoeffel
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lowey
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moore
Moran (VA)
Murtha
Nadler
Neal
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Smith (WA)
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wynn

NOES—251

Aderholt
Akin
Allen
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boucher
Boyd
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Condit
Cooksey
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis (FL)
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Dooley
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frank
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lucas (KY)
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
McNulty
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Mollohan
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Saxton
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Stearns
Stenholm
Stump
Sullivan
Sununu
Sweeney
Tancredo
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Young (AK)
Young (FL)

NOT VOTING—9

Barrett
Bentsen
Blagojevich
Davis (IL)
Eshoo
Hinojosa
Kilpatrick
Napolitano
Traficant

□ 1527

Messrs. SKEEN, BOEHNER, GREENWOOD, EHLERS, HILL, BOOZMAN, Ms. PRYCE of Ohio, Ms. GRANGER, and Mrs. THURMAN changed their vote from ''aye'' to ''no.''

Mr. TIERNEY changed his vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated for:

Ms. NAPOLITANO. Mr. Chairman, I was in the Chamber intending to vote ''yes'' on rollcall 56. Had I voted I would have voted ''aye'' on rollcall 56.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. SWEENEY). Pursuant to clause 6 of rule XVIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

AMENDMENT NO. 5, AS MODIFIED, OFFERED BY MS. LOFGREN

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment, as modified, offered by the gentlewoman from California (Ms. LOFGREN) 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 pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 194, noes 231, not voting 9, as follows:

[Roll No. 57]

AYES—194

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Becerra
Berkley
Berman
Berry
Bishop
Blumenauer
Bonior
Borski
Boswell
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gilman
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hoeffel
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum

McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—231

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boucher
Boyd
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stenholm
Stump
Sullivan
Sununu
Sweeney
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Walsh
Wamp
Waters
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—9

Barrett
Bentsen
Blagojevich
Davis (IL)
Eshoo
Hinojosa
Kilpatrick
Pelosi
Traficant

□ 1536

So the amendment, as modified, was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 6, AS MODIFIED, OFFERED BY MR. CONYERS

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on amendment No. 6, as modified, offered by the gentleman from Michigan (Mr. CONYERS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 202, noes 223, not voting 9, as follows:

[Roll No. 58]

AYES—202

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Becerra
Berkley
Berman
Berry
Bishop
Blumenauer
Bonior
Borski
Boswell
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Crowley
Cummings
Davis (CA)
Davis (FL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dingell
Doggett
Dooley
Doyle
Duncan
Edwards
Engel
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gilman
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hilliard
Hinchey
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Hunter
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Royce
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—223

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boucher
Boyd
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Dicks
Doolittle
Dreier
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hyde
Isakson
Issa
Jenkins
John
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Ryan (WI)
Ryun (KS)
Saxton
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stenholm
Stump
Sullivan
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield

Wicker	Wilson (SC)	Young (AK)
Wilson (NM)	Wolf	Young (FL)

NOT VOTING—9

Barrett	Davis (IL)	Istook
Bentsen	Eshoo	Kilpatrick
Blagojevich	Hinojosa	Traficant

□ 1544

So the amendment, as modified, was rejected.

The result of the vote was announced as above recorded.

□ 1545

The CHAIRMAN pro tempore (Mr. SHIMKUS). It is now in order to consider amendment No. 7 printed in House Report 107–375.

AMENDMENT NO. 7 OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 7 offered by Ms. JACKSON-LEE of Texas:

Page 18, line 14, strike the quotation marks and second period.

Page 18, insert the following after line 14:

''(g) CERTAIN ACTIONS NOT REMOVABLE.—A party to a class action may not remove the class action to a district court under this section if that party has been found by a court to have knowingly altered, destroyed, mutilated, concealed, falsified, or made a false entry in, any record, document, or tangible object in connection with that class action.''.

MODIFICATION OF AMENDMENT NO. 7 OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I ask unanimous consent to modify the amendment, and further request that such modification be considered as read.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Texas?

There was no objection.

The text of the amendment, as modified, is as follows:

Amendment No. 7, as modified, offered by Ms. JACKSON-LEE of Texas:

Page 18, line 25, strike the quotation marks and second period.

Page 18, add the following after line 25:

''(g) CERTAIN ACTIONS NOT REMOVABLE.—A party to a class action may not remove the class action to a district court under this section if that party has been found by a court to have knowingly altered, destroyed, mutilated, concealed, falsified, or made a false entry in, any record, document, or tangible object in connection with that class action.''.

The CHAIRMAN pro tempore. Pursuant to House Resolution 367, the gentlewoman from Texas (Ms. JACKSON-LEE) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we have before the House today the Class Action Fairness Act of 2002, and what those of us who believe this legislation could either be made better or in fact does not really speak to the interests of consumers are trying to do is to ensure that those who are fraudulent, those who misrepresent, those who would abscond and not pay taxes, not have the benefit of an action or legislation that is proposed to be in the Class Action Fairness Act.

The amendment I offer today strikes at the very heart of consumer protection. It strikes at the very heart of the ability of any litigant to go into court with a fair opportunity to pursue their case.

This amendment would prohibit the removal provision in section 5 of this bill from applying if a party to a class action suit destroys material relating to the subject matter of the class action or makes a misrepresentation with respect to the existence of such materials.

The destruction of documents, particularly in contemplation of litigation, is already a sanctionable act. Destroying such documents prohibits the discovery of truth and justice. If a party participates in such activity, they should not have the benefit of removing a class action suit to Federal court jurisdiction, where this bill makes it more difficult for the class to be certified. Justice requires that these parties remain under State jurisdiction, where the playing field will be more level.

It is obvious that when you are trying to put together a massive class action case, there is nothing more daunting and devastating to your case than losing, the destruction of, or misrepresentation over, documents. An example of this would be the collapse of Enron, the Texas-based energy trading giant, that once was America's seventh largest company, now undergoing America's largest-ever bankruptcy.

On behalf of Enron employees, both existing and those who are no longer Enron employees, the fact that there are documents that no longer exist undermines probably the bankruptcy case and any other matter that they would be pursuing. It is certainly a case that when you lose documents, you lose a part of your case.

Mr. Chairman, this amendment seeks not to give giant corporate defendants in a class action lawsuit more benefits in defending their suit. They have deep pockets for such expenses as legal fees, travel and expert witnesses, which the class does not have.

Again, how daunting it would be to find out that documents that you might be able to secure no longer exist. So the information has been retained by the defendant; but you, the petitioner in the class action, have no way of accessing it.

We must maintain the spirit to which class action lawsuits were developed, to efficiently bring justice to a large group of people victimized by historically large, giant, multiconglomerate corporations.

In addition, Mr. Chairman, I might say that the court of equity was the first place the State class actions was to go based on common law, common sense, equity and fairness. To destroy documents strikes at the very heart of the access of the little person to get in the courtroom.

This amendment would prohibit the removal provision in Section 5 of this bill from applying if a party to a class action suit destroys material relating to the subject matter of the class action, or makes a misrepresentation with respect to the existence of such materials.

The destruction of documents, particularly in contemplation of litigation, is already a sanctionable act. Destroying such document prohibits the discovery of truth and justice. If a party participates in such activity, they should not have the benefit of removing a class action suit to federal court jurisdiction where this bill makes it more difficult for the class to be certified. Justice requires that these parties remain under state jurisdiction where the playing field will be more level.

An example of this would be the collapse of Enron Corporation, the Texas-based energy-trading giant that was once America's seventh-biggest company, now undergoing America's largest ever bankruptcy proceeding. Enron is based in my District—the 18th District of Texas.

Enron's former accounting firm, Arthur Andersen, in light of approaching litigation, organized the destruction of tons of Enron-related documents that may have been potentially harmful and would have subjected Andersen to civil as well as criminal liability.

Mr. Chairman, this amendment seeks to not give giant corporate defendants in a class action lawsuit more benefits in defending their suit. They have deep pockets for such expenses as legal fees, travel, expert witnesses, for which the class does not have. And we must maintain the spirit to which class action lawsuits were developed—to efficiently bring justice to a large group of people victimized historically by corporate giants.

I ask my colleagues to support this amendment.

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

The CHAIRMAN pro tempore. Does the gentleman from Wisconsin (Mr. SENSENBRENNER) rise in opposition to the amendment?

Mr. SENSENBRENNER. I rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from Wisconsin is recognized for 10 minutes.

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

Mr. Chairman, if the civil and criminal law did not provide for sanctions against those who deliberately destroy documents, I believe that the arguments of the gentlewoman from Texas would be valid. But they do. Adopting the amendment that she proposes will simply allow the trial lawyers to have another tool to game the system and to prevent the removal of cases that really should be removed as a result of the changes in the diversity of citizenship requirements that are contained in this bill.

Let me point out that in many instances, the destruction of subpoenaed

documents is a criminal obstruction of justice. The gentlewoman from Texas keeps on bringing up the case of Enron. There is a criminal investigation going on whether Enron and Arthur Andersen and other people who are involved in this obstructed justice by altering or destroying documents. I hope that that investigation is thorough, and, if there is probable cause to believe that such misconduct happened, that the Justice Department will seek indictment, prosecute those who are responsible, the jury will convict them, and I hope that the judge sentences them to jail for a long, long time, because destroying documents that are needed to fairly administer justice is something that cannot be tolerated, and it goes to the very heart of the ability of the courts to fairly mete out justice. We wish the gentlewoman were on the other side when we were talking about that when President Clinton was accused of destroying documents a few years ago.

But on the civil side, there are plenty of sanctions that can be imposed by a court if discovery is being thwarted, up to and including the court ordering a default judgment entered against a defendant that destroys documents and completely obstructs the discovery that the Federal Rules of civil procedure allow.

Mr. Chairman, I will tell you what will happen if the Jackson-Lee amendment becomes a part of this bill and the bill becomes law, and that is there will be repeated allegations of misconduct through the destruction of documents. When an allegation is made, the court is going to have to hold a hearing on it and take testimony and make a determination on whether removal can be thwarted because of the provision of the Jackson-Lee amendment. As a result, it ends up being tried in the State court, because the Federal court will not be able to determine whether or not a case is removable.

Now, that is ridiculous. If this type of amendment was put into law, if there was a civil action filed alleging a civil rights violation in a State court with a redneck judge anywhere in the country, this game could be played to prevent the Federal court from getting jurisdiction over it, and that would be equally ridiculous in terms of thwarting the administration of justice.

Now, this bill, in section 1716(C)(2), provides that discovery should not proceed while a motion to dismiss an action is pending and also during appeals from class certification rulings.

But the bill flatly states that in these circumstances, discovery shall proceed where necessary to preserve evidence and to prevent undue prejudice. Thus the bill anticipates and deals with document destruction risk and gives the Federal court the authority to prevent documents that are necessary to find out what the true facts are from being altered or mutilated or destroyed.

According to the Manual for Complex Litigation, third edition, courts normally issue orders requiring the preservation of documents at the outset of litigation of such cases. Thus any document-destruction risk is addressed by such orders. So we do not need additional laws, civil laws, statutory laws or criminal laws, to protect against the destruction and mutilation of documents.

The amendment of the gentlewoman from Texas merely gives the trial lawyers' bar another tool to game the system. It is unnecessary because of the other provisions of law and rule that I stated and should be rejected.

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

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, first of all, I totally agree with my chairman in that I hope that all those who have misrepresented and destroyed documents in the present ongoing protracted episode of Enron and Arthur Andersen are in fact brought to justice. That we agree on.

With respect to my position on the Clinton documents, my amendment responds to that by indicating that it should be a court-determined destruction of documents. That was not the case in the Clinton situation.

So I would hope that we recognize that if you are court determined to have destroyed documents, then you do not need the benefit of this legislation.

Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from Washington (Mr. INSLEE).

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

Mr. INSLEE. Mr. Chairman, we hope that the first legislation passed in this House in the post-Enron world should not be to make the world safer for Enron.

My friend, the gentleman from Wisconsin (Mr. SENSENBRENNER), challenged me earlier when I said that this could make the world safer for Enron. Well, we just did a little bit of research about that over the lunch hour and found a case called Bullock v. Arthur Andersen, et al. It is a case in Washington County, Texas. If it were to be certified as a class action under this legislation, the defendants, who include some names Andrew Fastow, Kenneth Lay and Jeffrey Skilling, would be given the privilege by your legislation to force this to be removed to Federal court away from Washington County.

Now, that is exactly one of the reasons why we think this is the wrong approach. And even if you exempted Enron in its entirety, Enron is an example of why we are going the wrong way because of all the other companies that potentially could be liable.

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

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

Mr. SENSENBRENNER. Mr. Chairman, do the three gentlemen that the gentleman mentioned live in Texas?

Mr. INSLEE. Mr. Chairman, reclaiming my time, I do not know the residence. I cannot tell the gentleman offhand. But I can say this is subject to your bill if it is a class action, and therefore it is wrong.

Mr. SENSENBRENNER. Mr. Chairman, if the gentleman will yield further, if they all live in Texas, the case is not removable because there is not diversity.

Mr. INSLEE. Mr. Chairman, reclaiming my time, the point I bring to the gentleman's attention is this is exactly the kind of case that is subject to removal if there is diversity. They plead fraud, they pled negligence; and under your statute, you want to give them the right to get out of Texas into Federal court. We think that is wrong.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself 10 seconds to say that some the defendants in the case that the gentleman from Washington (Mr. INSLEE) was speaking of dealing with Enron are not from Texas.

Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Texas (Mr. SANDLIN), a former State district court judge in the State of Texas.

Mr. SANDLIN. Mr. Chairman, in the law we have a doctrine called the ''clean hands doctrine.'' Courts express it by saying he who seeks equity must do equity.

We have seen precious little equity today. First, our friends want to reveal plaintiffs' fees and what they receive, but when we ask to reveal the exorbitant fees of the corporate attorneys and insurance attorneys and defense attorneys, they said no.

I have got a question: What are you hiding? What are you hiding?

You said the recovery in Cheerios is not enough. You forgot to tell us that the expensive litigation is between the insurance companies. The defendants have been indicted, tried and sent to prison.

You are outraged that the plaintiffs have received too little money in one case, but there is absolutely no outrage in your position when a major American company, Nestle, put sugar water in bottles and sold it to American mothers to give to children. You got no outrage in that, other than the attorneys got paid.

Well, surely, surely you can support legislation that says if you destroy evidence, if you commit a crime, if you do things that you are not supposed to do, you do not get the benefit of the law. If you commit a crime, you do not have clean hands. If you destroy evidence, you do not get the benefit of the legislation. Surely you can support something as clean as that.

□ 1600

Mr. SENSENBRENNER. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, if the gentleman from Texas was so interested in disclosing defendant's fees, he could have gone to the Committee on Rules and asked

them to make in order an amendment for the disclosure of defendant's fees. He failed to do so, and that is why we are not considering this today under the structured rule.

Mr. Chairman, I yield such time as he may consume to the gentleman from Virginia (Mr. GOODLATTE).

Mr. GOODLATTE. Mr. Chairman, I thank the gentleman for yielding me this time. I also strongly oppose this amendment.

This amendment is doing what those offering amendments have already done on two other occasions in this debate so far, and that is to try to obscure what this legislation is all about with unrelated issues. Whether or not a case is heard in Federal court or State court has nothing to do with whether or not documents have been destroyed.

In the earlier debate with regard to the Waters amendment, we pointed out all of the tools that are available to a Federal court judge when documents are destroyed in a case. It could very well be much better that the case is in Federal court rather than State court, and we should not write law based upon unrelated matters.

That is exactly what has been offered here repeatedly today to try to obfuscate the issue here, which is a very simple one, and that is that our Federal diversity rules are written in such a way that the most complex litigation in the country cannot get into the courts that were not designed to handle diversity cases and designed to handle more complex litigation and designed to consolidate class actions brought in various parts of the country related to the same issue.

When we create these artificial barriers to removing the case, we are not accomplishing justice for the plaintiff or the defendant. Somebody in the case has to have the ability to remove the case to Federal court. What we say is that any party in the case should be able to do that. If they have unclean hands, address that with the Rules of Procedure that exist in the Federal Rules.

Ms. JACKSON-LEE of Texas. Mr. Chairman, will the gentleman yield?

Mr. GOODLATTE. I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I appreciate the gentleman's argument.

The crux of these amendments that we have been offering on this legislation is to talk about benefit and burden. This amendment specifically says if the court has determined that documents have been destroyed, what we are doing is undermining the plaintiffs' case, which typically are little people who have come together in a class action.

That defendant who has destroyed documents should not be allowed to take the benefit of this legislation if it passes. That is all we are saying.

Mr. GOODLATTE. Mr. Chairman, reclaiming my time, there are a multitude of Federal Rules of Civil Procedure, and I do not know of other ones, in which the law says in advance that because somebody did something else somewhere else unrelated to the issue of whether the case belongs in Federal court or State court would be prohibited from raising that issue. It is a matter of fairness for everybody involved, but that is particularly true of the plaintiffs.

We are trying to create an environment here where cases can be heard in such a way that uniform fairness applies. If we start drawing distinctions between domestic corporations and foreign corporations and somebody who may have shredded documents for a good reason or for a bad reason and deciding whether or not they can remove cases to court, that is simply bad public policy and should not be the measure upon which this bill is voted upon; and certainly this amendment should be opposed.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I am delighted to yield 2½ minutes to the distinguished gentleman from Texas (Mr. DOGGETT), a former member of the Texas Supreme Court.

Mr. DOGGETT. Mr. Chairman, I thank the gentlewoman for yielding me this time.

How truly typical it is, sad though it is, that the first piece of legislation dealing with the Enron-Andersen fiasco that our House Republican leadership permits us to discuss here on the floor of the United States Congress is a bill designed to protect the wrongdoer and to place more burdens on the victims. This is exactly the opposite of where our priorities should be; yet that is the approach that is taken with this piece of legislation.

It is rather fundamental that a right without a remedy, is rather meaningless. People do not choose to come together in class actions because they like to be in a class with many other people; they come together in class actions because often, that is the only way, given the complexities of our legal system and the tremendous imbalance in power between one individual who has been defrauded and one of the largest corporations in the world, to equalize the power. If they are working together in a class, they may have a chance, difficult as it may be, to equate in our courts of justice their rights against those who have wronged them.

All this bill is designed to do is to help those, who committed wrongs to avoid responsibility for their wrongdoing. This bill seeks to ensure that wrongdoers are not held personally accountable for their misconduct, if they just took a little from everybody instead of a great deal from a few.

As for the importance of the gentlewoman's amendment in the debate on this particular bill, the only thing that has been faster than those shredding machines shredding up the documents of misconduct at Enron and Andersen, the only thing faster than those shredders is the spin machine running here in Washington today, spinning that this bill to help some avoid responsibility has anything to do with helping American families. Get serious.

The judges of the States of the United States, our State court judges, have not asked for this. Our Federal court judges, upon whom the burden will be placed of handling these cases, are already overburdened; they have not asked for it. The National Conference of State Legislatures opposes it. This is the wrong thing to do at the wrong time. It is being done only to protect wrongdoers like Enron and Andersen, and it ought to be rejected.

To aid even those who tear up documents and give them additional rights in our courts is particularly outrageous.

I commend the gentlewoman for attempting to resolve this problem, and I recommend her amendment.

Mr. SENSENBRENNER. Mr. Chairman, how much time is remaining on each side?

The CHAIRMAN pro tempore (Mr. SHIMKUS). The gentleman from Wisconsin (Mr. SENSENBRENNER) has 1½ minutes remaining; the gentlewoman from Texas (Ms. JACKSON-LEE) has 1 minute remaining.

PARLIAMENTARY INQUIRY

Ms. JACKSON-LEE of Texas. Mr. Speaker, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentlewoman will state it.

Ms. JACKSON-LEE of Texas. As the proponent of the amendment, do I have the right to close?

The CHAIRMAN pro tempore. The Member on the committee opposing the amendment has the right to close.

Ms. JACKSON-LEE of Texas. I thank the Chair.

The CHAIRMAN pro tempore. Does the gentleman from Wisconsin wish to close?

Mr. SENSENBRENNER. The gentleman does wish to close.

The CHAIRMAN pro tempore. The Chair recognizes the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself the remaining time, although I was hoping to hear the distinguished chairman's representation of the Cheerio box.

But let me say this, in all sincerity: We have come into some very troubling times in the litigation history of America. With Enron as a backdrop, and Firestone that knowingly sold defective tires where tread separation caused more than 800 injuries, and Monsanto, which hid 40 years' worth of dumping toxic PCBs, there is great opportunity for documents to be destroyed, because people want to win. The only opportunity for the little guy to achieve victory sometimes is to organize a class action.

They have been successful in State courts, but they cannot be successful under this legislation, nor can they be

successful when those will go knowingly into the courthouse, who have destroyed documents, fraudulently misrepresented and disadvantaged their cases.

This amendment will prevent that kind of action, allowing those who have been found to have destroyed documents not to take advantage of this legislation. This is consumer protection legislation. I cannot imagine any of my colleagues that would not support this amendment.

I ask my colleagues to support the Jackson-Lee amendment.

Mr. SENSENBRENNER. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, I am really disappointed in the argument of the gentleman from Texas (Mr. DOGGETT), who is a distinguished former member of the State Supreme Court, saying that this has to do with Enron. Enron is in bankruptcy. Bankruptcy is a Federal law. The Federal bankruptcy court will determine the rights of all people who have got claims against Enron, and there is an automatic stake that is entered by the Federal court when a bankruptcy is filed against proceeding in any other court, State or Federal, besides the bankruptcy court.

Now, I think what we are really getting down to is, how are consumers being protected? I do not think most consumers really care whether a class action suit is litigated in State court or Federal court; they care what kind of recompense they get, should the class action suit be resolved.

I have this box of Cheerios here, because General Mills, which owns Cheerios, was sued in a class action suit alleging that there were harmful additives in Cheerios. When the case was settled, what did all the members of the class get? A coupon to buy another box of Cheerios. If Cheerios had food additives that were so damaging, that caused millions of dollars in lawyers' fees to settle this suit out, then why would the lawyers sign off to require people who wanted to cash in on their settlement to eat more Cheerios? It does not make any sense.

The amendment ought to be rejected.

The CHAIRMAN pro tempore. The question is on the amendment, as modified, offered by the gentlewoman from Texas (Ms. JACKSON-LEE).

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

Ms. JACKSON-LEE of Texas. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE) will be postponed.

It is now in order to consider Amendment No. 8 printed in House report 107–375.

AMENDMENT NO. 8 OFFERED BY MR. FRANK

Mr. FRANK. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 offered by Mr. FRANK:

Page 18, line 14, strike the quotation marks and second period.

Page 18, insert the following after line 14:

''(g) PROCEDURE AFTER REMOVAL.—If, after an action is removed under this section, the court determines that any aspect of the action that is subject to its jurisdiction solely under the provisions of section 1332(d) may not be maintained as a class action under Rule 23 of the Federal Rules of Civil Procedure, the court shall remand all such aspects of the action to the State court from which the action was removed. In such event, the State court may certify the action or any part thereof as a class action pursuant to the laws of that State, and such action may not be removed to Federal court unless it meets the requirements of section 1332(a).''.

MODIFICATION TO AMENDMENT NO. 8 OFFERED BY MR. FRANK

Mr. FRANK. Mr. Chairman, I was informed, and perhaps I should have been paying closer attention, that there was some line number item alteration and I, therefore, in compliance with what has happened, ask unanimous consent to modify the amendment, and I request that the modification be considered as read.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The text of Amendment No. 8, as modified, is as follows:

Page 18, line 25, strike the quotation marks and second period.

Page 18, insert the following after line 25:

''(g) PROCEDURE AFTER REMOVAL.—If, after an action is removed under this section, the court determines that any aspect of the action that is subject to its jurisdiction solely under the provisions of section 1332(d) may not be maintained as a class action under Rule 23 of the Federal Rules of Civil Procedure, the court shall remand all such aspects of the action to the State court from which the action was removed. In such event, the State court may certify the action or any part thereof as a class action pursuant to the laws of that State, and such action may not be removed to Federal court unless it meets the requirements of section 1332(a).''.

The CHAIRMAN pro tempore. Pursuant to House Resolution 367, the gentleman from Massachusetts (Mr. FRANK) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Chairman, I yield myself such time as I may consume.

When I originally heard of this bill, I was inclined to be supportive. It was described to me several years ago as a bill that would more accurately determine, in fact, whether a class action was multistate or unistate in its real focus. I was told, and I think there is some accuracy, that the technical way in which the diversity rules operated resulted in some class actions that really were national in scope being tried in particular State courts when, under our system of government, they would more appropriately be tried in Federal court; and I thought that was reasonable, and I supported a bill that would do that, and I still would, unlike some of my colleagues here.

When I read the bill, though, it became clear that the bill does not simply say that certain class actions will be tried in Federal court rather than State court; much of its attraction, I believe, to its proponents is that it will make sure that certain potential class actions are never tried at all. That is the way the bill reads.

If a class action is brought in State court, and under the liberalized removal procedures of this bill, it is then removed to Federal court, and a Federal judge finds that he or she does not believe that it meets the requirements for a Federal class action, it is dismissed, in effect, with prejudice. That is, it cannot ever again be tried as a class action. If it was restarted in State court, it would go back again to Federal court, which would again dismiss it, so that would be fruitless. An individual case could obviously be brought.

So I have been asked if this is an amendment that guts the bill. I do not think it guts the bill. I think it does something of which I am generally more in favor. I think it outs the bill. What it does is to say, let us stop pretending to be something we are not. Let us not claim simply to be a bill that is about which jurisdiction tries the case. Let us be clear that its impetus is to reduce the number of class actions, because people believe that some States imprudently and improvidently allow class actions and because some Members in the majority, many of them, do not trust all of the State courts to honestly apply class action rules; they want to be able to go into Federal court so the Federal court can, in some cases, prevent the class action from being maintained anyway.

Again, under the proposal that I advance in my amendment, if, in fact, the case meets the criteria set forward in this bill for removal, it is removed, and the Federal court can go forward with it. The only change I make is, the Federal court does not have the option of saying, this can never be tried as a class action.

So I hope the Members will adopt it.

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

Mr. SENSENBRENNER. Mr. Chairman, I yield myself such time as I may consume, and I rise in opposition to the amendment and claim the time in opposition.

Mr. Chairman, this can be called the two-or-more-kicks-at-the-cat amendment, because what the gentleman is proposing is that when the Federal court refuses to certify a class, then it goes back to State court and the State court looks at it again and may certify a class. While most States have got class action rules similar to rule 23 of the Federal Rules of Civil Procedure, they are not always uniformly applied, and that is why there is all this forum shopping that is going around that has caused this bill to come before the House of Representatives today.

□ 1615

So I think that we really should not allow two kicks at the cat. They can have their day in court. If the Federal court determines that the Federal rules do not allow for the certification of a class, then we should not go back to square one and have the plaintiffs' lawyers shop around to a friendly State judge that may very well certify that the class that is not allowed in the Federal rules ends up getting certified and the trial ends up proceeding.

So I think that everybody should have one day in court, not more than one day in court. For that reason, I would urge that the amendment be rejected.

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

Mr. FRANK. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the very purpose of that amendment is to guarantee that as a class action you will get one day in court. Without that amendment, the bill gives no days in court.

Mr. Chairman, I ask unanimous consent that the gentleman from California (Mr. BERMAN) be allowed to control the time.

The CHAIRMAN pro tempore (Mr. SHIMKUS). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BERMAN. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, just on the good chairman's last point, he wants to give people a day in court. As the gentleman from Massachusetts (Mr. FRANK), the author of the amendment, just pointed out, without this amendment, there is no day in court. They file their class action in State court, the defendants remove it to Federal court, the Federal court refuses to certify it, remanding it back to the State court, they pursue it in State court, and they remove it again back to Federal court. They never get a chance to try it.

If this bill is about trying to have cases, legitimate Federal class action cases, heard in Federal court and not in State courts, then the amendment does nothing to destroy the focus of this bill.

If this bill is about removing the ability of local judges, rather than Federal judges, to give hometown kinds of decisions and rulings, there is nothing in this amendment that hurts this bill.

It is only if one accepts, which I believe is true, that the only purpose of this bill is to eliminate any State or any of the 50 States' ability to decide there are certain kinds of class actions they want to hear that come outside the scope of rule 23, and that, in effect, this bill wipes out the right of all 50 States to make that decision, and defines rule 23 in the Federal courts as the only place to ever bring a class action, that is the only reason to oppose this amendment.

It is hard for me to believe that States' rights-loving adherents to federalism who see a role for the Federal courts and the State courts could, with a straight face, promote this bill, which, in effect, preempts and sucks up all class action rights, forces them into Federal court, eliminates a State legislature and a State judiciary's ability to decide that, there are situations and circumstances where we want a State class action body of law to exist that go beyond the Federal rule 23.

I urge an ''aye'' vote for this amendment. I think it is essential. With this amendment, this bill truly becomes an effort to get the true Federal class action cases into Federal court and still allows the States to decide if there are areas left out where they want to allow at least some jurisdiction so that the person can have his day in at least one court.

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

Mr. SENSENBRENNER. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. CHABOT).

Mr. CHABOT. I thank the gentleman for yielding time to me, Mr. Chairman.

I rise in strong support of the bill and in opposition to this particular amendment. It undermines the principles of H.R. 2341, which is that large interstate class actions should be allowed in Federal court because many State courts are not effectively processing these lawsuits.

As chairman of the Subcommittee on the Constitution, I welcome the opportunity to address the criticism that this legislation would diminish State court authority or otherwise offend basic federalism principles.

Opponents of this bill have suggested that removing a lawsuit filed in State court to Federal court deprives the State court of its right to decide matters of State law. But all State law-based actions do not presumptively belong in State court. Federal diversity jurisdiction, established by no less than the Framers of the United States Constitution, allows State law-based claims to be moved from local courts to Federal courts to ensure that all parties will be able to litigate on a level playing field and that interstate commerce interests will be protected.

Additionally, the expansion of diversity included in the Class Action Fairness Act is consistent with current diversity laws, since it allows Federal courts to hear large cases which have interstate implications. By nature, class actions fulfill these requirements.

Mr. Chairman, in most State law-based class actions, the proposed classes encompass residents of multiple States. Thus, the trial court, regardless of whether it is a State or Federal court, must interpret and apply the laws of multiple jurisdictions. It is far more appropriate for a Federal court to interpret the laws of various States as opposed to having one State court dictate the substantive laws of other States.

For that and other reasons, I would oppose this particular amendment, and I urge my colleagues to oppose the amendment.

Mr. FRANK. Mr. Chairman, I ask unanimous consent to reclaim my time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FRANK. Mr. Chairman, I yield 2½ minutes to my colleague, the gentleman from Massachusetts (Mr. MEEHAN).

Mr. MEEHAN. Mr. Chairman, I rise in strong support of this amendment. Let us be clear: the vote on this amendment will tell us whether this is a bill aimed at giving Federal courts the chance to deal with class actions that they currently cannot, or whether this is a bill aimed at just shutting down all class actions. That is what this is about.

Under this amendment, a class action originally filed in State court could still be removed to Federal court. But let us say that a Federal court will not certify that class. That is where the rubber meets the road. The failure to get class certification in Federal court does not mean that the suit lacks merit. It does not mean this case will be decided on the merits. It simply means it does not meet rule 23.

But the sponsors of this bill would shut down class actions right there, just shut them all down, whether they have merit or whether they do not, saying that if it is refiled in State court, it gets shunted back out to the Federal court that has already said it will not hear it. So what is the result? There is a merry-go-round that begins. It is nothing more than a merry-go-round. Justice is delayed, and then it is denied.

So this bill goes beyond giving Federal courts a chance to hear and use their powers to consolidate class actions that they currently cannot touch. It blocks class actions that were capable of being certified under State law. This amendment would stop the merry-go-round by letting that class action, sent back to State court, move forward on the merits.

There was a letter by a well-known outside group in support of this bill in 1998. This is what the outside group said. I think it kind of gets to the meat of what we are talking about here: ''This bill would enable class action suits filed in State courts to be moved to Federal court, where such wasteful lawsuits can easily be dismissed.''

That is what an outside group said. We should not let that happen. If this is a bill about taking any kind of lawsuit and saying that they are all wasteful and dismissing them early, then let us say that is what this is about. That is what the group said earlier.

This amendment allows the framers of the bill, the authors of the bill, to get their way in terms of having Federal courts to deal with these, but lets the State courts hear these actions on the merits if they do not meet the

technical definition of a class action suit.

We should not let this happen. We want to support this bill. This bill should not be about killing class action. Support this amendment.

Mr. SENSENBRENNER. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia (Mr. BOUCHER).

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

Mr. BOUCHER. Mr. Chairman, I thank the gentleman from Wisconsin for yielding time to me.

Mr. Chairman, I will be brief in stating my opposition to this amendment. If the amendment is adopted, the basic reforms that we are seeking to achieve simply will not be achieved. Some cases simply should not be certified as class actions, either in the Federal or the State courts.

Federal Rule of Civil Procedure 23 is narrowly drawn so as to protect the rights of both plaintiffs and defendants to traditional due process as their rights are litigated. Under rule 23, cases that are overly broad because of conflicting laws that establish the rights of individual class members, or because of the factual differences in the circumstances of the plaintiffs, will not be certified as class actions. Only through denial of certification can the rights of the plaintiff class members be protected.

When cases are denied class action status, all of the individual plaintiffs are then free to file their individual claims, no one is denied a right to recover damages, and another class action can be instituted in State court if it is reconfigured to be a state-centered class action.

I want to stress that denial of class action status in Federal court when the case is removed does not mean an end to the litigation. It does not preclude recovery by the plaintiffs, either in individual actions or in a reconfigured class action proceeding.

But if the gentleman's amendment is adopted, any case which, because of its broad scope, cannot meet the requirements of Federal Rule 23, and therefore is dismissed as a class action in Federal court, could then be certified as a class action in State court from which it was removed. The case would be free to proceed as a State class action, and no further removal to Federal court would then be allowed.

Under the amendment, the cases that are truly national in scope would still be heard in State court, and some States would continue to apply their often unique laws to govern the rights of plaintiffs who live in States that have laws that would dictate that an opposite result be reached.

This extraterritorial application of State law does serious damage to our traditional principles of federalism. It is a kind of reverse federalism that should not continue. But under the amendment that is now pending, it would continue. Our basic reform would not be achieved.

The amendment is a recipe for a continuation of the status quo, and I urge that it not be accepted.

Mr. FRANK. Mr. Chairman, I yield myself such time as I may consume.

I thank the gentleman from Virginia for the honesty with which he acknowledged that the effect of the bill without the amendment, and indeed the purpose, is to prevent many cases from being class actions at all.

I differ with one aspect of his argument when he said that some truly national cases will then be, under my amendment, brought to State court. No, I think that is not true. If they are truly national and they truly represent a national class, they will be tried in Federal court, because under this bill, the Federal court can, under the terms of this bill, take the case from the State court if somebody moved it and try it in the Federal court. So we are not saying that truly national ones cannot be done in Federal court.

What this bill does is to say very simply, in modern slang, rule 23 rules. What it says is this: rule 23 of the Federal Rules of Civil Procedure describing class actions is now, by this bill, the rule for every State in America. No State can deviate from rule 23, because if you have a different description of what class action ought to be, then you will lose to the Federal people.

Now, I find it particularly odd that my friends who pretend to be for States' rights, and excuse me, I do not want to violate the rules, who assert that they are for States' rights, now want to say that rule 23 will preempt any State law to the contrary, because that is what this bill does. This bill says the Federal standard for class action will be the standard to govern everywhere.

Mr. SENSENBRENNER. Mr. Chairman, I yield the balance of my time to the gentleman from Arizona (Mr. FLAKE).

The CHAIRMAN pro tempore. The gentleman from Arizona (Mr. FLAKE) is recognized for 3½ minutes.

Mr. FLAKE. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, what this boils down to is if we believe there is a need for reform, it is with class action or not. If Members do not believe there is a need for reform, then this amendment is fine, because under this amendment we have no change at all. There is no reform, because anything that goes to the Federal court can come right back to the State court, where the abuse occurred in the first place.

The examples of abuse are rampant here. We have gone through them before, but it serves us well to go through a few of them again.

In this case, trial lawyers, $2 million; the plaintiffs, a coupon for a box of Cheerios. That kind of abuse, if allowed by this amendment, would go up to the Federal court. If the Federal court says under rule 23 it does not qualify as a class action, it goes back to the State court, where the abuse can occur again.

□ 1630

The other example, trial lawyers get over $100,000; the plaintiffs, four golf balls.

If my colleagues do not think that that is abuse, then this amendment is fine. If Members do, strike down the amendment; do not vote for the amendment because we need reform, and we need it now.

Next example, where the attorneys were awarded $4 million, what did the plaintiffs get? Thirty-three cents, only after they sent in for it, costing them 34 cents. So a net loss of one cent.

If Members do not think there is at least a need for reform, vote for the amendment. If Members agree that there is abuse, then they had better vote for the amendment because it will occur regardless otherwise. If it goes to State court or Federal court, goes back to State court, we have the abuse again. It does not solve anything.

I urge my colleagues to vote against the amendment. It is the only way reform will occur. Vote against the amendment. If Members vote for the amendment, no reform occurs. If Members believe that we have fraudulent abuse as it stands, Members have to vote against the amendment.

If Members believe the situation, the status quo is fine, then certainly vote for the amendment.

The CHAIRMAN pro tempore (Mr. SHIMKUS). All time for debate has expired.

The question is on the amendment, as modified, offered by the gentleman from Massachusetts (Mr. FRANK).

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

Mr. FRANK. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment, as modified, offered by the gentleman from Massachusetts will be postponed.

It is now in order to consider Amendment No. 9 printed in House Report 107–375.

AMENDMENT NO. 9 OFFERED BY MS. HART

Ms. HART. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 9 offered by Ms. HART:

Page 19, insert the following after line 11 and redesignate the succeeding section accordingly:

SEC. 7. REPORT ON CLASS ACTION SETTLEMENTS.

(a) IN GENERAL.—Not later than 12 months after the date of the enactment of this Act, the Judicial Conference of the United States, with the assistance of the Director of the Federal Judicial Center and the Director of the Administrative Office of the United States Courts, shall prepare and transmit to the Committees on the Judiciary of the Senate and House of Representatives a report on class action settlements in the Federal courts.

(b) CONTENT.—The report under subsection (a) shall contain—

(1) recommendations on the best practices that courts can use to ensure that proposed class action settlements are fair to the class members whom the settlements are supposed to benefit;

(2) recommendations on the best practices that courts can use to ensure that—

(A) the fees and expenses awarded to counsel in connection with a class action settlement appropriately reflect the extent to which counsel succeeded in obtaining full redress for the injuries alleged and the time, expense, and risk that counsel devoted to the litigation; and

(B) the class members on whose behalf the settlement is proposed are the primary beneficiaries of the settlement; and

(3) the actions that the Judicial Conference of the United States has taken and intends to take toward having the Federal judiciary implement any or all of the recommendations contained in the report.

(c) AUTHORITY OF FEDERAL COURTS.—Nothing in this section shall be construed to alter the authority of the Federal courts to supervise attorney's fees.

MODIFICATION OF AMENDMENT NO. 9 OFFERED BY MS. HART

Ms. HART. Mr. Chairman, I ask unanimous consent to modify the amendment and further request that such modification be considered as read.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Pennsylvania?

There was no objection.

The text of the amendment, as modified, is as follows:

Page 19, insert the following after line 21 and redesignate the succeeding section accordingly:

SEC. 7. REPORT ON CLASS ACTION SETTLEMENTS.

(a) IN GENERAL.—Not later than 12 months after the date of the enactment of this Act, the Judicial Conference of the United States, with the assistance of the Director of the Federal Judicial Center and the Director of the Administrative Office of the United States Courts, shall prepare and transmit to the Committees on the Judiciary of the Senate and House of Representatives a report on class action settlements in the Federal courts.

(b) CONTENT.—The report under subsection (a) shall contain—

(1) recommendations on the best practices that courts can use to ensure that proposed class action settlements are fair to the class members whom the settlements are supposed to benefit;

(2) recommendations on the best practices that courts can use to ensure that—

(A) the fees and expenses awarded to counsel in connection with a class action settlement appropriately reflect the extent to which counsel succeeded in obtaining full redress for the injuries alleged and the time, expense, and risk that counsel devoted to the litigation; and

(B) the class members on whose behalf the settlement is proposed are the primary beneficiaries of the settlement; and

(3) the actions that the Judicial Conference of the United States has taken and intends to take toward having the Federal judiciary implement any or all of the recommendations contained in the report.

(c) AUTHORITY OF FEDERAL COURTS.—Nothing in this section shall be construed to alter the authority of the Federal courts to supervise attorney's fees.

The CHAIRMAN pro tempore. Pursuant to House Resolution 367, the gentlewoman from Pennsylvania (Ms. HART) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentlewoman from Pennsylvania (Ms. HART).

Ms. HART. Mr. Chairman, I yield myself such time as I may consume.

The editorial that many have referred to today that appeared in last Saturday's Washington Post supporting the passage of H.R. 2341 did get it right. Too often our current class action system allows trial lawyers to enrich themselves without benefiting those that those lawyers represent.

As presented, though, H.R. 2341 would have corrective influence on this problem, particularly by allowing the removal of more interstate class actions from the State courts to the Federal courts. Empirical data indicate that this problem of attorneys getting the biggest piece of class action settlements is fundamentally a State court problem. Our Federal courts have done a far better job of ensuring that that does not happen.

Though I do support the bill in all its respect, I would like to add one modest piece to the legislation that I believe would aid in ensuring that these class actions do benefit to serve the class members, not just the attorneys.

The amendment is a request by Congress that the Judicial Conference of the United States, our Federal judges, prepare for the House and Senate Committees on the Judiciary a report on class action settlements. As envisioned by my amendment, that report would have several parts.

First, it would contain the judges' recommendations on best practices that the court will use to ensure that these proposed class action settlements are fair to the class members, that is, the plaintiffs. After all, these class members are the people that the settlements are supposed to benefit, but as we have seen, have not been benefiting. We need to find ways to make sure that they are not forgotten when their claims are being settled.

Second, this report will contain recommendations on best practices that the courts would use first to ensure that attorneys' fees in class settlements appropriately reflect the results that the attorneys get for the class members; and also the report would contain recommendations to ensure that class members, and not the lawyers, are the primary beneficiaries of a settlement.

Finally, the report would indicate the Judicial Conference's plans for implementing the good practices recommendations.

I believe that the value of this amendment is obvious, Mr. Chairman, but let me make two points about its purposes.

First, I want to stress that this amendment is not intended in any way to be an intrusion on the judicial branch of our government. I offer this amendment because I have been advised that the Judicial Conference, particularly through its Advisory Committee on Civil Rules, is already devoting considerable time and energy to this important issue. The committee has held public hearings already, they have conducted research, they have drafted and proposed civil rules amendments, and these are all intended to bring more rationality to class settlements.

I believe that we should applaud the efforts of our Federal judges in this regard. Thus, I offer this amendment not to give our diligent Federal judges a new homework assignment, but rather I offer it to recognize their effort and suggest that they continue their investigation in this arena and encourage them to complete this project.

Second, Mr. Chairman, I wish to emphasize this amendment would not directly regulate attorneys' fee awards. I truly believe that the attorneys' fees lie at the root of the key problems in what the Washington Post editorial referred to as the ''sorry world of class action litigation here in the United States.'' I also recognize an effort by this body to regulate directly the award of such fees could be very divisive.

The bill that we presently have before us is worthy of, and actually has, healthy bipartisan support. So my proposal on the fees issue is a very limited one. It would simply encourage the completion of the work that our Federal judges have undertaken to develop best practices on this issue, all within the current framework of the attorneys' fee awards.

For all of these reasons, I urge my colleagues to adopt the amendment.

Mr. SENSENBRENNER. Mr. Chairman, will the gentlewoman yield?

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

Mr. SENSENBRENNER. Mr. Chairman, I think that this is a very constructive amendment, and I would urge the House to adopt it.

Ms. HART. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore. Does any Member claim the time in opposition?

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentlewoman from Texas (Ms. JACKSON-LEE) is recognized.

Ms. JACKSON-LEE of Texas. Mr. Chairman, it is my pleasure to yield 4½ minutes to the distinguished gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Mr. Chairman, I thank the gentlewoman from Texas (Ms. JACKSON-LEE) for yielding me the time.

There is kind of a breathtaking level of temerity that the Republicans are engaging in today. As the Enron case and many others hang over our country's financial marketplace, as Arthur Andersen basically struggles for survival of all of the fraudulent activity that was perpetrated on investors, on

workers, on consumers across this country, the Republican response to it is to bring out yet another bill that will make it difficult for those ordinary investors and workers to bring suits against the big guys, the people who play games with the books.

It is almost like there is no shame whatsoever, and I would almost understand it if they kind of snuck this through in July or August when the coast was clear on the Enron and Arthur Andersen case, that had kind of died down a little bit.

What they are doing today is putting in place a dangerous anticonsumer, anti-investor and antiworker piece of legislation. They are standing with the Enrons of the world, the Arthur Andersens of the world against the consumer, against the investors in our country, and it is just incredible to me.

However, remember, the first article of the Republican Contract with America back in 1995 was passing out on this floor the Private Securities Litigation Reform Act of 1995. Amongst other things, that is making it very difficult for people to sue Arthur Andersen right now because they no longer have joint and several liability. They only have proportionate liability. Even as their auditors and consultants are together playing the game and keeping score, because of that 1995 Act it is hard to make them liable, and everyone knows that they were part of this game.

Today, we see the results of their fine handiwork. Just a few weeks ago, Members may have read press reports about Arthur Andersen reaching a $217 million settlement in a class action lawsuit brought under State law in the State of Arizona against Arthur Andersen in connection with a fraud involving a charity organization. According to the testimony delivered to the Committee on the Judiciary at around the same time the State class action was filed, a Federal class action was also filed, same case, same facts, State court, Federal court.

Guess what happened to the Federal class action. It was thrown out of court because the Republicans in 1995 changed the pleading standards in the Federal securities laws to favor wrongdoers. So these poor people who have been defrauded could not even get into Federal court.

What happens? We have a controlled experiment seeing what happens in Federal and State court. The same people now go to the State court with the same case, same facts. In the State court, the plaintiffs win. They can win. They do win. Same case, same events, same facts. In Federal court, under the 1995 Republican Act, wrongdoers are protected. They cannot recover, they are out $217 million. In the State courts, the plaintiffs won. The wrongdoers lost.

What is the Republican vision of the future? They now want to do that for all classes of all plaintiffs. They want to take the public's legal rights away, and that is what this bill would do. So we have to defeat this bill. It is terrible. It says we cannot trust the States, we cannot trust local courts, we cannot give local people a chance to decide whether or not local, fraudulent, big companies have hurt the investors and the workers in their community.

That is a vision of the past, not of the future. Defeat this bill.

Ms. HART. Mr. Chairman, I yield 2 minutes to the gentlewoman from Oregon (Ms. HOOLEY).

Ms. HOOLEY of Oregon. Mr. Chairman, I rise today in complete support of the idea behind my colleague from Pennsylvania's amendment to H.R. 2341.

It seems perfectly logical to want to know exactly whether or not this legislation is really needed by requesting a report on Federal class action settlements. We need to know what we are doing.

This report would include recommendations on how to ensure settlements are fair, that they are in the best interests of the plaintiffs, and that the expenses awarded to the lawyers are appropriate.

I end up asking myself, why are we considering this as an amendment? Why not its own legislation? Why would we pass legislation and then amend it with a requirement that we be told whether or not the legislation was actually necessary in the first place? That makes no sense.

I propose today that we work together and pass this amendment as stand-alone legislation and then revisit this whole area of class action reform when we have the recommendations from the report and can act accordingly.

To date, we have not been provided with comprehensive data justifying the changes proposed in this legislation. The report would give Congress a chance to really understand whether or not these reforms are even necessary.

I offer today to spearhead an effort in this body to quickly adapt stand-alone legislation introduced by the gentlewoman from Pennsylvania (Ms. HART) that would require such a report.

Mr. CONYERS. Mr. Chairman, will the gentlewoman yield?

Ms. HOOLEY of Oregon. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, could we hold up this bill till we get the report?

Ms. HOOLEY of Oregon. Mr. Chairman, I would either withdraw this proposal today so that, in fact, we could do this amendment as a stand-alone bill.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I reserve the balance of my time.

Ms. HART. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. COX).

Mr. COX. Mr. Chairman, I thank the author of this amendment for yielding me the time.

One of the previous speakers referred to something he called the 1995 Republican Act. Specifically, he was talk about the Securities Litigation Reform Act of 1995.

□ 1645

First, it was not the 1995 Republican Act. It was passed overwhelmingly by Democrats and Republicans, including such well-known Democrats as the chairman of the Democratic National Committee, CHRIS DODD from Connecticut, who supported this in the Senate, in the other body; TED KENNEDY, from the Member's own State who made these remarks; my own Senator FEINSTEIN, and so on. And it was supported by all these Democrats and Republicans because it benefits the plaintiffs in these cases.

The Enron case is the best example. In the old days, before this law, the first plaintiff to file would have been able to pick who the lead plaintiff in the case is and collusion between the lawyers and the favored class member through bonus payments, which were also outlawed in that legislation, resulted in cents on the dollar. But now the University of California Regents have been selected as the lead plaintiff in the Enron case, and they will be a real lead plaintiff and stand up for the rights of all the plaintiffs. That is the kind of reform that both Democrats and Republicans supported.

Mr. TAUZIN. Mr. Chairman, will the gentleman yield?

Mr. COX. I yield to the gentleman from Louisiana, the chairman of the Committee on Energy and Commerce.

Mr. TAUZIN. Mr. Chairman, I thank the gentleman for yielding to me.

The Security Litigation Reform Act, passed in 1995, was indeed passed by a great overwhelming majority of the House and Senate Democrats and Republicans. It was the first class action reform, and it stopped the strike suits that were filed against American corporations not to win judgments for fraud but just to shake them down.

Ninety-five percent of those cases were being settled at 10 cents on the dollar. They were shake-down lawsuits designed to defraud the companies. These class action lawsuits before the 1995 act were not real efforts to find fraud, and those reforms have indeed protected constituents across America.

The class action suit brought against Enron now is the best example. Where there is real evidence of fraud, those suits go forward. The strike suits, on the other hand, have ended; and they should have ended a long time ago. That is good reform, just like this bill before us.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. SHIMKUS). Members are reminded to avoid inappropriate references, under House rules, to Members of the other body.

Ms. JACKSON-LEE of Texas. Mr. Chairman, may I inquire about how much time I have remaining.

The CHAIRMAN pro tempore. The gentlewoman from Texas (Ms. JACKSON-LEE) has 5½ minutes remaining,

and the gentlewoman from Pennsylvania (Ms. HART) has 1½ minutes remaining.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Mr. CONYERS), the distinguished ranking member of the Committee on the Judiciary.

Mr. CONYERS. Mr. Chairman, the distinguished chairman of the Committee on Energy and Commerce was talking about sham class action lawsuits. I do not know which ones he was talking about, but he was not talking about the Firestone case, the Monsanto case, the W.R. Grace case, all the tobacco company cases, the asbestos cases, the black lung case, air bags, Pinto, and it goes on and on.

None of those were sham lawsuits settled at 10 cents on the dollar. And I am sorry he is not here to further explain which cases he had in mind.

Ms. HART. Mr. Chairman, I yield myself the balance of my time.

The debate, unfortunately, around this amendment has not really dealt with this amendment. I would like to clarify that this amendment has absolutely nothing to do with Enron, Mr. Chairman.

This amendment has to do with doing what is right. It has to do with Congress requesting facts, requesting the Judicial Conference to prepare a report for us, for the House and Senate Committees on the Judiciary, so that we know and we have better information about class action settlements.

The report would contain recommendations from the judges on best practices to ensure that attorneys' fees in class settlements actually reflect the results of those class actions, that is, that the attorneys get appropriate fees, the class action members, the plaintiffs, actually get a settlement instead of 33 cents.

It is a simple amendment that complements the work our Federal judges have already begun. It urges them to complete their report 12 months after the bill is passed so that we will make sure that we are not just paying lip service to our constituents who believe that class actions have become a joke in this country. It is to make sure that class action lawsuits are real and really provide a real answer to the concerns that were brought to the court.

Mr. Chairman, I urge adoption of the amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself such time as I may consume.

I certainly attribute to the gentlewoman from Pennsylvania her concern about the consumers, inasmuch as she has offered an amendment to determine the facts of how this legislation would impact those consumers or individuals petitioning the courts. I would have liked this amendment to precede the passage of this legislation. And, in fact, in the discourse just had with the gentleman from Michigan (Mr. CONYERS) and a proponent of the amendment, it was just noted that the proponent of the amendment would have rather and would liked for this to be a stand-alone amendment and leave the class action legislation off to the side. Leave it where it is right now. Do not proceed with it. Let us get a study to find out if in fact there is a problem with class actions in State courts versus Federal courts.

I am confused about a study after the fact. I believe those who oppose this legislation have been asking repeatedly to be given the data to suggest there is a premise for denying plaintiffs, that is the little guy, to get into State court. In fact, Mr. Chairman, I will later submit for the RECORD letters from the Federal courts that absolutely oppose the underlying legislation.

I am concerned that we would make light of the decisions in State courts when I have already noted for the record the Foodmaker, Inc. case, the parent company of the Jack-in-the-Box, where three children died and 500 people were part of a class. Most of these children were made sick by undercooked hamburgers. I believe this case was in a State court. The settlement was approved on September 25, 1996; and it was a reputable settlement for people who had no other opportunity to address their grievances other than to go into Washington Superior Court in King County.

This legislation, Mr. Chairman, is one that does not protect the consumers. The gentlewoman would do well to have her amendment presented singly, standing alone, to provide us with the data so that we might make an intelligent decision not on behalf of special interests but on behalf of the consumers of America, the children that died from the tainted hamburger at the Jack-in-the-Box, those impacted by asbestos, and those impacted by the Firestone tires. Those are the people we should be trying to impact in this House today, particularly in light of the ups and downs that we have had in corporate America over the last couple of months.

I would ask my colleagues to recognize that this amendment may have a good underlying basis; but in fact, the question is why not have it do the job without this legislation. I ask my colleagues to oppose the underlying legislation.

The CHAIRMAN pro tempore. The question is on the amendment, as modified, offered by the gentlewoman from Pennsylvania (Ms. HART).

The amendment, as modified, was agreed to.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. 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. 7 offered by the gentlewoman from Texas (Ms. JACKSON-LEE) and amendment No. 8 offered by the gentleman from Massachusetts (Mr. FRANK).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 7, AS MODIFIED, OFFERED BY MS. JACKSON-LEE of texas

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on amendment No. 7 offered by the gentlewoman from Texas (Ms. JACKSON-LEE) 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 pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 177, noes 248, not voting 9, as follows:

[Roll No. 59]

AYES—177

Abercrombie
Ackerman
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Becerra
Berkley
Berman
Berry
Bishop
Bonior
Borski
Boswell
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Clay
Clayton
Clement
Clyburn
Conyers
Costello
Coyne
Crowley
Cummings
Davis (CA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doyle
Duncan
Edwards
Engel
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frost
Gephardt
Gilman
Gonzalez
Green (TX)
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hilliard
Hinchey
Hoeffel
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lowey
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Slaughter
Smith (WA)
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Thompson (MS)
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—248

Aderholt
Akin
Allen
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter

Biggert
Bilirakis
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boucher
Boyd
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Carson (OK)
Castle
Chabot
Chambliss
Coble
Collins
Combest
Condit
Cooksey
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis (FL)
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Dooley
Doolittle
Dreier
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frank
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
Kind (WI)
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lucas (KY)
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
McNulty
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Moran (VA)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Stearns
Stenholm
Stump
Sullivan
Sununu
Sweeney
Tancredo
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—9

Barrett
Bentsen
Blagojevich
Davis (IL)
Eshoo
Hinojosa
Kilpatrick
Murtha
Traficant

□ 1719

Messrs. LEACH, SIMPSON and BASS, Mrs. JOHNSON of Connecticut and Mrs. BONO changed their vote from ''aye'' to ''no.''

So the amendment, as modified, was rejected.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. SHIMKUS). Pursuant to clause 6 of rule XVIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on the remaining amendment on which the Chair postponed further proceedings.

AMENDMENT NO. 8, AS MODIFIED, OFFERED BY MR. FRANK

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on amendment No. 8, as modified, offered by the gentleman from Massachusetts (Mr. FRANK), 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 pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 191, noes 234, not voting 9, as follows:

[Roll No. 60]

AYES—191

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Becerra
Berkley
Berman
Berry
Bishop
Blumenauer
Bonior
Borski
Boswell
Brady (PA)
Brown (FL)
Brown (OH)
Cannon
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Crowley
Cummings
Davis (CA)
Davis (FL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doyle
Edwards
Engel
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gilman
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hill
Hinchey
Hoeffel
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tauscher
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—234

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boucher
Boyd
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Dooley
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hilliard
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
Kind (WI)
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Moran (VA)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Souder
Stearns
Stenholm
Stump
Sullivan
Sununu
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Walsh
Wamp
Waters
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—9

Barrett
Bentsen
Blagojevich
Davis (IL)
Eshoo
Hinojosa
Kilpatrick
Murtha
Traficant

□ 1728

So the amendment, as modified, was rejected.

The result of the vote was announced as above recorded.

Stated against:

Mr. CANNON. Mr. Chairman, on rollcall No. 60, I inadvertently voted ''aye'' but I meant to vote ''no.''

The CHAIRMAN pro tempore. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. GILCHREST) having assumed the chair, Mr. SHIMKUS, Chairman pro tempore 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. 2341) to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, to outlaw certain practices that provide inadequate settlements for class members, to assure that attorneys do not receive a disproportionate amount of settlements at the expense of class members, to provide for clearer and simpler information in class action settlement notices, to assure prompt consideration of interstate class actions, to amend title 28, United States Code, to allow the application of the principles of Federal diversity jurisdiction to interstate class actions, and for other purposes, pursuant to House Resolution 367, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading.

The bill was ordered to be engrossed and read a third time, and was read the third time.

□ 1730

MOTION TO RECOMMIT OFFERED BY MR. SANDLIN

Mr. SANDLIN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore (Mr. GILCHREST). Is the gentleman opposed to the bill?

Mr. SANDLIN. Yes, Mr. Speaker, I am opposed to the bill in its present form.

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

The Clerk read as follows:

Mr. SANDLIN moves to recommit the bill H.R. 2341 to the Committee on the Judiciary with instructions that the Committee report the same back to the House with the following amendment:

Page 19, add the following after line 25:

Any defendant who is a knowing participant in any conspiracy to hijack any aircraft or commit an act of terrorism shall not be entitled to remove a class action to federal court pursuant to section 1332(d) of title 28, as added by section 4 of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. SANDLIN) is recognized for 5 minutes in support of his motion.

Mr. SANDLIN. Mr. Speaker, by matter of correction, retraction and addition, the reference is section 1332(d).

Mr. Speaker, today's debate has illustrated a number of very serious problems with the bill before us. By federalizing class actions, it would make it far more burdensome, expensive, and time-consuming for groups of injured victims to obtain access to justice and far more difficult to protect our citizens against violations of fraud, consumer health, safety, and environmental laws.

The legislation goes so far as to prevent State courts from considering class actions which involve solely violations of State laws such as State consumer protection laws. In the post-Enron world, when we are trying to hold corporate wrongdoers accountable for their actions, this bill takes us in exactly the wrong direction.

The motion to recommit responds to another very serious problem with this legislation: the fact that it would permit parties who engage in terrorism to remove a class action brought against them in Federal court. As the bill is presently written, if a terrorist released a nuclear device or an anthrax cloud, the harmed victims could very well lose their ability to seek redress as a class in their local State court.

For example, if a class composed of mostly New Yorkers, but some citizens in New Jersey and Connecticut, want to pursue a terrorist in New York State court, I believe they should have that option. It is a matter of national security. This bill today prevents that.

The language in the motion would eliminate this problem by removing terrorists from the party defendants whose rights are enhanced by the bill. The language is based on the text of the airline bailout bill and the airport security bill we approved last fall. Any defendant who is a knowing participant in any conspiracy to hijack any aircraft or commit terrorist acts should not get the benefits of the bill.

The bills we passed previously provided for protections and limitations on liability to protect airlines, airplane manufacturers, the City of New York, and others, but we agreed on a bipartisan basis that nothing in the reform should in any way assist terrorist defendants. We should do the same thing in this bill.

Let me repeat, since September 11, every single liability bill we have passed has included an exclusion for terrorists based on the language of this motion. We have excluded terrorists. The last thing we should be doing today is anything that will make the terrorists lives easier.

Let us vote yes on the motion, send the bill back to committee, and let us fix this bill.

Mr. SENSENBRENNER. Mr. Speaker, I rise in opposition to the motion to recommit.

Mr. Speaker, this is not the usual motion to recommit that this House considers at the end of legislation. Those motions direct the committee of jurisdiction to report the legislation back to the House forthwith with an amendment. The motion to recommit of the gentleman from Texas omits the word ''forthwith,'' and that means that if this motion is adopted, the bill will go back to the Committee on the Judiciary and will come out sometime in the future to be brought up under another rule where the House will spend another day listening to the same arguments that we have debated and rejected repeatedly through the amendment process.

So for that reason alone, the motion to recommit should be rejected.

Now, secondly, litigation resulting from a massive terrorist attack is precisely the type of complex legislation envisioned to be decided in our Federal courts. That type of litigation involves multiple parties from different districts asserting multiple laws, but having the same set of facts that the court will decide.

The House has already dealt with this issue when, earlier last year, it passed H.R. 860 by voice vote. This was supported by Members on both sides of the aisle and unanimously reported by the Committee on the Judiciary. This legislation is known as the multi-multi-multi bill, which is in direct response to air crash cases and multiple tort cases such as a terrorist attack, and it directs which Federal court those types of cases can be consolidated in. So the House has already dealt with that issue.

The amendment is unnecessary because it does not require the bill to be brought back forthwith. It is a sneaky way to attempt to kill the bill by referring it to the committee, and I would urge Members to oppose this motion simply to get rid of this issue and to send it on its way to the other body.

Mr. Speaker, I yield the balance of the time to the gentleman from Virginia (Mr. GOODLATTE).

Mr. GOODLATTE. Mr. Speaker, I thank the chairman of the Committee on the Judiciary for yielding me this time, and for his leadership in moving this legislation through the House.

This is a good, bipartisan bill. I was pleased to introduce it with the gentleman from Virginia (Mr. BOUCHER) and the gentleman from Virginia (Mr. MORAN). We need bipartisan support to pass this legislation.

We have all day long from the opponents of this bill seen obfuscation. This

bill is not about terrorists, it is not about Enron, it is not about shredding documents; what it is about is good, common-sense class action lawsuit reform to end this kind of abuse, where the lawyers get $2 million in attorneys' fees and the plaintiffs, the American families, get a box of Cheerios.

It is about a case where the plaintiffs get a $25 coupon off a $250 future plane flight, a 10 percent reduction, and the attorneys get $16 million in attorneys' fees.

It is about this great case wherein the Bank of Boston, the attorneys got $8.5 million in fees and then sued, sued their own clients for an additional $25 million.

It is about this Blockbuster case, 23 class action lawsuits settled for $1-off coupons; the attorneys got an estimated $9.2 million in attorneys' fees.

Here is my favorite one. The attorneys got $4 million in their suit against Chase Manhattan Bank; the plaintiffs, including this plaintiff, 33 cents. But there is a catch to the 33 cents. There it is, 33 cents; the catch is that in order to accept the settlement, you had to use a 34-cent stamp to send in the acceptance, and so you came out 1 penny short.

Our friends at the Washington Post summed it up best when they said, Having invented a client, the lawyers also get to choose a court. Under the current absurd rules, national class actions can be filed in just about any court in the country. This bill changes that. This bill treats American families with more than pennies; it restores integrity to our judicial system. Vote against this obfuscating motion to recommit and for this good legislation.

Again, the Washington Post: That it is controversial at all reflects less on the merits of the proposal than on the grip that the trial lawyers have on many Democrats.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

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

RECORDED VOTE

Mr. SANDLIN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for any electronic vote on the question of passage.

The vote was taken by electronic device, and there were—ayes 191, noes 235, not voting 8, as follows:

[Roll No. 61]

AYES—191

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blumenauer
Bonior
Borski
Boswell
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Crowley
Cummings
Davis (CA)
Davis (FL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doyle
Edwards
Engel
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hoeffel
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tauscher
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—235

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boucher
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Dooley
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
Kind (WI)
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Moran (VA)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stenholm
Stump
Sullivan
Sununu
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—8

Barrett
Blagojevich
Davis (IL)
Eshoo
Hinojosa
Kilpatrick
Murtha
Traficant

□ 1802

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. GILCHREST). 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. SENSENBRENNER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 233, nays 190, not voting 11, as follows:

[Roll No. 62]

YEAS—233

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boucher
Boyd
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Dooley
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas

Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Harman
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Larson (CT)
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Moran (VA)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stenholm
Stump
Sullivan
Sununu
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—190

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blumenauer
Bonior
Borski
Boswell
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Crowley
Cummings
Davis (CA)
Davis (FL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Doyle
Edwards
Engel
Etheridge
Evans
Farr
Filner
Ford
Frank
Frost
Gephardt
Gilman
Gonzalez
Green (TX)
Gutierrez
Hall (OH)
Hastings (FL)
Hill
Hilliard
Hinchey
Hoeffel
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kind (WI)
King (NY)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tauscher
Terry
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—11

Barrett
Blagojevich
Davis (IL)
Eshoo
Fattah
Fletcher
Hinojosa
Kilpatrick
Murtha
Rush
Traficant

□ 1812

Ms. BROWN of Florida changed her vote from ''yea'' to ''nay''.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. KILPATRICK. Mr. Speaker, due to business in the District, I was unavoidably detained on Wednesday, March 13. Had I been present, I would have voted as follows on the amendments to H.R. 2341, the Class Action Fairness Act: ''aye'' on the Waters Amendment (Roll-call No. 56); ''aye'' on the Conyers Amendment (Roll-call No. 58); ''aye'' on the Jackson-Lee Amendment (Roll-call No. 59) and ''aye'' on the Frank Amendment (Roll-call No. 60).

Finally, I would have voted ''aye'' on the motion to recommit offered by Mr. SANDLIN (Roll-call No. 61) and ''nay'' on final passage of H.R. 2341 (Roll-call No. 61).

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on H.R. 2341, the bill just passed.

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

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3694

Mr. CALLAHAN. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 3694.

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

There was no objection.

PERSONAL EXPLANATION

Ms. JACKSON-LEE of Texas. Mr. Speaker, on March 7 I had to return to my district on official business. On Rollcall No. 51, if I had been present, I would have voted no.

On Rollcall No. 52, H.R. 3090, the economic stimulus package to increase the unemployment benefits for laid-off workers, I would have voted aye.

On March 12, 2002, Rollcall No. 53, H.R. 1885, Enhanced Border Security and Visa Entry Reform Act of 2002, I was unavoidably detained in my district. If I had been present, I would have voted aye.

Mr. Speaker, my final one, today, March 13, 2002, on Rollcall No. 54, the Journal vote, I was delayed because of air travel. I was coming from my district. If I had been present, I would have voted aye.

CUBANS SEEKING POLITICAL CHANGE

(Mr. FLAKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include therein extraneous material.)

Mr. FLAKE. Mr. Speaker, I rise today to talk about a remarkable event that occurred last Thursday on the island of Cuba. According to Reuters, ''In an apparently unprecedented move during Fidel Castro's 43-year rule, a group of dissidents says it has gathered 10,000 signatures to ask the Cuban parliament for a referendum on political reforms.''

''We are proposing a consultation with the people so that they can decide about change,'' a leading moderate dissident, Oswaldo Paya, who is the main promoter of the so-called Varela Project, told Reuters late on Wednesday.

The project, named for the pro-independence Catholic Priest Felix Varela, is based on Article 88 of the Cuban constitution, which says new legislation may be proposed by citizens if more than 10,000 voters support them.

The proposed referendum, Paya says, would be on the need to guarantee rights of freedom of expression and association and amnesty for political prisoners; more opportunities for private businesses; and new electoral law and a general election.

Unfortunately, it is virtually certain that the National Assembly will reject the referendum.

Mr. Speaker, I include these two articles and state for the RECORD that these dissidents from Cuba deserve to be seen and heard.

[From the Associated Press, Mar. 8, 2002]

CUBANS SEEKING POLITICAL CHANGE

(By Anita Snow)

HAVANA.—Cuban dissidents said Friday they have collected 10,000 signatures needed to force a referendum on overhauling the government, a move unprecedented in communist Cuba.

Miguel Saludes of Cuba's Christian Liberation Movement said activists were checking the signatures to verify their authenticity. The petition will then be delivered to Cuba's National Assembly, he said.

He would not say when activists expected to have the document ready. The proposed referendum, known as the Varela Project, appears to be the first signature-gathering effort to get this far under the government of Fidel Castro (news—web sites), in power for 43 years.

The referendum would ask voters whether they think guarantees are needed to assure the rights of free speech and association and whether they support an amnesty for political prisoners. It would also call for new electoral laws and more opportunities for Cubans to run their own private businesses.

Castro's government has not commented publicly on the effort. Previous petition efforts have stalled in part because people were afraid to sign, but in the decade since the collapse of the Soviet Union, the government has shown slightly more tolerance for opposition groups.

The project is named for Father Felix Varela, a Roman Catholic priest who fought for the emancipation of slaves on the Caribbean island. The referendum was first mentioned by the Christian Liberation Movement shortly after Pope John Paul (news—web sites) II's visit here in January 1998.

The Cuban Commission for Human Rights and Reconciliation and the Democratic Solidarity Party later joined the Christian Liberation Movement in helping coordinate the signature-gathering drive. The groups have been gathering signatures across the island since early last year.

All three groups operate here without the approval of the government, which regularly characterizes its opponents as ''counter-revolutionaries'' and ''mercenaries'' for the U.S. government and Cuban exiles.

CUBA DISSIDENTS SAY 10,000 SIGN REFERENDUM APPEAL

(By Isabel Garcia-Zarza)

HAVANA (Reuters)—In an apparently unprecedented move during President Fidel Castro's 43-year rule, a group of dissidents says it has gathered 10,000 signatures to ask the Cuban parliament for a referendum on political reforms.

''We are proposing a consultation with the people so they decide about change,'' a leading moderate dissident, Oswaldo Paya, who is the main promoter of the so-called Varela Project, told Reuters late on Wednesday.

The project, named for pro-independence Catholic priest Felix Varela (1788–1853), is based on article 88 of the Cuban constitution, which says new legislation may be proposed by citizens if more than 10,000 voters support them.

The proposed referendum, Paya said, would be on the need to guarantee the rights of free expression and association; an amnesty for political prisoners; more opportunities for private business; a new electoral law; and a general election.

Havana, which scorns dissidents as ''counter-revolutionary'' pawns of a hostile U.S. government and anti-Castro Cuban American groups, has publicly ignored the project. But Paya and others behind the campaign accused the government of mounting a strong campaign of ''threats and persecution'' to impede the gathering of signatures and delivery of letters to authorities.

''Authorities are acting like gangsters,'' said Paya, who has a long list of alleged verbal and physical abuse against Varela Project activists in the last year.

'GOVERNMENT AFRAID'—PAYA

''The government is afraid of this liberating gesture, where a social vanguard is showing it has no fear. The government is afraid when the people are not afraid,'' he added. Castro frequently says his one-party communist system is more democratic than the Western model and denies the existence of political prisoners or repression of freedom of expression.

The signatures, gathered by activists across the Caribbean island of 11 million inhabitants over the last year, will be presented to the National Assembly in a few weeks, once all 10,000 signatures have been checked and ratified, Paya said.

''This has never been done before, it has no precedent,'' he added. ''It shows Cubans not only want changes, but also are ready to face the risks to show they want changes.'' According to Paya, more than 100 small opposition groups have backed the initiative. However, some prominent dissidents, such as Martha Beatriz Roque, do not support it, arguing it is unrealistic to seek change within a constitution designed by the Castro government.

Paya did not say what Varela Project backers will do if the initiative is rejected by the National Assembly, something analysts and diplomats think is virtually certain. ''We are ready to keep demanding our rights,'' he said.

Over the four decades since the 1959 revolution, Cuba's scattered and marginalized internal dissident movement has made little headway against Castro's grip on power. Castro again scathingly lambasted dissidents this week, in a three-hour TV speech, as nonrepresentative of the Cuban people and intent on helping Washington bring Cuba into the U.S. ''empire.''

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, 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 New Jersey (Mr. PALLONE) is recognized for 5 minutes.

(Mr. PALLONE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

STEEL PROTECTIONISM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

Mr. PAUL. Mr. Speaker, I am disheartened by the administration's recent decision to impose a 30 percent tariff on steel imports. This measure will hurt far more Americans than it will help, and it takes a step backward toward the protectionist thinking that dominated Washington in decades past. Make no mistake about it, these tariffs represent naked protectionism at its worst, a blatant disregard of any remaining free market principles to gain the short-term favor of certain special interests.

□ 1815

These steel tariffs also make it quite clear that the rhetoric about free trade in Washington is abandoned and replaced with talk of ''fair trade'' when special interests make demands. What most Washington politicians really believe in is government-managed trade, not free trade. True free trade, by definition, takes place only in the absence of government interference of any kind, including tariffs. Government-managed trade means government, rather than competence in the marketplace, determines what industries and companies succeed or fail.

We have all heard about how these tariffs are needed to protect the jobs of American steelworkers, but we never hear about the jobs that will be lost or never created when the cost of steel rises 30 percent. We forget that tariffs are taxes and that imposing tariffs means raising taxes. Why is the administration raising taxes on American steel consumers? Apparently no one in the administration has read Henry Hazlitt's classic book ''Economics in One Lesson.'' Professor Hazlitt's fundamental lesson was simple: we must examine economic policy by considering the long-term effects of any proposal on all groups.

The administration, instead, chose to focus on the immediate effects of steel tariffs on one group, the domestic steel industry. In doing so, it chose to ignore basic economics for the sake of political expediency. Now, I grant you that this is hardly anything new in this town, but it is important that we see these tariffs as the political favors that they are. This has nothing to do with fairness. The free market is fair. It alone justly rewards the worthiest competitors. Tariffs reward the strongest Washington lobbies.

We should recognize that the cost of these tariffs will not only be borne by American companies that import steel, such as those in the auto industry and building trades. The cost of these import taxes will be borne by nearly all Americans, because steel is widely used in the cars we drive and in the buildings in which we live and work. We will all pay, but the cost will be spread out and hidden, so no one complains. The domestic steel industry, however, has complained; and it has the corporate and union power that scares politicians in Washington. So the administration moved to protect domestic steel interests, with an eye towards upcoming elections. It moved to help members who represent steel-producing States.

We hear a great deal of criticism of special interests and their stranglehold on Washington, but somehow when we prop up an entire industry that has failed to stay competitive, ''we are protecting American workers.'' What we are really doing is taxing all Americans to keep some politically favored corporations afloat. Some rank-and-file jobs may also be saved, but at what cost? Do steelworkers really have a right to demand Americans pay higher taxes to save an industry that should be required to compete on its own?

If we are going to protect the steel industry with tariffs, why not other industries? Does every industry that competes with imported goods have the same claim for protection? We have propped up the auto industry in the

past; now we are doing it for steel. So who should be next in line? Virtually every American industry competes with at least some imports.

What happened to the wonderful harmony that the WTO was supposed to bring to the global market? The administration has been roundly criticized since the steel decision was announced last week, especially by our WTO ''partners.'' The European Union is preparing to impose retaliatory sanctions to protect its own steel industry. EU Trade Commissioner Pascal Lamy has accused the U.S. of setting the stage for a global trade war; and several other steel producing nations, such as Japan and Russia, also have vowed to fight the tariffs. Even British Prime Minister Tony Blair, who has been a tremendous supporter of the President since September 11, recently stated that the new American steel tariffs were totally unjustified.

The WTO was supposed to prevent all this squabbling, was it not? Those of us who opposed U.S. membership in the WTO were scolded as being out of touch, unwilling to see the promise of a new global prosperity. What we are getting instead is increased hostility from our trading partners and threats of economic sanctions from our WTO masters. This is what happens when we let government- managed trade schemes pick winners and losers in the global trading game. The truly deplorable thing about all this is that the WTO is touted as promoting free trade.

Mr. Speaker, it is always amazing to me that Washington gives so much lip service to free trade while never adhering to true free trade principles. Free trade really means freedom, the freedom to buy and sell goods and services free from government interference. Time and time again, history proves that tariffs do not work. Even some modern Keynesian economists have grudgingly begun to admit that free markets allocate resources better than centralized planning. Yet we cling to the idea that government needs to manage trade when it really needs to get out of the way and let the marketplace determine the cost of goods.

I sincerely hope that the administration's position on steel does not signal a willingness to resort to protectionism whenever special interests make demands in the future.

The SPEAKER pro tempore (Mr. SHUSTER). Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

(Ms. KAPTUR addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Virginia (Mrs. JO ANN DAVIS) is recognized for 5 minutes.

(Mrs. JO ANN DAVIS of Virginia 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 the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON 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 Maryland (Mr. CUMMINGS) is recognized for 5 minutes.

(Mr. CUMMINGS 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 York (Mr. MEEKS) is recognized for 5 minutes.

(Mr. MEEKS of New York 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. LIPINSKI) is recognized for 5 minutes.

(Mr. LIPINSKI 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 Georgia (Ms. MCKINNEY) is recognized for 5 minutes.

(Ms. MCKINNEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

THE DEBT CEILING

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Texas (Mr. STENHOLM) is recognized for 60 minutes as the designee of the minority leader.

Mr. STENHOLM. Mr. Speaker, today I want to take this time to continue a discussion that we, the so-called Blue Dog Democrats, the Blue Dog Coalition, have been carrying on for the last 2 or 3 weeks talking about the urgency of this body in dealing with the debt ceiling and dealing with our economic game plan that has now pushed us once again into a position of having to borrow on the Social Security trust fund for the next 10 years.

Just a little bit of a reminder or a refresher on everyone's mind tonight. It was just 1 year ago that we were on this floor advocating a budget, an economic game plan for this country that was different from what the majority and the administration wished. The thing that we said was that this $5.6 trillion was projected surpluses, and we emphasized projected. These were guesstimates. Most everyone agrees we cannot predict tomorrow, much less 10 years. But we lost. What we suggested was let us take half of that projected surplus and pay down our national debt. We were told we were in danger of paying it down too fast. That was somewhat laughable to most of us, the idea that you could pay down debt too fast, when you owed $5.6 trillion.

When we have an unfunded liability in the Social Security trust fund of $22 trillion, we also proposed in our budget plan that the first thing that we should do as a body is fix Social Security and Medicare; that we should deal with those two problems first before we begin making any other decisions as to how much money we spend. Again, we lost. We have not seriously addressed Social Security as of this moment, and we will not do so until at least next year.

But now we find, again contrary to what we were told a little over 1 year ago, that we were not going to need to increase our debt ceiling for at least 7 more years; that in December, the Secretary of the Treasury, Mr. O'Neill, wrote and said we must increase our debt ceiling and do it immediately by $750 billion. Now, where are we tonight? As of the close of business Friday, March 8, the debt subject to limit stood at $5.924 trillion, leaving about $26 billion of room left in our debt ceiling.

Now, what does this mean to the average layperson? It is kind of like a student going to their parents with a $6,000 credit card bill. Of course the parents will pay, because they do not want the kids rating to be damaged and probably their own, because they are responsible for their child; but they will work out an arrangement with that child that includes reducing his allowance, getting a part-time job, making promises for less partying, and on and on. That is what concerns us Blue Dogs and why we are here again tonight. We are being asked to increase the debt ceiling by $750 billion without a plan, without a plan to deal with these deficits that now have, in the President's budget, a projected raiding of the Social Security trust fund for the next 10 years.

We do not believe that is an acceptable game plan. We are prepared to support our President, and we are prepared to work with our friends on the other side of the aisle on a new plan. But so far nothing has come forward. One would think that the budget that we are going to be having on the floor next week would address this. Instead, we are told that we are not even going to have a budget that is in balance anytime in the future.

We are being told now that this budget that is going to be presented to us will be scored by OMB. The last time we had a fight on the debt ceiling, one of the things that we agreed to was that we would use CBO. In fact, 1995, the last time we had this difference of

opinion on how we raise the debt ceiling, 48 Democrats joined with the Republican majority to insist that President Clinton submit a plan that was balanced under CBO numbers.

Now, I am saying to the leadership of this House, and we again would welcome someone from the other side to come and join in this discussion tonight, we hope that the 148 Republicans who voted for that legislation in 1995, who are still in the House, will stay consistent and insist that before we raise the debt ceiling that we have a plan that gets us out of it. Is that unreasonable? Does that not make sense? If so, why are we now talking about doing the same thing that Secretary Rubin did in 1995 that had the majority threatening to impeach him? Now we are talking about perhaps doing the same thing, and now it is okay.

Again, all we are saying tonight is increasing the debt ceiling by $750 billion to borrow money for what? Now, let me point out very clearly, we support the President's request for additional funding for defense and are perfectly willing to include that in any debt ceiling increase. If the President proposes to borrow the money rather than to pay for it, we are behind him, and that includes the domestic defense as well as the foreign. That is not an item in dispute.

What is in dispute tonight is why should we increase the debt ceiling $750 billion without putting a plan in place to deal with it, just like the father and son or father and daughter would certainly do if it was in their household budget? I find most American people agree with that rationale. We are puzzled why we are not having that bill on the floor next week.

Mr. Speaker, I ask unanimous consent that I be allowed to yield the balance of my time to the gentleman from Florida (Mr. BOYD), and that he be allowed to control that time.

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

There was no objection.

□ 1830

Mr. BOYD. Mr. Speaker, I thank the gentleman from Texas for filling in.

The gentleman from Texas has been a leader in this House for, I guess, 23, 24 years now on this issue of fiscal responsibility. One thing we know about him, his message has always been consistent, that we ought to be willing to pay for those programs that we as a nation want to have, have the government fund, and we ought not to be in a position of deficit spending and asking our children to pay for those programs that we have.

I want to thank the gentleman from Texas.

Mr. Speaker, I want to call on another leader, the gentleman from Texas (Mr. SANDLIN).

Mr. SANDLIN. I thank the gentleman from Florida for yielding. Let us stand up for fiscal responsibility in this country and conservative budgeting and conservative spending.

Last year we were worried about paying off the debt too quickly. That seems long ago. What does it say now that we are looking at raising the debt limit in this country?

The administration's request to raise the debt limit by $750 billion confirms the warnings of the Blue Dogs from last year, that it was dangerous to make long-term commitments to tax cuts or new spending programs based on shaky projections of surpluses over a 10-year period. It is impossible to make those 10-year projections in your home, in your business, and it is certainly impossible to make them in this country.

Last year, the Blue Dogs proposed taking the on-budget surplus and immediately paying one-half of that available fund on the debt of this country. To pay down the debt, we proposed taking one-quarter of that surplus and making it available for tax cuts for working families here in America, and taking one-quarter of that surplus and making that available for investment in areas such as agriculture, defense and the education of our children.

Instead, we enacted a budget consuming 100 percent of the projected surplus, not the surplus but the projected surplus, we used risky and toorosy projections, and we left absolutely no margin for error in our projections. We have things such as national emergencies, natural disasters, wars. We made no provisions for those changes. So we put ourselves on a course for budget deficits once the circumstances changed and our projected surpluses disappeared for a number of reasons.

The vote to raise the debt in part is an acknowledgment that we have broken our pledge on Social Security, and the Social Security lockbox is now wide open; and we are going to leave it open to raid it time and time and time again unless we enact fiscally responsible budgeting principles in this country.

The war and the recession represent a part, but only a small part, of the reason the debt limit needs to be increased. We are willing to authorize debt to cover the cost of war. Our fighting men and fighting women across the world need every advantage, every piece of equipment, every bit of technology, every bit of training that is necessary to root out terrorism. But we are not willing to allow the government to continue on deficits as far as the eye can see without a budget, without a plan, without any forethought.

The last two increases in the debt limit came when Congress and the President were negotiating on a bipartisan basis to balance the budget. Many of us were here in 1997, and that led to the balanced budget agreement of 1997, a strong bipartisan effort. But presently, instead of working with the Congress to put the budget back on track, the administration's request for an increase in the debt limit is included in a budget which projects deficits financed by borrowing from the Social Security surplus for the next decade and beyond.

It avoids making difficult choices. It extends and expands existing tax cuts. It increases the long-term obligations of this country. And it results in more borrowing, just what we do not need.

Blue Dogs do not want to see the country in default on the debt, but we do not want to give out just a blank check, a blank check with no plan, with no budget, with no forethought. An increase in the debt limit must be accompanied by a plan to put our fiscal house in order.

What is wrong with asking for a plan? What is wrong with asking for a budget before we make these decisions?

In 1997, a Member from the other side of the aisle said, ''We said from the beginning of this Congress that we want to negotiate with the President, but we cannot negotiate with a President who does not want to balance the budget. We do not want to negotiate over whether to balance the budget or not; we want him to submit a budget that balances by CBO what he called for. We will negotiate with him in the parameters within that balanced budget. But if the President cannot submit one, how do we negotiate apples with oranges? You know, the saying goes, 'If at first you don't succeed, try, try again.' ''

We agree with those statements. We hope that the current President agrees with those statements and that we can hold the President and the administration to the same standard. It is certainly reasonable. We want to work with the administration.

We propose that in the interim, the Congress pass a short-term debt limit increase equal to an amount that the President tells us is needed to fight the war. We want to listen to the President and support him in his efforts in fighting terrorism and speak with one voice when we leave the shores of the United States of America. So we want to pass short-term limits, that is, in an amount that he tells us is needed; not that it is extravagant, but needed. We want to continue the lawful government obligations and functions of the United States Government.

Any additional debt limit, other than those two things, fighting the war and our obligations, must be passed and would be contingent upon successful completion of a comprehensive and complete budget plan. That is fiscal soundness. That is fiscal responsibility. That is putting our house in order. We need a budget.

A long-term budget plan should reestablish a glide path for a balanced unified budget. We need to put everything on the table to look at when we are talking about the finances of this country. We have to control spending and include that in our long-term budget plan. And we have to ensure that we do not continue to be the parents borrowing from our own children.

This will not be done overnight and there are legitimate arguments about the fact that we could reach a critical point before there is adequate time to develop a plan and develop a budget and approve a plan which meets the criteria. This is why we have proposed, as Blue Dogs, the short-term debt limit increase while the planning is going on.

Certainly, Blue Dogs do not want to threaten the United States' credibility or expose United States taxpayers to risks associated with defaulting on the debt. We do not believe in brinksmanship. We do not believe in political posturing. We believe in fiscal responsibility. We do not want the government to continue to function and meet its lawful obligations in a risky manner. And we absolutely refuse in every case to jeopardize our troops or our homeland security or undermine the war effort in any way.

However, we do not want to simply write a $750 billion blank check absent concrete actions and concrete plans to restore discipline and return to fiscally responsible policies in this country.

If we want to address critical issues such as Social Security, prescription drugs, veterans' benefits for those that fought to defend the country, a true and meaningful Patients' Bill of Rights, and education, we have to have a firm financial foundation in this country. We need fiscal responsibility.

We are willing to work on a short-term debt limit increase. We are willing to do anything we can to encourage the economy. All we are saying is, let us please use proper planning. Let us enact a budget just like every home and business in America does. Let us get this country back on a path of fiscal responsibility.

Mr. BOYD. I want to thank the gentleman from Texas for his work on behalf of this country.

I would like now to recognize the gentleman from Illinois (Mr. PHELPS), who represents a very large rural district. I think his people back home certainly understand about fiscal responsibility.

Mr. PHELPS. Mr. Speaker, I thank the gentleman from Florida and my fellow Blue Dogs for their comments and for giving me this opportunity to speak out on such an important issue. It is good to know that Florida and Illinois can kind of balance out the Texans that have come before us with their input, which is so valuable.

All of us here this evening have certain concerns with increasing the debt limit. Of course we do, because we are a group of Democrats who focus on being fiscally responsible. It is obvious that questions are going to be raised by Treasury Secretary O'Neill's request that Congress increase the debt limit by $750 billion, especially since this request comes 7 years earlier than predicted when the budget was submitted last year. As a fiscal conservative, this increase request makes me wonder not only about the current fiscal condition or state of our Nation, but what this means for the future. What does it mean for the future?

As a former teacher, a father, and a grandfather, I have always tried my best to do what is right for future generations. We do not want our mistakes to leave our children and our grandchildren in a mess that they cannot clean up. I do not want my grandson, Nolan, who just turned 4, to wonder what his grandfather was doing when he served in Congress, when all this mess was created, or could have been addressed.

The administration says the publicly held debt would begin to gradually decline again in 2005. Even if the debt does start to decline and the government does their part in beginning to pay it down, we still need to remember the impact this is having on our system of Social Security. This is where our children are going to be impacted the most.

From my understanding, the total debt of our Nation is going to continue to increase. That is right. Even though the administration suggests that the publicly held debt will begin to decline, the fact is the total debt will continue to rise due to the fact that we have not kept the commitment to save the Social Security trust fund surplus.

The President's proposed budget does nothing to solve the problem with the declining Social Security trust fund. In fact, the proposed budget calls for tapping the Social Security trust fund for other government programs every year over the next 10 years for a total of $1.5 trillion.

In other words, over the next 10 years, the Social Security surplus will not be used for paying down the national debt, which would actually strengthen Social Security's long-term solvency. Not one Member of Congress who ran for election ever varied from that focus. They promised that that is what we should do. Every campaign speech, let me remind you, every one of you, as well as myself, gave our honorable word that we would work toward this end. Now we abandon it.

It is not a secret that our Nation's Social Security system is in trouble. It is up to us to do what we can do to look at the future and try to save the Social Security trust fund.

I completely understand and support the need for spending what is necessary to win the war on terrorism and ensure the protection of my fellow Americans here at home. We must do that. We will. And we are doing that. We are united and we will stand united on that front. However, we need to work together on developing a plan that will fight the war on terrorism and will also protect the Social Security trust fund for the benefit of future generations. We really do need to start thinking about our children's future.

We can do both. We can defeat terrorism; we can be prepared for homeland security. But the security that is most important to those who have invested their dollars for what might come in the near future, when they do not expect to hear these kind of reports, when we can, and we should, defeat any kind of threat to our Social Security system. That is where we need to come down today.

I stand with my Blue Dog friends in trying to raise the alarm for the administration to consider the budget in these terms.

Mr. BOYD. I want to thank my friend from Illinois for his thoughtful work and his leadership in our group, the Blue Dog Democrats.

Next, I want to call on the gentleman from Texas (Mr. TURNER) who serves in our group, the Blue Dog Democrats, as the cochair for policy.

Mr. TURNER. I thank the gentleman from Florida for yielding. I thank him for his leadership tonight on the floor.

It is good to see a good group of Blue Dog Democrats here speaking out for fiscal responsibility. I know that each of us, in our own way, has fought long and hard to try to be sure that we have a balanced budget here in Washington. It only makes sense that the Federal Government manage its financial affairs the same way that we all expect our own households to be run.

□ 1845 That is, if we have money coming in that we can spend or invest or save, we make those choices; but in the end, we make sure we do not spend more than our income.

Washington, as we all know, spent more money than it had coming in for 30 years; and finally, when several of us here on the floor were first-term Members of this Congress, we cast the most significant vote I think this Congress has cast in many years, and that is we passed the Balanced Budget Act of 1997. Through that action, we had 3 years of surpluses in the Federal budget.

Now, with the President's new budget submitted to the Congress, we are back into deficit spending, back into spending more money than we take in every year.

Some people may say, well, what is wrong with deficit spending? Deficit spending is bad for several reasons. It is bad because it passes debt that we are creating by deficit spending on to our children. It seems to me that if we are going to make wise decisions and if we are going to have fiscal responsibility in Washington, we should not be spending money and incurring debt that our children are going to have to pay for some day. But that is where we are once again here in this Nation's Capital.

Another reason that we should not engage in deficit spending is because it simply creates larger debt, and larger debt means we have greater interest to pay every year. What a waste, to be consuming so much of our Federal budget every year just paying interest.

A lot of people do not realize that the interest alone on the Federal debt runs almost $1 billion every day. I did not misstate that: $1 billion every day, just

to cover the interest on our national debt, which is approaching $6 trillion.

What a waste in resources. We could fund the President's requested budget increase for defense many times over if we were not paying $1 billion a day in interest on our Federal debt.

Another reason it is wrong to deficit spend is because when you are deficit spending, you are raiding the Social Security trust fund. If any corporation in America were to dip into the employees' retirement trust fund to cover the business losses of that corporation, those business executives would be prosecuted. They would be indicted and sent to prison.

In Washington, we seem to be able to get by raiding the American people's retirement fund, Social Security. When we are deficit spending, we are taking Social Security payroll taxes and we are using it, not for Social Security, but we are using it to run the rest of the government, and that is wrong. That breaks a promise, a covenant, that this government has with the American people to protect Social Security for this generation and for generations to come.

Finally, deficit spending is wrong because when we increase the national debt, which happens every time we run an annual deficit in the Federal budget, we undermine the public's faith and confidence in the economy of the United States.

How big a debt can the United States run before there is some crisis of international proportions? I do not have the answer to that, but I know that $6 trillion in debt is an awful lot of debt to be passing on to our children and grandchildren; and I know paying $1 billion a day in interest is a waste of Federal taxpayer dollars, and I know that when the national debt increases, it means that the government is borrowing more and more of the available credit out there in the economy; and it has the effect of pushing up interest rates for all of us. When interest rates go up, it costs the American family more to buy a new car on credit, to buy a home and finance it through a home mortgage. It costs more to borrow money to send your children to college. It costs more money when you charge to your credit card.

Lower interest rates are good for the American economy, and one way to get lower interest rates in the economy is to be sure that the government, the Federal Government, is not consuming a larger and larger share of the available credit in our economy.

For all of those reasons, deficit spending is wrong. Common sense tells us that the Federal Government ought to be managed like our own households, our own businesses; and if we do not do that, we are doing a disservice to the American people, and we are encumbering our children with a debt that they may never be able to get out from under.

We believe as Blue Dog Democrats that we need to support the President in fighting this war. We need to commit whatever resources are necessary to win the war on terrorism. But the only people that are having to sacrifice today in that war are those young men and women in uniform who are defending our country tonight. The American people need to be ready to sacrifice as well, and that means that we need to pay the bills to fight that war, and not pass those bills on to our children.

I again thank the gentleman from Florida (Mr. BOYD) for his leadership tonight, and I am proud to join with my Blue Dog colleagues in standing up for fiscal responsibility.

Mr. BOYD. Mr. Speaker, I want to thank the gentleman from Texas, particularly for his leadership in the Blue Dog Democrats as the policy cochair. It is his responsibility to work with our members to develop policy. I am sure we will be seeing more from him as this budget discussion unfolds.

Mr. Speaker, next I want to yield to the gentleman from New York (Mr. ISRAEL), one of our newest members, one of our Blue Puppies.

Mr. ISRAEL. Mr. Speaker, I thank the gentleman from Florida for giving me the honor of being the only member of the New York congressional delegation to have joined the congressional Blue Dogs. I am proud of the work we do and the agenda we advance for fiscal responsibility and budget responsibility.

Mr. Speaker, like any household and business in America, when the government's revenues do not match its expenses, it faces some choices. It can cut spending, it can increase revenues, it can borrow.

The administration is telling the American people we do not have enough money to meet our expenses. We need to spend $1 billion a month in Afghanistan. That is $1 billion a month we must spend. The administration is making the argument, an argument I agree with, that we need to spend more on our national security. The administration is making an argument that I agree with that we need to spend more on our homeland security; and the administration says in order to pay for these critical necessities, we cannot raid Social Security, we cannot increase taxes, so we have to lift the debt ceiling in order to meet those needs.

But there is another way, and it is a much fairer way. Rather than finding revenues by borrowing money from our children, let me suggest exactly where the administration can find those revenues to meet those expenses right now at this very moment: in Bermuda, in the Island of Bermuda, where the New York Times reports that many American corporations, big businesses, are paying nominal fees to register their corporations all to avoid paying their fair share of corporate taxes here in the United States, to avoid paying their fair share of the war against terrorism, to avoid paying their fair share for senior citizens who are being kicked out of their Medicare HMOs. They are putting profit ahead of patriotism.

Let me share a quote from the New York Times articles about these big businesses that are fleeing for Bermuda in order to escape their fair share of corporate taxes. The New York Times said: ''Becoming a company in Bermuda is a paper transaction, as easy as securing a mail drop there and paying some fees while keeping the working headquarters back in the United States. Bermuda is charging Ingersoll-Rand just $27,653 a year for a move that allows the company to avoid at least $40 million annually in American corporate taxes.''

No wonder we are being asked to increase the debt ceiling. There are plenty of other companies as well.

The New York Times went on to say: ''There is no official estimate of how much the Bermuda moves are costing the government in tax revenues. The Bush administration is not trying to come up with one.''

Now, according to the Wall Street Journal of March 1, finally the Treasury Department has agreed to do a study. But we should not have had to bring them in kicking and screaming all the way.

This is common sense. They want us to raise the debt ceiling, to borrow from our children; but they were hesitant to find out how much this corporate greed was costing the American taxpayer today.

Mr. Speaker, I voted to deliver tax relief to the families I represent. I voted to repeal the marriage penalty. I voted to repeal the death tax. I voted to reduce marginal rates across the board for working families. I was one of only a handful of Democrats in this Chamber to support the administration's economic stimulus measures, because working families and small businesses deserve that relief.

But this spring, over the next few weeks, those same working families and those same small businesses will sit around their dining room tables or meet with their local accountants and struggle over their income taxes, and struggle over paying their fair share to support our military and to save Social Security and to help senior citizens who have been kicked out of the Medicare HMOs. And the people that I represent, in Babylon and Huntington and Islip and Smithtown, they do not have the option of registering themselves in Bermuda in order to avoid their fair share of income taxes. That is not a choice for them. They are simply told, pay up, do your duty, support our troops.

Meanwhile, the biggest businesses in America are shifting the tax burden to them; and even worse, Mr. Speaker, the biggest businesses in America, the irresponsible ones who flee for that tax shelter in Bermuda, are shifting the burden to our children.

Well, Mr. Speaker, I am pleased that the Treasury Department has changed its mind; and despite its earlier reticence, it is going to study the loss of

revenues as a result of this Bermuda tax shelter. But a study on a shelf cannot replace real action by this body. We need to stop companies who wrap themselves in the American flag to sell their products and then strangle our budgets by registering themselves abroad, who escape their fair share.

As the ranking member of the Committee on Ways and Means said, ''Supporting America is more than about waiving the flag and saluting. It is about sharing the sacrifice.''

That is true of soldiers, citizens; and it should be true of big companies too. Raise the debt ceiling? How about making sure that every big company in America does what every working family in America does, pay their fair share. Maybe then we will not have to mortgage the future of our children. All we ask is fair play, all we ask is a fair share, and all we ask is a shared sacrifice at a time of war.

Mr. BOYD. Mr. Speaker, I thank the gentleman from New York for his thoughtful remarks.

Mr. Speaker, at this time I yield to the gentleman from Mississippi (Mr. TAYLOR), one of the leaders in this House on defense-military issues. He has a very unique perspective on this whole notion of fiscal responsibility and borrowing from the trust funds that belong to the American people.

Mr. TAYLOR of Mississippi. Mr. Speaker, I want to thank the gentleman from Florida and those of you who are watching back home for the opportunity to talk about the President's desire to raise the debt limit.

One of the most moving books I ever read was called ''The Winds of War.'' It is a novel, but it talks about the events leading up to World War II, the American participation in it.

One of the many things that is going on in this book is a family member of the participants who is in a concentration camp, and he is thinking to himself, how can it be that the Americans do not know that this is going on? We have smuggled information to America showing the Jews and Gypsies and other people that the Nazi regime wanted to get rid of, that these horrible things are happening, and somehow the Americans are not responding.

The author called it ''the will not to believe,'' and I guess, to a certain extent, it hits all of us, whether it is finding out that a family member has been diagnosed with a terminal illness, or maybe your favorite football team lost to a team you did not think they could possibly lose to.

I bring these numbers to the floor tonight that have been updated as of the end of this month to show the American people what I keep in my congressional office. It is a constant reminder sitting right by my desk as folks come to me and say can you help us with this tax break or can you help us with this additional spending. It is a constant reminder that I point to as different constituents come to visit me of just how far in debt our Nation is, how much farther in debt we have gotten in the past 12 months, because it really is within all of us.

I see it in my town meetings, when I walk the Wal-Marts and the KMarts and the hardware stores in my district, when I visit with shrimpers, or people at the other end of the economic scale.

It is just hard to believe that our Nation is now $6 trillion in debt. In fact, last year at this very time the President of the United States and a lot of folks in the media were running around saying Washington is awash in money. There are surpluses as far as the eye can see.

Well, apparently the people who said that, both inside and outside of government, never took the time to look at this, because one year ago right now, our Nation was $5,735,859,380,573 in debt.

Unlike the previous speaker, I voted against most of those proposals that came up last year, because none of them paid for themselves and almost all of them would add to the debt. That was my gut conclusion. It turns out my gut conclusion was better than whatever economists the President and some others were calling on, because the amount of debt increase in just one year, in the past 12 months, is $267,593,636,009.87.

□ 1900

Now, most of this is because of the tax breaks that were passed last year by Congress. Some of it is because of the war in Afghanistan, but that is $1 billion a month. Mr. Speaker, $1 billion a month would be, since September about 6, $6 billion of this. The rest of it was increases in spending in the President's budget.

And let us remember, the President got his budget. At the time it was proposed, Republicans controlled the House, Republicans controlled the other body; he got his budget. So please do not come back and tell this Member that, well, the reason we have this big debt is because you guys spent money that I did not want to spend.

Mr. President, you got your budget. You got your tax breaks, you got your budget, and that is what you have added to the debt with your numbers.

What really troubles me about that is, I am the father of three kids and they are going to get stuck with that bill and until then, our Nation is going to squander more money every day on interest on the national debt than we spend pursuing the war in Afghanistan. It costs us about $1 billion a month to pursue the war in Afghanistan. It costs us $1 billion a day to pay interest on that debt and much of it is a direct result of the budget from last year. That is the President's part.

Now, what is particularly troubling about this, if I were to bring these numbers up from the 1st of January 1980, that would be a ''1'' and most of these would be zeroes. The first of January, 1980, our Nation was $1 trillion in debt. Now, that is a heck of a lot of money for a guy from Mississippi, but that is $5 trillion less than it is now. One of the reasons this has been allowed is that on a regular basis, Congress has come to this floor, different Presidents, both Democrats and Republicans, and have said, I need to borrow just a little bit more, I need a little temporary fix to get this monkey off of my back. Those are the temporary fixes, the accumulated problem that that has caused.

Mr. President, I am not going to vote to raise the debt limit.

I also want to point out that one of the reported stories that is coming from this is that your Treasury chairman is considering taking that money from the trust funds. Let me remind the American people that for all of the rhetoric, Democrats and Republicans, people inside the media and outside of the media, with this so-called lockbox for Social Security, and that is a line item on your taxes, that is taken out of your taxes with the promise that it is going to be put aside for your Social Security benefits, there is no lockbox. What there is, is somewhere an IOU that says that the United States of America owes the Social Security trust fund $1.23 trillion. There is nothing there.

If you look on your pay stub, you also pay Medicare taxes. Again, that is supposed to be set aside for your Medicare benefits when you reach the proper age to receive them. It is supposed to be in a lockbox. The truth of the matter is, if you were to open up that lockbox, you will find an IOU from the United States for $256.3 billion.

Then there is the Civil Servants Retirement Fund. Civil servants, contrary to popular belief, do pay into their own retirement. That money is supposed to be set aside to do nothing but pay for their benefits when they retire. If you found that box and opened it up, you would find an IOU for $532 billion.

Now, the reason I mention that one in particular is that the Treasury Secretary now says, Well, maybe we do not have to raise the debt limit if we just steal it from the Civil Service Retirement System. It is just temporary.

The problem, Mr. O'Neill, with that is, you have already taken $500 billion out of that account. Where do you stop taking it? At what point does the President come to this Congress with a budget that is balanced? At what time does this Congress pass a balanced budget?

About 6 years ago we passed a balanced budget amendment to the Constitution. It went to the other body and failed by one vote. You would think a body that on a weekly basis is finding new ways to spend money and driving up the debt would try at least one more time in the past 6 years to pass a balanced budget amendment to the Constitution.

I have recently signed on to the recent attempt by the gentleman from Arizona (Mr. BERRY) to do that, and I

hope that we will have a speedy vote on this, Mr. Speaker, because I think this body should pass it. I think that the American people should know that that is how much we are in debt, that we are squandering over $1 billion a day on interest on that debt, and until then, we are continuing to rob from their Social Security trust fund, their Medicare trust fund, the Civil Service Retirement trust fund and the Military Retirees' trust fund.

Mr. Speaker, that is why I am going to vote against raising the debt limit.

The other thing I am going to ask the American people to do is check my facts. Last year when all of these people were talking about the big surpluses, did anyone ever tell you to check the facts? I would encourage, and I hope the camera can get this, because this is where the Treasury reports on a monthly basis just how broke our Nation is:

http//www.publicdebt.treas.gov.

Look it up for yourselves. I have been encouraging the American people to do this for the past year and not one of them has ever written me back and said, Taylor, you are wrong, because I am right on this one. I am not right on everything, but I am sure as heck right on this one.

So I want to thank the gentleman for the opportunity to speak on this. If my colleagues would like a copy of this for their offices, when folks come to see you and tell you that we have all kinds of money and we have a project that we just cannot live without, maybe my colleagues here this evening can say, maybe we can live without it for just a little while until we find the money to pay for it.

Mr. Speaker, I thank the gentleman from Florida (Mr. BOYD) for this opportunity.

Mr. BOYD. Mr. Speaker, I want to thank the gentleman from Mississippi. He always brings a very unique perspective, and he always brings the facts. As he says, they do not lie; they really tell the story.

I want to recognize at this time, Mr. Speaker, and yield to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, I thank the gentleman for yielding. I wish my colleague from Mississippi did not have to leave the floor, but I wanted to point out that the thee of us, the gentleman from Mississippi (Mr. TAYLOR), the gentleman from Florida (Mr. BOYD), and I were the three votes against the stimulus package last week. The reason we voted no is that it was not paid for.

The gentleman from Mississippi (Mr. TAYLOR) has been one of the most consistent Members in this body over the last couple of years in doing what he showed us again tonight, and that is recognizing that our debt is going up; and this is a debt that our children and grandchildren are going to have to pay, and it should not be unreasonable to expect this body to deal with it.

All we asked for in that bill last week, the three of us, and, boy, I have been ridiculed politically and otherwise as being one of the three, but I voted that way for a very, very important reason, and that is consistency in saying that we should now, the budget that we will debate next week, we should put ourselves back on track in balancing our Federal Government.

Now, we got off track and, yes, part of it was the war, no question about that. No one foresaw 9–11–01. One of the reasons the Blue Dogs last year said, Let us set aside that projected surplus, was because something might happen unforeseen. We were not prophetic. We just said it was good, prudent business to set aside rather than expend it, whether it be in tax cuts or in spending.

Mr. Speaker, it is interesting now, and I am puzzled by this: In 1995, one of our colleagues, the gentleman from Ohio (Mr. PORTMAN), in talking about, at that time, a different President in the White House, he said, It is not okay to play games with the $30 billion in payroll taxes that workers pay each month that retirees rely on to finance their benefit checks.

The gentleman from Georgia (Mr. KINGSTON) stood over here day after day after day, and on this particular day he said, Mr. Speaker, it seems unbelievable to me that we are sitting here debating whether the President can tap into the Social Security trust fund and the Civil Service Retirement fund. I find that it is almost unbelievable that the Democratic Party, who has been using the senior citizens all over America as their own cheap pawn, as their shield, to ram or resist any kind of legislation that comes up, now they want to take the money out of the senior citizens' trust fund.

That is exactly what is being contemplated by the majority party in this body as of tonight, doing what they condemned Secretary Rubin for doing. If it was wrong then, it is wrong now.

Some of us are willing to do the right thing. The right thing would be to increase the debt ceiling and do it clean. That is the right thing to do. But just as was argued by our friends on the other side in 1995, it is inconceivable that anyone would vote to increase the debt ceiling without first putting in a plan that will get us back into balance and take us out of the Social Security trust fund. That is all we are asking, and we are willing to work in a bipartisan way to accomplish that goal.

We do not want to play games. It is too important. The creditworthiness of the United States of America is on the line. It is too important to play games. But play games, we have in the past, and play games, it seems like the leadership of this House are willing to do again.

They condemned us, and I was one of the 48 that stood up with you and 148 Republicans still in the House and voted to increase the debt ceiling. I was there. Where are you tonight? Where will you be next week? Why are you insisting that now, in spite of the fact that you argued, even to the point of bringing this government down, which we did for weeks, shutting down the Washington Monument, doing all of the things that you felt were so important, because you felt like the President, President Clinton, would not, did not, would refuse to bring a balanced budget plan to you.

All we are saying tonight is, we are ready to join with you, but do not change the rules. The rules are that the Congressional Budget Office is the official scorer. Do not change the rules and say OMB, and reduce the deficit and the debt by $40 million because OMB scores it differently. We agreed to play by those rules. Let us stay consistent.

All we are asking again is, put up a plan. One unnamed staffer was quoted this last week on the other side of the aisle and was asked, are you going to present a balanced budget? Well, we are going to say we do, but it is really not. That was an honest answer.

We are so close to doing good things for this country. We were there. We squandered it. Yes, the war was unpredictable; that is a part of it. The recession now, we are being told, was not nearly as deep as anyone thought, and I hope, just like I stood in this well 1 year ago and said, when we argued against the economic game plan that was put in place and we voted that way and we sincerely believed it was wrong, and we said at that time, I said, I hope I am wrong and I hope I get to eat the biggest plate of crow in this town. And I know that had I been wrong, I would have been served up, and I should have been.

But tonight we simply come back before this body with a message to our leadership: We think balancing our Federal budget, we think pay-go, paying for those new expenditures that we need, makes good economic sense; and we think that every bill that comes before this House, new and over and above that which we passed in the budget resolution that we are now operating under for this year, that we ought to give serious consideration to paying for them or voting them down. That is what the three of us did last week. Well, obviously three do not vote down anything.

But here I have a real sincere, puzzling question. If we voted last week and the President signed the stimulus package that CBO has scored to increase our debt by $42 billion over 10 years and $92 billion over the next 3, and the reason for the difference is, the tax provisions make money in the outyears, projected; if we did that last week and it was signed into law, how can you possibly leave that out of next week's budget deliberations?

How can you possibly say that that law that we passed that is going into effect that will increase our debt by $42 billion over the next 10 years, and the 5-year budget will increase our debt by $100 billion, how can you possibly come

to this floor and just ignore it? I mean, you talk about the Enronization of the budget process. This is it. Shifting offshore. Taking it off budget. Hiding it.

Well, we will be back next week to talk about that. But tonight, I appreciate the gentleman yielding to me. The gentleman is a true leader of fiscal responsibility in this body, and it is a pleasure for me to join with the gentleman day after day in proposing what we believe are some of the better solutions.

□ 1915

When one is in the minority, one loses. But every now and then, as we showed on the farm bill, if we work with the other side, we find that you can get bipartisanship. It was not by accident that we got 290 votes for the farm bill. That is what we ought to get on the budget next week. But if they ignore us, they will not do so. If they want to increase our Nation's debt without a new plan, count me out.

Mr. BOYD. Mr. Speaker, I want to thank the gentleman from Texas (Mr. STENHOLM) for his leadership on the budget issues. The Blue Dogs have written a budget every year since I have been in the Congress. The first year was 1997. That actually was the year, as the Speaker may recall, that the historic Balanced Budget Act, the bipartisan act, was negotiated between the Republican-controlled House and Senate and the Democratic administration. That plan was a wonderful plan that got us into balance, and now we are headed in the opposite direction.

Mr. Speaker, I yield to the gentleman from Arkansas (Mr. BERRY).

Mr. BERRY. Mr. Speaker, I thank the distinguished gentleman from Florida for the great job he has done in his leadership on budget matters and many other things, and the courageous stand that he takes, and also my distinguished colleague, the gentleman from Texas (Mr. STENHOLM). He has been working on these issues for all the time he has been in this body, and we all appreciate his leadership.

The first thought that comes to my mind is this time last year the Blue Dog Coalition extended an opportunity to the administration, and we said we wanted to work with them. We want to do the right thing. We want to have a balanced budget, and we want to have tax cuts. We want to pay off the debt.

They sent the director of the Office of Management and Budget to us. He said, we really do not need you. We can do whatever we want to do. We are in the majority, and we are going to pass this budget. We are going to do it like we want to do it. We will listen a little bit, but we have plenty of money. We have so much money that we are more worried about paying off all of the debt than we are what we are going to pass on to our children, which is a great debt, it has turned out.

I would beg the administration and the Republican majority, please do not do this to our children and grandchildren. Please do not continue to run up debt and spend the Social Security and Medicare trust funds, and force our children into a totally impossible fiscal situation in this country 15 years from now.

Please do not do that. Work with us. That is all we are asking. Sit down and work with us. Be honest, and give us a plan so we do not destroy the future of our children and grandchildren. We want to work with them, and it just does not make any sense what we are doing.

We took $5 trillion last spring, piled it up in front of the United States Capitol and burned it. Now we are acting like that money is still there. We continue to spend the Social Security trust fund. We continue to spend the Medicare trust fund. We continue to borrow money to operate on, to pass this debt on to our children and grandchildren. It is not right. We should not do it. If we were not building up more debt, we would not need to raise the debt ceiling. It would not be necessary.

So all we ask of them is, give us a plan. Let us work with them. We all want to do the right thing.

Mr. BOYD. Mr. Speaker, I thank the gentleman from Arkansas.

In closing, I just wanted to say that we are all aware, and I hope that the viewers, our listeners, our constituents, are aware that late last year the Treasury Secretary, Mr. O'Neill, formally requested that Congress increase the statutory debt limit by $750 billion, from the current level of $5.9 trillion to $6.65 trillion.

Mr. Speaker, this request comes a full 7 years earlier than the administration had predicted when it presented its budget 1 year ago. Again, I would say this budget, this debt limit increase, comes a full 7 years earlier than was predicted by the administration when it presented its budget to us 1 year ago.

Mr. Speaker, I tell my constituents back home every chance that I have to speak to whatever group it is that we are the most fortunate and blessed people in the world. We live in the greatest country in the world. We are the economic leader of the world. We are the richest country in the world. This country has 5 percent of the world's population and 25 percent of the world's wealth.

We are the military leader of the world. All the other military hardware of the countries, all the countries around the world will not stack up to the firepower that this Nation has at its disposal.

We ought to be able to figure out a plan to pay our bills. We ought not to have to dip into the Social Security trust fund to pay our operating bills. That is all that we are asking this administration and the majority, the Republican majority in the House, to do is to sit down with us and let us work together to develop a plan to get us back into balance with our Federal spending before we raise the debt ceiling.

Mr. Speaker, I thank the members of the Blue Dogs who have come here tonight and spoken so eloquently and succinctly on this issue.

THE PROBLEMS AND THE FUTURE OF SOCIAL SECURITY, AND THE COST OF DOING NOTHING

The SPEAKER pro tempore (Mr. FORBES). Under the Speaker's announced policy of January 3, 2001, the gentleman from Michigan (Mr. SMITH) is recognized for 60 minutes as the designee of the majority leader.

Mr. SMITH of Michigan. Mr. Speaker, following the presentation from the Blue Dogs, let me just say from our side of the aisle that the Blue Dogs have come up with some good, thoughtful ideas in terms of fiscal responsibility.

I think we have to be careful about not passing blame, and I would hope that as one of the three separate entities of government that our Founding Fathers set up, that we as a Congress would also take on some responsibility and not expect just that it is up to the administration to present us a plan of what is good for the future of this country. We also have that responsibility.

It seems to me, I say to the gentleman from Texas (Mr. STENHOLM), that if we are going to be honest with the American people, if we think that our problems today are so important that we have to borrow money that is in a sense a mortgage that our kids and our grandkids are going to have to pay back, then we should not do it by borrowing.

If we think what we are spending money on today is so important, then we should increase taxes and not try to hoodwink the American people into thinking the size of this government is less costly than it really is by sort of off on the side borrowing more money, where it is not quite as visible as quickly in terms of the obligation that people have to eventually spend to cover what we think is more important today maybe than what our kids and grandkids are going to be facing 20 and 30 years from now.

I would just like to call on the gentleman from Texas (Mr. STENHOLM) as we get into the Social Security debate, because he has been one of the leaders.

Before I do that, Mr. Speaker, I want to remind everybody what we did in 1998. At that time, we promised that there was going to be a balanced budget by 2002, and we did that predicated on an estimate that revenues in 2002 would be $1.4 trillion. Now, what happens to revenues, just in the most recent projections this year and 2002, are that revenues are going to be almost $2 trillion, so $600 billion more than we anticipated in 1998 when we promised to have a balanced budget.

Even if we take $40 billion out for the tax cuts and another $30 billion out for the war on terrorism, there is still $530 billion that was increased spending rather than lost revenues.

So part of the danger that we need to face up to is the propensity for Members of Congress and the administration to start new programs, to spend more money, because it tends to make us a little more popular. If we take the pork barrel projects home, we would probably get on television cutting the ribbons, et cetera.

I think the challenge is huge. I think we have to face up to both Social Security and Medicare. But tonight I want to concentrate on a discussion of what the problem is in Social Security, where we might go, and the cost of doing nothing.

Mr. Speaker, I yield to the gentleman from Texas (Mr. STENHOLM), who has been a leader in terms of trying to come up with a bipartisan effort to solve the Social Security problems. I would ask him to give us his best guess of what we should do to get both sides of the aisle together to help solve this problem.

Mr. STENHOLM. Mr. Speaker, I thank the gentleman from Michigan for yielding to me. I wish I had the answer to that question tonight. But certainly we cannot blame it on the gentleman and I, because it has been a pleasure for me to work with the gentleman, and with the gentleman from Arizona (Mr. KOLBE) and with our friend, the gentleman from Florida (Mr. BOYD), who has been a cosponsor of our bill, the proposal of which we believe should be seriously considered in fixing Social Security.

One of the things that we know is necessary is that any proposed fix has to be bipartisan. That is why I appreciate the fact that about 4 years ago, when the gentleman and I were joined together at that time in proposing some solutions, the gentleman's opponent attacked him and my opponent attacked me. I appreciate the letter to the editor the gentleman sent to my district saying, get off his back, because he is trying to fix a problem; and I did the same for the gentleman.

That is the spirit in which we have tried to operate. We hope we will get a few more folks beginning to acknowledge the fact, and this is a fact, no one disagrees that Social Security in its current form is not sustainable for our children and grandchildren. There is no problem with those on it today, but there is a problem for our children and grandchildren; and the longer we wait and the longer we wait, it makes it that much more difficult.

I know when I first got here in the Congress in 1979, 2011 was so far away we did not worry about it; but tonight, 2011 is 9 years away. That is why the gentleman and I have been trying to at least get the relevant committees to begin in a bipartisan way acknowledging some proposed solutions.

Mr. SMITH of Michigan. Reclaiming my time, Mr. Speaker, from the gentleman from Texas, do I understand correctly that between us we have 12 grandchildren? I have 10.

Mr. STENHOLM. If the gentleman will yield further, I have two.

Mr. SMITH of Michigan. Mr. Speaker, I have heard the gentleman say many times that, look, 40 years from now or 50 years from now or however long we might live, to have those kids come to us and say, look at the increased tax burden that you have put on us because you did not do anything back in 2002 and 2003, that should make every Member here feel a little bit more conscious of the obligations that we are passing on to those kids if we do not stand up to some of the tough decisions and correct the problems now.

I think that it is an easy issue to demagogue. Republicans say, well, maybe that Democrat would be vulnerable because there are so many seniors that are so dependent on Social Security, so if we can suggest that the gentleman from Texas (Mr. STENHOLM) is bad and might mess up the program because he is looking for a solution. And, of course, vice versa, Democrats could demagogue and say, well, Republicans are going to ruin our Social Security benefits. And with seniors, so many of our seniors that are so dependent on Social Security, we can understand their emotional concern even at the suggestion.

I do not know quite how we are going to stop the demagoguery. It will probably go on at least one more election. But somehow, the key is a better effort of informing the American people of what the situation really is.

Mr. STENHOLM. Mr. Speaker, if the gentleman will continue to yield, in the gentleman's opening remarks concerning our Blue Dog Special Order just before this, the gentleman seemed to have taken the opinion that we were beating up on the administration. That certainly was not my intent, but it was to consider the administration equally with the Congress in coming up with a solution. That is what we were trying to do.

In the case of Social Security, this is one Democrat who agrees with my President, what he proposed in the campaign and what I am ready to work with him on, on an individual account approach. I happen to agree with that. That is something that the gentleman from Arizona (Mr. KOLBE) and I share, and the gentleman from Michigan has joined with us in cosponsoring our one area. The gentleman has some different views, and I respect those, and the gentleman has some great ideas that need to be considered in this endeavor.

□ 1930

I think it is important for the American public to realize that we can have differences of opinion, but we do not have to be disagreeable about it. Because I do not pretend for a moment that the bill that the gentleman from Arizona (Mr. KOLBE) and I put together is the solution, but we have been scored to do that which we all agree needs to be done, and that is to fix the problem, the unfunded liability of $22 trillion. We take care of $19 trillion of that, not a small amount of money in this body, but the main thing is to start a dialogue; and that is why I appreciate my colleague inviting me to be part of his dialogue tonight, and I hope we can get more of this. We seemingly cannot get it done in the committees of jurisdiction.

Mr. SMITH. Mr. Speaker, titles often sell a book and they often sell an idea, but they also sell demagoguery. The word ''privatizing'' Social Security has not been my colleagues' intention in their bill. It has not been the intention in any of the four Social Security bills that I have introduced. The American people need to know that there is nobody suggesting privatization. There is a safety net in every legislation. In fact, in most of the legislation there is a promise of at least as much, if not more, of Social Security retirement benefits.

We just need to look at history, that every time Social Security has gotten into a problem, the tendency has been for the administration and Congress to increase taxes and/or reduce benefits, and of course, in 1983 we did both.

Mr. STENHOLM. Mr. Speaker, there are other solutions to the problem, and that is why I appreciate the opportunity to join with my colleague tonight in talking about some of these other solutions.

I think it is awfully important at this stage, and my colleague probably ought to do this and I am going to have to leave in a moment, but about every 10 or 15 minutes when we start talking about Social Security, we are not talking about those who are on it today. We are not talking about those about to be on it, i.e., 55 years of age and older. They are safe.

We are talking about our children and grandchildren. That needs to be over and over emphasized, and we have got a plan which tonight I will not go into all of it. The gentleman is going to talk about his, and I happen to agree with most of what he is doing, particularly with addressing the problem. It has been so difficult, so seemingly impossible, for this body to address it.

The Blue Dogs, a moment ago, what we said last year is, before we get into any new budget, any new tax cuts, any new anything, the first thing we should have done was sit down and fix Social Security. The gentleman from Michigan would agree with that, but that is not to be. That is water under the bridge. That is gone.

Now we find ourselves here it is 2002. Now, then, we are being told, and rightfully so, this being an election year, no one is going to address Social Security this year in a meaningful way, i.e., a chance to get a bill through the House and the Senate and the President signing it. So that means we are postponing it until 2003.

The next thing we are going to hear is, we cannot do it in 2003 because the next elections are in 2004. That is why I am so disappointed that we did not have an opportunity to show bipartisan support for what our President has had

the courage to do in the campaign, and I am so sorry that we have not been able to take the Commission on Social Security that made recommendations, that we have not had a serious opportunity to discuss those recommendations, pluses and minuses, and pursue the legislative process of a solution.

The gentleman from Michigan and I are not controlling that process.

Mr. SMITH. Mr. Speaker, also, our former President came close, several meetings, several efforts. I think both my colleague and I were encouraged 5 years ago when we had the White House meetings, when we started moving ahead, when there was more talk on Social Security.

The fact is, the solutions are not easy. There is a little pain in all of the solutions simply because of the statistics where the demographics mean that there are fewer people paying into the Social Security tax and people are living longer. So when we have a program that takes current workers' taxes and uses that money to pay for current retirees and we have a situation where people are living longer to increase the senior population and the number of people working is reduced in terms of their portion of the senior population, it becomes a situation where insolvency is inevitable, and the solutions are tough.

There are a lot of solutions. We are going to talk about them, but tonight I am sort of going to start from scratch of what the background and the solutions are. So, again, I congratulate the gentleman from Texas (Mr. STENHOLM) on his effort, and hopefully we will prevail next year.

Mr. STENHOLM. Mr. Speaker, I thank the gentleman from Michigan for sharing his time, and I want to keep on plugging, because he has been a valuable resource to this body, to those who bother to stop and listen; and some of the areas he will be talking about now are something that colleagues on both sides of the aisle, and I am going to do my best to make sure that folks on my side listen; and if they are going to complain or if they are going to talk negatively about what the gentleman is talking about, my answer is, okay, what is the solution?

At least the gentleman has got a solution, and for that I commend the gentleman and thank him for yielding some time to me tonight.

Mr. SMITH. Mr. Speaker, well, here it is, Social Security is taking a big hunk out of the total Federal budget. Twenty percent of the total Federal budget goes into Social Security. We match defense, the domestic discretionary; it is one of the largest expenditures we have. Medicare is smaller than Social Security, but the cost of Medicare is growing very rapidly.

Right now, if we include Medicaid, Medicare and Social Security, it represents a little over 7 percent of the total economy of the United States, a little over 7 percent of GDP; and see the projection over the next 30 years, it is going to double as a percentage of GDP.

So it eats up that much more of the total finances that are available to the Federal Government, and it should be easy to project the fact that to accommodate that doubling of cost, of Social Security and Medicare and Medicaid, we are going to either have to substantially increase taxes or we are going to have to substantially increase borrowing. My guess is that we are not going to be able to reduce the expenditures of Federal Government to accommodate anywhere near that kind of increase in these programs eating up those revenues.

It is a system stretched to its limits. Seventy-eight million baby boomers begin retiring in 2008. Social Security spending exceeds tax revenues in 2015 and the Social Security trust fund goes broke in 2037, although the crisis is going to arrive much sooner. In 2015 or 2016 there is going to be less coming in from the Social Security tax than is required to pay promised benefits. So we have a trust fund that we call a Social Security trust fund, but all that is in that trust fund, in those steel boxes is IOUs. I mean, there are no dollars there.

So how do we come up with the money to pay back Social Security what we owe it? Again, it is the same action that would take place if there was no Social Security trust fund, because we are going to keep our promises, we are going to pay those Social Security benefits, but to do it, we have got to either increase taxes or increase borrowing, and that is what is going to happen unless we face up to the problem today. We use some of the surpluses that are coming into Social Security over and above the cost of the program, and we start getting real dollar returns on those invested funds.

I think we need to make it very clear that insolvency is certain. We hear people talking about, well, if the economy gets better that will solve the Social Security problem. It will not. We know how many people there are and we know when they are going to retire. We know that people will live longer in retirement.

The auto industry and Xerox came before the Social Security task force that I chaired. I chaired the bipartisan Social Security task force last session, and the medical futurists were suggesting that within 20 years anybody that wanted to live to be 100 years old, because of the tremendous increase in our medical technology, would have that option, to live to be 100 years old. So think what that is going to do not only to Social Security but to every pension plan, to every personal savings plan, if someone is going to live 15 years longer than expected back in 2002.

We know how much they will pay in, these workers, and we know how much they will take out. Payroll taxes will not cover benefits starting in 2015, and the shortfalls will add up to $120 trillion between 2015 and 2075. Let me say that again. The unfunded liability today in today's dollars is $9 trillion, but in tomorrow's dollars over that 75-year period, it is $120 trillion that Congress, and our annual budget is $2 trillion, that somehow Congress and the administration are going to have to come up with borrowing or increasing taxes to pay promised Social Security benefits.

Let me just comment on the demographics. Our pay as you go retirement system will not meet the challenge of demographic change. This chart represents the number of workers per Social Security benefit. Back in 1940 there were thirty-eight people working for every one retiree. So thirty-eight people paid in their Social Security tax to cover the benefits of one retiree.

A year and a half ago there were three people working. Now it is just slightly less than three, three people working to pay in their taxes to cover each one retiree, and by 2025 the projection is that there will only be two individuals working, paying in that much more tax per individual to cover every retiree.

So at the same time that there are less workers for seniors, and that is because seniors are living longer, and after the baby boomers, there was a relative decline in the birth population. So fewer workers trying to cover the existence in Social Security of a larger number of retirees per worker.

The red chart simply represents trying to dramatically display the future deficits of Social Security. We have a little blip up here. On the top left is a little blip of surpluses. That is because in 1983 when they last changed the Social Security system, they actually made a mistake. They calculated taxes that were higher than they needed to pay Social Security benefits.

So what has happened since 1983 is, there has been a surplus, more taxes coming in from workers of the United States than were needed to pay benefits, and so that was the extra surplus. And so what government did, they said, Well, we will just borrow that extra money and spend it for other government services and write an IOU out to the Social Security trust fund for the last couple of years.

We came up with this idea; it approaches gimmickry. We called it the Social Security lockbox, but it was an effort to try to have some discipline within this Chamber and the Senate and the administration to at least pay down some of the other debt held by the public instead of spending this money for increased programs, which tend to perpetuate themselves.

Anyway, the long-term deficit, again, in today's dollars, $9 trillion. Over the next 75 years, $120 trillion in addition to the amount of dollars and money that is coming in from the Social Security tax to pay current promised benefits.

There is no Social Security account with an individual name on it, and as I make speeches back in Jackson and Hillsdale and Adrian and Battle Creek and up in Eaton County, Charlotte next to Lansing, most people think that somehow there is an account that they are entitled to. Not so. The Supreme Court now on two decisions has said that the taxes someone pays in are simply a tax and the benefits that they might get from Social Security are a benefit passed by Congress and signed by the President that can be changed anytime. That is why there is some advantage, some merit, to having an account with someone's name on it that politicians in Washington cannot mess around with.

□ 1945

So if you have your private account, and we can mandate how the investment is made in that account to make sure that it is a safe investment, but it is going to be in that individual worker's name so he has possession. So if he dies, he or she dies, before they are 62 or 65, then it goes into their estate rather than going back into the system with maybe a $240 death benefit. These trust fund balances are available to finance future benefit payments and other trust fund expenditures, but only in a bookkeeping sense.

Now, read this with me. There are claims on the Treasury that, when redeemed, will have to be financed by either raising taxes, borrowing from the public, or reducing benefits, or reducing some other expenditures. And this is what the Office of Management and Budget said a year and a half ago.

Some have said, well, if the economy gets strong, and we are underestimating how strong the economy is going to grow, an expanding economy with higher wages will fix the problem of Social Security. Not so. Because of the fact that Social Security benefits are directly related to your earnings and how much Social Security tax you pay in, the more you earn eventually, the higher your Social Security benefits are going to be. Social Security benefits are indexed to wage growth. And when the economy grows, workers pay more in taxes but also will earn more in benefits when they retire. Growth makes the numbers look better in the short run, but leaves a larger hole to fill later.

The administration has used these short-term advantages, I think, as an excuse to put off Social Security; and now we are in an extremely challenging time when we are trying to fight terrorists in our war on terror. And I think rightfully so it is reasonable to finance the war on terror to the extent necessary to make sure we win; but at the same time, we have to look at the long-term challenges. And as we saw in an earlier chart, the long-term financial challenges of this country, of this Congress, of the Presidency of the United States is Social Security and Medicare and Medicaid, all of which are using up more and more money, especially not only in the increased cost of medical care but as more and more seniors live to be an older age.

The biggest risk is doing nothing at all. Social Security has a total unfunded liability of over $9 trillion. The Social Security trust fund contains nothing but IOUs, and to keep paying promised Social Security benefits, the payroll tax will either have to be increased by nearly 50 percent or benefits will have to be cut by 30 percent.

There was an article in the Detroit News recently that said, well, the Social Security problem is not as bleak as some say because you will still get 75 percent of your benefits in 2032. But I say that is pretty bleak, especially to the large number of seniors that depend on Social Security for 90 percent or more of their total retirement income. And to reduce that benefit from $800 to $600 in today's dollars is going to be pretty dramatic for those individuals that depend on that Social Security check for so much of their retirement existence.

Social Security was one of the issues that I first dealt with when I first came to Congress. I have now introduced four Social Security bills. In the next couple of weeks I will introduce the next one. But I think an interesting point, as I have written these Social Security bills that have been scored by the Social Security actuaries to make Social Security solvent, every 2 years, 2-year session, that I have introduced a bill, it is that much harder to figure out ways to solve the Social Security problem. The longer we put it off, the more drastic the solution is going to have to be. And that is because what we are doing is not using the current Social Security surplus, the extra amount that comes in over and above what we are paying out in benefits; we are not using that to help in a transition to get some real return on the extra money that is coming in, to get some real return on individuals.

This chart shows the diminishing return of your Social Security investment. The real return of Social Security is about, this says less than 2 percent, but it is about 1.7 percent for most workers, and shows a negative return for some compared to over 7 percent for the market as a whole. Now, if you look at the little chart, you see minorities actually lose out, and that is because minorities tend to die at an earlier age. So a young minority worker can work all of their life and die before they reach the age of 62, and that means that they end up getting a negative return from the money that they have paid into the Social Security System. It helps everybody else, but it does not help that individual. And that is one thing that, it seems to me, is reasonable for us to correct, and I do that in my Social Security bill.

The average, as I mentioned, is a 1.7 percent return. But here is a marketplace over the last 100 years that has given us a return of 7 percent. And so if there is a way to increase some of the real return on that money, and you can do this in a way that is going to minimize, if not do away with, all risk, it is to have indexed stocks and indexed bonds and have a system where it is shared. So the return over a 30-year period is going to be what your benefits and returns are going to be based on.

I am going to be showing you a chart that shows the returns on 30-year averages, but just now let us go back to how long you are going to have to live after you retire to break even with the money that you and your employer paid into Social Security. See, it was a good deal back in 1940. You worked 2 months, paid in your taxes for 2 months, and it only took the first 2 months of retirement to get everything back that you put into it. But as we have increased taxes over the years, and as we have, as individuals, lived longer, there is less money to spend on all individuals. You can see that by 2005 you are going to have to live 23 years after retirement to break even, and that goes to 26 years by 2015. So it is not a good investment. Social Security is not a good investment.

And I want to point out that nobody is suggesting doing anything with the disability portion of Social Security. So, roughly, the 2.4 percent of your taxes that covers disability and survivor benefits, nobody, in none of these bills that have been presented, none of this legislation is suggesting that we make any changes in that insurance portion of Social Security for disability benefits and survivor benefits.

I think this is an interesting chart. Seventy-eight percent of families now pay more in payroll taxes than income taxes. So the Social Security tax of 12.4 percent has become the major tax for most American workers.

The six principles of saving Social Security that I have come up with: protect current and future beneficiaries; allow freedom of choice; preserve the safety net; make Americans better off not worse off; and create a fully funded system; and, with 75 percent of the people now paying more in the Social Security tax than they do in the income tax, let us not again raise taxes, the FICA taxes, for Social Security.

The personal retirement accounts. Number one, they do not come out of Social Security. Two, they become part of your Social Security benefits. And, three, a worker will own his or her own retirement account. What I do with these retirement accounts in my legislation, for women, some who might be staying home with the young kids, some who might have gone into the job market later, I add the husband's eligibility for private investments and the wife's eligibility for private investments and divide by two, so that each, husband and wife, have the identical amount of dollars going into their retirement savings plan, their personal retirement investment savings plan in their own name. So in case there is a

divorce, it is already divided. We divide it every year.

And while I am talking about women, a couple other things that I thought were important in restructuring Social Security is taking away the penalty that we now put on mothers that stay home with their children. So in my legislation I, for a mother who is staying home with a child under 3 years old, I allow those years to be figured in the calculation of their retirement benefits, assuming that those years had the highest earning of any earning year that that mother might have had. So it does not penalize the mother that stays home with her young kids.

The other thing I do is I increase the benefits for a surviving spouse from the existing 100 percent to 110 percent. And that is to encourage more people to stay in their own homes rather than going to a very expensive nursing home. The 110 percent helps accommodate that.

The last blip that I have not mentioned yet is that it is limited to safe investments in the personal retirement account. Safe investments that will earn more than the 1.9 percent paid by Social Security.

I was in Europe representing the United States and our Social Security plan and talking with a lot of other countries. Many countries in the world have now gone from a fixed benefit plan to a fixed contribution plan. So they, like almost every State in the United States, has made that change to accommodate for what everybody knows is going to be a demographic problem, with more seniors and fewer workers. We need to make the transition, and we can still have the kind of safety net that is going to guarantee that future retirees are going to have as much or more benefits than they do now.

My grandson, who is named Nick Smith, sort of my immortality maybe, my grandson was painting on a fence and he had $160 coming to him. I said, let us put this in a Roth IRA, because look what the magic of compounding interest can do, and I figured this out based on the last 20 years return on indexed stocks. So I calculated this out and I said, okay, now, look, by the age of 64, you are going to have about $70,000 if you put this all in a Roth IRA right now. He says, gosh, though, grandpa, I sort of wanted to save it to buy a car when I turn 16. Well, wait a minute, if you wait just another 7 years, until you are 71, then it will double again and it will be $140,000. Well, he finally agreed that maybe he could put $20 in a Roth IRA.

But the point I sort of make is that it is hard to convince people that saving now can be so valuable in retirement simply because of the magic of compound interest. It is so much easier to say, well, I need to spend this on these things today. But if everybody in the United States could save a little more and put it in a savings investment account, then the average income worker could retire as a very wealthy retiree simply because of the magic of compound interest.

So my legislation goes farther than just fixing Social Security. It increases and encourages additional savings above and beyond Social Security so that today's workers that have a modest income can retire, even if they live to be 100 years old, in much more wealth than they are having today, if they are willing to sacrifice and save a little today.

The U.S. trails other countries. When I went to Europe, it was interesting that in the 18 years since Chile offered PRAs, 95 percent of the Chilean workers have created accounts and their average rate of return has been 11.3 percent per year. Again, this compares to the 1.7 percent that the retiree depending on Social Security is going to get.

□ 2000

Among others, Australia, Britain, Switzerland offer workers a personal retirement savings account that is in their name, that the politicians cannot mess with.

Let me say again, every time that we have come up against not having enough money to pay Social Security benefits, Congress and the administration has either increased taxes and/or reduced benefits. That is what we did in 1983 under the Greenspan Commission, we reduced benefits and substantially increased taxes.

The British workers chose PRAs with 10 percent returns. You cannot blame them. Two out of three British workers enrolled in what they call the ''second tier social security system'' chose to enroll in the personal retirement accounts. The British workers have enjoyed a 10 percent return on their pension investments over the past few years. The pool of PRAs in Britain exceeds nearly $1.4 trillion, larger than their entire economy and larger than the private pensions of all other European countries combined.

Here it is. Mr. Speaker, this chart is a rolling 30-year average of the returns in stocks between 1901 and, I take it, up to 2001. A 30-year return. We see some downs on this. But the average is 6.7 percent.

Some people say, ''Don't put it in any kind of stocks because it is too risky.'' Let me just suggest that if this country does not continue to grow, then whether it is the current system with no changes or whether it is any system that depends on revenues coming in and the economy of the United States, the money is not going to be there. We need to look at the kind of decisions that are going to stimulate economic expansion.

I am getting off on a footnote here, but I just want to say, we need to continue our investments in basic research, we need to continue our priorities like this administration has to improve education, because that human capital investment and that capital investment is what is the strength of economic growth in this country in the past, and it has got to be that way in the future.

Here again, we see ups and downs, even over the last year on the far-down blip, but on a rolling 30-year average, not much of a downer in terms of average returns on investment.

Okay. Here is the return. Here is what I was talking about earlier, when we have problems, we increase taxes. If we do not deal with this problem, Mr. Speaker, the temptation is going to be to yet again increase taxes on workers.

In 1940, the rate was 2 percent. This program started in 1934, by the way. By 1940, the rate got up to 2 percent on the first $3,000. That is $60 a year maximum. By 1960, 6 percent, 6 percent on the first $4,800. That was a maximum per year of $288. In 1980, it went to 10.16. In 2000, it is up to 12.4 percent, and we are now at 12.4 percent of the first $86,000 of payroll.

We are increasing the base every year. If we put it off, the tax will again go up.

Here are, in summary, some provisions that I thought was sort of the basis of the legislation that I have introduced. First of all, it allows workers to only invest a portion of their Social Security taxes. I limit the investments to indexed stocks, indexed bonds. Some people say, well, this is going to be a bankroll for Wall Street. The cost of administering an indexed fund is approximately .004 percent, so our Thrift Savings account that so many Members of Congress are familiar with, you would invest in indexed funds that have very low administrative costs.

PRSAs, personal retirement savings account investments, in my legislation, start at 2.5 percent out of the 12.4 percent. Then it gradually increases over the next 40 years to get up to 8 percent that would be in your private investment account. The PRSAs are limited to a variety of safe investments. I think that is important.

But what I think is even more important is that the individual worker owns that account, controls that account; nobody can take that account away from him because it is in his or her name. If he or she happens to die before they start collecting Social Security benefits, then it goes into their estate and their heirs rather than, like our current Social Security system, simply going back into the Social Security system.

It uses surpluses to finance the PRSAs. Right now we are still in this time period up to 2015 or 2016 when there are surpluses coming into Social Security. There is no increase in taxes or government borrowing in my bill.

PRSA account withdrawals may begin at 59½, while the eligibility age for fixed benefits is indexed to life expectancy. So here again, if you have the kind of savings that will pay for an annuity to give you the same benefits as Social Security would, then you can retire as early as 59½.

What we have also done in our legislation is say that if you do not retire at

65 but you decide to keep working and not start taking those Social Security benefits, your Social Security benefits will increase by 8 percent a year for every year you delay taking Social Security benefits after 65. A lot of us are very healthy and want to keep working a few more years. If you wait 4 years and increase your benefits by 25 percent, if you are optimistic about your life span, then it becomes a good deal.

But the point is, if you retire earlier, then actuarially you are going to get less, but still have the option of retiring earlier. If you wait to retire, then you are going to actuarially have more benefits, but it is going to not cost anybody anything simply because, on the average, it is going to be actuarially sound.

PRSA account withdrawals may begin at 59½, as I mentioned. There are tax incentives for workers to invest an additional $2,000 each year so that you have the same tax advantages as you would in a Roth savings account, or an IRA, to encourage that additional investment, especially for low-income workers where government would add to that investment in those retirement accounts.

It gradually slows down benefit increases for high-income retirees by changing benefit indexation from wage growth to inflation. Right now, we have a system where future benefits are indexed to wage growth which goes up much faster than the CPI, than inflation. So this changes that index.

Generally what I do to pay for this system is, I slow down the increase in benefits for high-income workers and increase them for low-income workers. But that is what helps pay for the transition into some private ownership accounts. We divide the PRSAs, like I mentioned, between couples. Widow's or widower's benefits increase to 110 percent. It repeals the Social Security earnings test, it is scored by the Social Security Administration to keep Social Security solvent, and it maintains the trust fund reserves. Some people have said, we need the trust fund reserves there, so I keep the reserves there as an additional safety net.

Right now, the average retiree gets about 30 percent of their last year's earnings. The current retiree gets, on the average, 30 percent of their last year's earnings. What we are suggesting is that we have the kind of guarantee that if an individual that is 20 years old today ends up getting, whatever, 50 percent of their last year's earnings, or as we have experienced in some counties down in Texas that decided to have private investments rather than the Social Security, they are receiving three and four and five times as much as Social Security would pay.

So if we say to the 55-year-old worker that, look, you go into the system, he comes up with funds in his personal savings retirement account that would accommodate, say, 20 percent of what he would have of his last year's earnings, then Social Security and government would add the additional 17 percent to guarantee what he would have gotten under the old Social Security system. We can have the kind of safety net, because over the long term we can get a lot better return than the 1.7 percent of the average retiree.

Again, in closing, Mr. Speaker, let me just suggest to all of my colleagues, to everyone that might be listening to this presentation, that the longer we put off solving Social Security, the more drastic the solution is going to be. I think we cannot afford the imposition on current workers or we cannot afford to put the burden on future wage earners by not facing up and dealing with the Social Security problem.

ASPECTS OF THE WAR ON TERRORISM

The SPEAKER pro tempore (Mr. FERGUSON). Under the Speaker's announced policy of January 3, 2001, the gentleman from New York (Mr. OWENS) is recognized for 60 minutes.

Mr. OWENS. Mr. Speaker, I would like to talk about a very important aspect of the kind of war against terrorism which I think the United States should wage. I would like to talk about a dimension of that war which is very seldom discussed. We are in the process now of preparing for our budget. The vote on the budget may come as early as next week. In that budget, the largest increase is $48 billion for the military and for homeland security, items which are designated as part of the war against terrorism. I want to talk about that in terms of its being utilized in a new way, of being expanded so that it has a greater impact against terrorism than the present administration foresees.

The emphasis of the present administration is too much on the military and too little on foreign aid and other kinds of necessities that are needed, both at home and abroad.

I think the discussion before on Social Security is relevant here, also, but today, earlier, we took some steps which I think weaken our war on terrorism. A bill was passed which erodes the ability of the American citizens to bring class action suits. For some time, since the Contract With America and the majority was taken over by the Republican Party, we have had an effort to erode the rights of citizens in our civil courts.

Certainly the effort to end class action suits as we know them has been going on for some time. That bill was passed today, by a narrow majority, but it was passed; and it is one more example of how we are restricting and oppressing, with a light hand, and swindling our own population. Every time we do that, every time an act takes something away from the American people, the citizens, who must be at the heart of fighting the war on terrorism, we are weakening our war against terrorism.

One thing this war needs is every American enthusiastically involved. Every American must understand that the war is going to be a long war and the war is a war for people's minds across the globe. It is a war to show our compassion. It is a war to help educate the rest of the world. There are a number of items, of components in this war against terrorism which require massive help by our entire population.

□ 2015

When we make our own population a little less comfortable or disgruntled, we move in ways which are going to restrict the rights and freedoms of our own population; we are weakening our effort in the war against terrorism.

When we refuse to appropriate adequate funds for education, we are greatly weakening the ability to fight a war against terrorism. And over what? In the most elemental concrete way, the ability of our military to fight a war with high-tech weapons, very complex weapons, is dependent to some degree on the quality of the education of the personnel involved.

I am not a military expert; but the large number of accidents that have occurred, the large amount of human error and the number of casualties that were the result not of hostile fire but of our own mistakes, indicate that the quality of personnel could be greatly improved.

I am mindful of the time when, just a few years ago, we launched a new super aircraft carrier, the largest and most complex machine on the water, about 3 years ago was launched by the Navy, and they said that they were short 300 personnel. They could not fill 300 positions on that aircraft carrier because they could not find within the Navy the enlisted men who could do the things that were necessary, could operate the complex high-tech equipment. It was just one example of how education directly relates to our ability to fight a war. In this example it is obviously quite concrete and related to the military.

On a larger scale, we need all the people we can to help educate the populations of certain nations, to help educate the leaders, to be able to spread the constitutional civilization that we enjoy, how you operate under a constitution, to be able to spread the economic system that we enjoy, the legal system that goes along with economic system. Capitalism cannot exist without a legal framework. There are a number of things that are not so simple that the rest of the world needs to learn, and one of the ways we are going to be able to win the war against terrorism is to have more and more people, ordinary people in the nations of the world, understand these complex processes.

So educated people in America will help not only increase our own level of prosperity, the ability of our own Nation to function, but also we are going to be needed to help spread democracy across the world and help democracy take a firm hold, to help improve the economic systems take hold.

The nation building that is going to have to take place in Afghanistan is just one example of a large number of people of all walks of life, technicians, mechanics, scholars. All kinds of people are going to be needed to help rebuild the nation of Afghanistan. We are not going to do it all. The United Nations is responsible for the nation building in Afghanistan, and that is the way it should be; but we must make a great contribution.

The larger war is one that we must understand how serious it is, the projection of a larger threat. It is not the kind of threat that we have faced before with the Soviet Union, the possibility of nuclear annihilation overnight, the possibility of them having more nuclear warheads than we had, the Soviet Union having better rockets than we had and the necessity to keep monitoring what the Evil Empire was doing. The Evil Empire, on the other hand, was monitoring us constantly.

We are in a different kind of situation, and the threats we face now are not as easy to describe or to imagine as they were before. But one thing that September 11 taught us is that we are vulnerable.

There is this great Nation, we are not an empire, call us the American colossus, with all of its strength in so many ways, which is very vulnerable, like any other civilized society is vulnerable. We did not know that on September 11 to the degree we know it now.

We are very vulnerable, because if you hit one nerve center, and in the case of September 11 they hit the financial center of New York, a communications center, two buildings. Large numbers of people died, but a lot of other repercussions took place as a result. It was a domino impact. A domino impact helped to make the recession worse, not only in New York City and New York State, but it had an impact right across the Nation.

We were vulnerable in that a relatively small group of people somewhere in the world, and they were based in Afghanistan, we have assumed, I think correctly, a small group of people struck down all the airplanes of the skies of the great United States of America. They were empty for a few days as a result of the actions of these few people.

So we are vulnerable, because the Internet connections and the television broadcast connections at the World Trade Center meant a lot of people found themselves without television service, and communications in New York is very much still affected by the fact there were telephone switching stations and complicated operations located near the World Trade Center.

So in a number of ways a very complex, modernized society is vulnerable. Now terrorists know it as well as everybody else; and we have to recognize that, sooner or later, the possibility of these things happening again is there. We will have other kinds of attacks.

We seem to be quite vulnerable here on Capitol Hill, when one letter going through the post office and then to Senator DASCHLE's office led to an anthrax scare. Appropriately, that shut down the whole Senate building. One-third of the Senate offices were shut down; employees were terrorized to some degree. Two postmen lost their lives as a result of the anthrax just passing through the post office machines, and all of us saw our mail brought to a halt. We did not receive mail for a couple of months. Our mail has to go through an irradiation process now.

A lot of complex things happened as a result of the relatively small anthrax attack. We are grateful for the fact that whoever perpetrated that attack did not send 10 or 20 envelopes through the mail at the same time.

So we are vulnerable now. We know we are vulnerable to an anthrax attack; and just as anthrax was sent through, you could have other kinds of biological attacks, very potent diseases. The smallpox virus, all kinds of things could be done in similar ways, through the mail and various ways dropped in areas where you have a dense population in our big cities. There are a number of ways that we can discern that we could be attacked by faceless, nameless, nationless people. We know that now, and so do a lot of other people out there know it.

How do we make ourselves safer? I do not have all the answers, nobody has all the answers; but we are evolving answers. One answer is to reduce the number of people in the world who would cooperate with terrorists, reduce the number of people in the world who would become terrorists, reduce the number of people in the world who would aid and abet terrorists. That is one way to begin to make a safer world.

In doing that, we have to have a foreign policy and domestic policy which put people first. I am not speaking as a pacifist. I am a follower of Martin Luther King, I believe in non-violence, but I also recognize that we have to, in some cases, go to war. The only way to stop certain kinds of threats is with violence matching violence, and that is what our military is all about.

I said the last time I was here in a small poem that I wrote that wars never leave us thrilled, but there are some maniacs who demand to be killed. Wars never leave us thrilled, but there are some maniacs who demand to be killed, and we would indeed be quite stupid not to recognize that after a long history of dealing with these maniacs.

Adolph Hitler was a maniac that could not be stopped any other way except with violence against violence. We had to have a military force to match his overwhelming military force. We thought after Hitler you would have a decrease in those kinds of maniacs. He was thoroughly punished as a result, and the nation that followed him was punished as a result of his activities. That did not stop Pol Pot from arising. That did not stop Slobodan Milosevic from trying his hand.

On and on it goes. These maniacs will come. Saddam Hussein is another one of those maniacal creatures that exist. We cannot put our heads in the sand and pretend that they are ever going to be able to be stopped if you only have a nonviolent approach to them.

However, there are also the nameless, faceless groups out there that have not even formed yet, that can be dissuaded, stopped, if we remove the fertile ground for terrorism that exists among those groups.

I am a child of World War II. I was just a grade school student during World War II, and we lived with the possibility that the Nazis would prevail. In school we were told they wanted to take over the world. In black schools they were told they hate black people, and one thing worse than the Ku Klux Klan is the Nazi SS storm troopers. The terror of the Nazis we lived with until they were defeated.

Then we lived with the terror of the Cold War, the Russians are coming, the Evil Empire. At school we used to have drills and have to go under the desks because the Russians now had the atomic bomb and we might have nuclear war. So we lived through that. Even up to the time of my children in school, they still had drills and were very much conscious of the need to be afraid of an attack by the Soviet Union. All of that was horrible; and all of that, of course, left quite an impression on a lot of us.

But none of it was as horrible as 9–11. Even the attack on Pearl Harbor, we lived with the knowledge that the Japanese were very sneaky and they might attack, coming over California and into the heartland of America. That was another one of the nightmares that young people used to have. But the attack on Pearl Harbor, of course, brought the war home closer than any other war we had ever realized from a foreign nation; but at Pearl Harbor, at that time Hawaii was not even part of the United States, so it was a little more distant, and, of course, most Americans who lost their lives at Pearl Harbor were at least military people.

It was not until 9–11, nothing compares, nothing we experienced in World War I or World War II, the Cold War, the Korean War, nothing compares to the attack on America that took place on September 11. It brought home the fact that we are in a different kind of world.

The Evil Empire, as the Soviet Union was described, and I am sure they had descriptions for us that were similar, no longer exists. Russia and America now have generals and officers stationed in the missile sites, and we closely monitor each other and the number of nuclear weapons we promised to reduce. Certainly the rockets and their trajectories have been altered, and there are agreements that

make us all feel secure that the Soviet Union and the United States will never go to war. We are the only nations with the capability of delivering long-term nuclear weapons.

We are not happy and secure about the Chinese or North Koreans, but even then there is a nation to negotiate with; and America has negotiated with the North Koreans. Despite the fact that the President called them part of an ''evil axis,'' we are still in negotiation with North Korea. It is a nation.

China, our relationship with China, there is a multiplicity of contacts and relationships. Capitalism has invaded China; and China has invaded our consumer markets, for good or ill. We are not that afraid that China is ever going to pull a sneak attack on us.

But those unknown, unnamed forces out there, in small groups, al Qaeda and Osama bin Laden is just one that we have profiled, a high profile, we understand. Who knows how many other there might be out there. But certainly al Qaeda gives us a good example of the kind of danger we face from stealth, stealth attacks, stealth violence, S-T-E-A-L-T-H. The world ''stealth'' is what every civilization has to fear from now on.

We have come to the point where weaponry is so complex and so powerful that small amounts of explosives and small bombs or small packages of lethal viruses or small packages of powder, like anthrax, can do tremendous, tremendous harm. We are threatened by stealth from possible terrorists in the future.

□ 2030

So they are and could be as numerous as the stars. We cannot ever be able to stamp out all of those possibilities out there.

The one way to guarantee that they are kept at a minimum and the one way to guarantee that they have an atmosphere and a milieu and an environment to operate which is hostile to them and protective of us is to try to make a world which includes justice, peace and compassion; a world where all the babies receive enough to eat; a world where young people are allowed and encouraged and supported to get an education which will allow them to look beyond hate.

A great deal has been said about the madrassahs in Pakistan. The madrassahs are schools in Pakistan which have come into great prominence and merited a great deal of attention and discussion because Pakistan as a nation abandoned its public school system. A very limited amount of money is appropriated in the Pakistan budget. This year they have done much better. Before 9–11, very limited amounts were being appropriated for education, huge amounts for the military, and other expenses; and parents seeing their children abandoned were happy, quite pleased that they could send their children to religious schools which not only gave them an education, it taught them to read and write, but also provided some hot meals each day for them.

So large numbers of children, especially males, were spent to the madrassahs and the madrassahs, we know now, taught them to read and to write, but only a limited amount of reading and writing, not a broad education about the whole world, a limited amount, and taught them to focus on hatred for the West and hatred for certain religions and taught them to dedicate their lives to the eradication of what they call the Evil Empire, the decadent West and Christianity and a number of other kinds of things they were taught to hate. So many of them went off to the camps in Afghanistan to become a part of the Taliban and a part of the army of the Stealth Army of Osama bin Laden. So we have that example that we are watching. It is a case history.

Pakistan is an interesting case history for the United States, because Pakistan as a nation has always been an ally of the United States. From its inception, it has been a friendly relationship. The United States has rattled its sabers and flexed its muscles a few times to protect Pakistan from India, and in wars that India could have won easily if they had continued. I can remember the United States making veiled threats and telling them they needed to back down, and that has happened. On the other hand, Pakistan was a loyal ally during the Cold War. While India was far closer to the Soviet Union, Pakistan was very close to this Nation.

Of course, when the Soviet Union invaded Afghanistan, the key to the defeat of the Soviet Union in Afghanistan by American-led Stealth forces supporting the Afghan people was Pakistan. Pakistan was the avenue through which the United States funneled its aid, its weapons, its military power. And it defeated the great Soviet Union as a result. Pakistan, in alliance with the United States.

But each time we have an engagement with Pakistan, each time Pakistan serves as our ally, we have not rewarded Pakistan. We did not reward them for the great service they did as a result of the Soviet defeat in Afghanistan. We did not reward them for all of the years that they served as our loyal ally during the Cold War. Pakistan was sort of left to drift when we got through with using them. So we missed a golden opportunity. A nation of more than 160 million people is no small nation. Compared to India with 900 million, 160 million may seem small, but among the nations of the Earth, Pakistan ranks among the top 10 in population.

Having deserted, left Pakistan alone, not rewarded Pakistan in any way, the establishment of a closer alliance with military aid, no Marshall Plan for Pakistan, no Marshall Plan, no continuing relationship, aid was very meager, and then when Pakistan, as they have had unstable governments, each time there was a coup, we punished them by taking away something. They had given us the money to buy planes, we kept the money and did not give them planes. We had a meager amount of aid going to them, and we cut all of that off through A.I.D. Nothing happened as a result of punishing them for their own instability in their own government. For various reasons, Pakistan could be very disgruntled. However, Pakistan has risen to the occasion and was one of the first nations to respond to President Bush's call for allies in the war against terrorism.

Considering the fact that Pakistan has a huge border with Afghanistan, Pakistani response, the Pakistani support for the war on terrorism was crucial. We could not have reached the point that we have reached now in terms of pretty much containing the violent situation, the capacity of the Taliban to wreak violence on its population or anybody outside without Pakistan. We could not have reached the point where Osama bin Laden is on the run somewhere or hiding somewhere or maybe dead; we could not say that we have dealt a critical blow to terrorism if it had not been for Pakistan. We owe Pakistan a great deal.

I want to applaud our own administration. For once they have responded by rewarding the nation of Pakistan. There is a package that is part of President Bush's war against terrorism of $500 million or $600 million in aid, and some of that aid is earmarked for education. It is earmarked for education. More than $100 million is earmarked to be spent only on education. There are other moves that have been made to aid education in Pakistan at the same time we are giving other kinds of aid.

So Pakistan is an ally that we are taking care of.

The rest of my speech I want to dedicate to the proposition that there are allies in the western hemisphere that we continue to ignore and take for granted at our peril. In a world where we face terrorism threats, where we face threats from unknown groups, some of them not even established yet, but we know the conditions that give birth to these kinds of terrorist groups, in that kind of world, we are at risk in our own hemisphere. We are ignoring the Caribbean Islands. We are ignoring the threat from the South American countries. We are ignoring the role that Haiti could play in a positive way or in a negative way. We are ignoring the fact that these nations in this hemisphere, close to us, have one great advantage and they can impact in a more meaningful way on our lives because they are so close, just because they are so close.

We are ignoring the fact that for years now, we have been fighting what we call a drug war, and the drug war has involved our deploying operatives to all of these nations of one kind or another related to the war against

drugs. Not just the island nations, but the nations joined to us at the southern tip of Mexico. Mexico and the island nations of the West Indies and Haiti, all have had serious problems with respect to either the growth and processing of drugs or the transshipment of drugs. If we ignore the fact that these nations already have a problem and that that problem may lead to a situation where the governments are forced to succumb to drug lords; there are some things worse in the world than the Taliban. The Taliban at least had religious rationale. It may be a phony religious rationale, but it was a religious rationale. The drug lords do not attempt to pretend to be moral in any way.

The primary problem between Haiti and the United States during the Clinton administration or during the last, for the last 20 years has been the fact that forces in Haiti, certain forces in Haiti were being financed by drug lord money. The problem of the President of Colombia is that Colombia is at the point where there is a danger that drug lords will take over the entire nation. Most Americans do not know that we spend more than $1 billion in this little country called Colombia in South America. This is $1 billion being spent in the war against drugs and we are continuing to invest. Unfortunately, it is a military war. We are giving aid to fight a guerilla army which is financed by drugs. We are giving aid to fight a population which has no other means. They see themselves as having no other means to survive, so they are part of the process of growing drugs and processing drugs.

Colombia is just the beginning. Colombia is right next to Panama, and Panama now is an independent nation. The canal is owned, operated; it is part of Panama, not America any more, and they are right next to Colombia. Drug lords could take over Panama sometime in the future if we do not understand that that kind of war is as important as a war against terrorism. In fact, it is a kind of terrorism, and it certainly could become a part of an income-producing empire for terrorism in the future. We have not talked very much, we have not heard much about the role of drugs in Afghanistan and how the Taliban and all of the forces in Afghanistan have been involved in selling drugs. Heroin, the poppy from which heroin is made is the number one product of Afghanistan, and the control of the heroin trade by these factions, including the religious Taliban, was one way in which they financed their operations, selling drugs. So it is not farfetched to say that the drug war in this hemisphere will become a major problem in the war against terrorism in the future.

We need to look at all of the nations in this hemisphere in terms of what is our relationship to them, why do we continue to take them for granted, why can we not have a Marshall Plan for the western hemisphere on a scale similar to the Marshall Plan which saved Europe after World War II? Why can we not have a Marshall Plan which develops an economy, helps to develop the economy of the Caribbean Islands? It would not cost very much. Why could not we have approached Colombia with aid for economic development and other kinds of things, rather than only aid for the military? I am sure if we spent $1 billion for economic development in Colombia, we would get a better return on our investment than we have gotten for the dollars that we spend on military aid in Colombia. They are fighting a guerilla group, a guerilla operation which could not exist if it did not have the support of a large percentage of the population. Why does it have the support of a large percent of the population? Because a large percent of the population make their living growing cocaine, the coca leaf, and that is where they have an affinity with the lawlessness of the drug lords.

What would happen if in the future in this hemisphere we are surrounded by all of these nations and they are taken over by drug lords, they run the governments? That means that drug lords have a vote in the United Nations. There are a lot of small nations in the Caribbean Islands that are right now directly threatened by drug lords. There is one island where the chief law enforcement officer was murdered by a local drug lord. Everybody knows who killed that person. Everybody in the islands is afraid to participate in the process of apprehending and prosecuting the murderer. That is just a small island and one dilemma which foretells the future of a lot of others.

There are some larger islands which have recently had violent outbreaks in certain parts of the island, and Jamaica is one, where the battles were fought in Kingston, where the police were outgunned by modern weapons that the criminals had. How do criminals in a small island get such modern weapons and are able to outgun the local police? Through the financing of the drug trade. There are some islands where drug lords are known and despised by the population; but if a drug lord gives a birthday party, your top officials of government go to the birthday party. You are eroding slowly the respect for the civilian governments, you are eroding the authority of governments, and you are saying to the population, that process is saying to the population that drug lords are all powerful.

□ 2045

It is like in our neighborhoods in New York and some other big cities where powerful people demand a lot of money and forces, and young people begin to look up to them because they have money, they drive the big cars, and they have the best wardrobes, et cetera.

In the island nations, we have the same development of powerful forces that may get out of hand. If we really want to fight terrorism, and we have $48 billion in the present budget, I am not way out in left field, I want to stay on the subject, if we have $48 billion in the budget to fight terrorism and for homeland security, then a portion of that money ought to go to looking at this hemisphere and what we can do in this hemisphere at a much lower cost now than we would have to pay in the future if we had to fight empires of drug lords with votes in the United Nations and all kinds of influence in the future.

I want to use Haiti as a case history, because I am quite disturbed, and we have good reason to be disturbed, by the present policies of the United States Government toward Haiti.

Haiti has a long history of being a loyal ally of the United States, just like Pakistan, way back when, when Haiti was the second nation in this hemisphere to gain its freedom. The United States became an independent country in 1776. Haiti came second in this hemisphere as an independent nation.

When the British tried to undo the Revolutionary War and to subdue the infant nation of America in the War of 1812, Haitian soldiers fought on the side of American soldiers. Haitian soldiers were sent or came to this nation.

Throughout the history of Haiti and the relationship between Haiti and the United States, the Haitian people have never raised their hands against the United States. They have never been disloyal. Yes, we have done some terrible things to the Haitians. We occupied their country for more than 30 years. But the Haitians have never done anything to subvert the United States. Neither Hitler nor Castro nor Osama bin Laden has been able to drive a wedge between the Haitians and the people of the United States.

That ought to stand for something. We ought to be interested in rewarding Haiti. Haiti would be a good example to hold up to the rest of the countries in this hemisphere as to what it means to be a friend and ally of the United States. Let us take care of our friends at home, as well as seek to make new friends across the world.

Vice President CHENEY is on a tour throughout the world to build up alliances, to get alliances for the American-led war against terrorism. That is probably altogether fitting and proper. He should do that. But in the meantime, the nations in this hemisphere are being treated very badly, and I begin with Haiti.

Haiti is at the point right now where it may cease to exist as a nation. Haiti may implode or explode and just fall apart completely because of the hostile policies of the United States. The key to the death of Haiti would be the policies of this nation. Haiti does not deserve to die. The second oldest independent nation in this hemisphere, the nation of Haiti has been driven to the brink of chaos and dissolution by a hostile U.S. foreign policy.

Seven years ago, the U.S. reneged on a $200 million development fund promised to Haiti. Now the U.S. is presently blocking humanitarian aid in order to bolster the position of a destructive opposition in Haiti. For petty political reasons, Haiti is being strangled to death, but Haiti does not deserve to die. Haiti is being cruelly smothered by a small group of petty, but powerful, decision-makers here in Washington.

Long before the recent Haitian election controversy, and there is now a controversy in Haiti about the last election of people, and we are using the fact that that election was not a perfect election as an excuse to hold up aid to Haiti and to block aid to Haiti from other sources. That election in Haiti probably was far more reasonably executed and implemented than the election in Florida. But we are using that as a way to deny aid to the present administration.

But long before that, long before the Haitian election controversy, for personal, ignoble, and irrational reasons, a noose was tied around the neck of President General Bertrand Aristide's first administration.

As the democratically elected president was returned, with the support of the U.S. military, President Clinton and the international community promised Haiti an economic aid package vital to the survival of the country. The start-up and kingpin donation was to be $200 million from the U.S. That was going to be the start-up, and the other nations, using that or recognizing that $200 million, would create an infrastructure, an administrative infrastructure, which would allow Haiti to make use of additional aid.

They promised to give additional aid. Other nations, Canada, France, Japan, they promised to follow the lead of the U.S. with a sum total of more than $1 billion. In other words, let me make it clear, if the United States had followed through on its promise to give $200 million, the rest of the nations of the world would have chipped in and the amount of aid that Haiti would have gotten 7 years ago was $1 billion or more.

But the U.S. did not follow through on its promise. There were certain powerful people in Washington who said that Haiti would never get a dime from the United States because they personally would see to it that it did not happen. There are a few people in Washington who are just that powerful.

Unfortunately, certain power brokers within our midst counted themselves as close friends of the old oppressive ruling class in Haiti, and they thus became sworn enemies of President Aristide. The president of Haiti who was elected with an overwhelming democratic vote of the people was targeted by the U.S. right wing for punishment.

What was the U.S. right wing? Certain people in high positions in the Congress of the United States were part of it; certain people in the CIA were part of it. They had all surfaced during the years that Aristide was in exile and had spoken against Aristide in various ways. We know who they were; we know who they are.

Despite the fact that Aristide's administration was in no way corrupt, and Aristide obeyed his own nation's constitution and he stepped down at the end of the 5-year term, the U.S. allowed a ruthless and shortsighted few to condemn Haiti to death by neglect, death by abandonment, death by the denial of vital aid for survival.

Let me repeat: Aristide's administration was in no way corrupt. We could find no fault with Aristide. Aristide returned after being in exile for 3 years. He was elected, and the army staged a coup, and they forced him out of the country. He was in this country for 3 years. He went back. He had only 2 more years to serve in his term. He had a right to make a claim that he had been exiled and was not able to fulfill the wishes of his people, and he had a right to say, ''I should be allowed to stay 5 years.'' But no, he accepted the constitution and wanted to promote the authority of the constitution, and he stepped down after serving for 2 years, 3 years in exile and 2 years after he went back. We asked him to do that. The United States Government wanted that to be done.

He did everything we asked; but nevertheless, a ruthless and shortsighted few decided to condemn Haiti to death by neglect, death by abandonment, death by the denial of vital aid for survival.

We descendants of Jefferson, Lincoln, Roosevelt, and Martin Luther King should no longer tolerate the lynching of a nation before the eyes of all who can see in this hemisphere and the rest of the world. That is what is happening: We are lynching the nation of Haiti. We are strangling a nation to death. We are assassinating a nation. That is the charge I make, and I think that the facts will bear it out. The policies of the United States Government at this point are destroying the nation of Haiti.

Haiti does not deserve to die. As I said before, in the War of 1812, after the vengeful British had burned the White House and were threatening to recolonize the fledgling American Republic, Haiti sent troops to aid in the defense of our new nation. Since that time, Haiti's hand has never been raised against this land. Neither Hitler nor Castro nor Osama bin Laden could break the bond that exists between the U.S. and the people of Haiti. Haiti does not deserve to die at the hand of the United States foreign policy.

Mr. Speaker, today I am inviting all of my colleagues to unite with the Congressional Black Caucus to rescue a Haiti that is being unjustly subjected to cruel and inhuman torture. Haiti is being unjustly subjected to cruel and inhuman torture. The denial of humanitarian aid to Haiti right now is being used as a political sledgehammer. We are coupling humanitarian aid, aid that is designed to help people, aid, most of which would not go to the government, it would go through nongovernmental organizations, we are denying that aid as a way to force Haiti to do some things we want done which would benefit the opposition in Haiti, the opposition that has been favored by the right-wing forces in the United States since the very beginning of Aristide's term.

I am asking my colleagues in the House to join us in an appeal, asking both Houses of Congress to join us in an appeal to the rest of our colleagues to try to save Haiti. Join us in the appeal for a special initiative by President Bush and Secretary Powell. We want to ask them to review and reconsider the Haiti policies that they are presently promulgating.

The President showed great animosity towards Haiti, even during the campaign for his election. Haiti was singled out in two of the debates as being the kind of place that President Bush felt we should not have given aid and help, so we know that there are problems in this administration.

Secretary Powell recently went to a CARICOM conference. CARICOM is an organization of the island nations of the Caribbean. He went to a conference and talked about punishing Haiti further by denying or continuing to deny aid. This administration should immediately deliver, this administration should immediately deliver to Haiti, first of all the $200 million that were promised in 1994, or promised several years ago. After that, it should follow up with the humanitarian aid that is being denied right now.

I would like to say to my colleagues that if our own Nation will not yield, if our own Nation insists on pursuing this course of destruction of Haiti, yes, it is an assassination course, we are assassinating a nation, I can think of no terms that would be too harsh for what we are doing, if we continue to pursue this assassination course, then I would like our colleagues to consider joining us, the Congressional Black Caucus, in an appeal to the United Nations. Why not ask the United Nations to try to bring some sense back to the situation?

A very small group of very powerful people in Washington is using power to destroy a nation of between 7 million and 8 million people. Something should be done. I would like to ask our colleagues to join the Congressional Black Caucus in an appeal for help. If the United Nations will not do it or is slow, an appeal for help from some of the other more moral nations of the world. Why can we not appeal for help to Norway, Sweden, the Netherlands, Denmark? Somewhere, someone on this globe should be able to understand the situation and come to the aid of Haiti.

I recall that Norway, a very unlikely place for the solution to be worked out in the Middle East, but Norway took the leadership in developing a dialogue between Israel and the Palestinians.

□ 2100

The peace process that was started and later brought to fruition by President Clinton, which led to Arafat and Rabin shaking hands in the White House garden, was started by Norwegians. So maybe we can appeal to the Norwegians or the Swedish or the Netherlands or Denmark or some other nation, some other decent, civilized nation, Germany, to help, because our Nation is locked in a position which is inhuman and disgraceful and murderous for a whole group of people.

Perhaps we should follow the moral example of Australia. Australia sent their soldiers to stop the bloodshed in East Timor. At the request of the United Nations, Australia sent their soldiers to stop the bloodshed in East Timor, and the Australians did not leave and say we are not going to engage in Nation building the way certain people insisted we leave Haiti: The United States should not stay in Haiti; we should not have to help to build a Nation; we restored the President, let us get out. No, the Australians stayed under the supervision of the U.N., and they have helped to build a nation in East Timor.

East Timor is today being celebrated as a new democratic Nation. Pretty soon East Timor will take their place in the United Nations as an independent nation. It could not have happened without those outsiders, those white Australian troops, going to the aid of a nation in distress and committing themselves under the supervision of the United Nations to a moral and very civilized venture to save human beings, to restore a government of the people, and to help to build a government of the people in that far-flung corner of the world.

It is a decision of the Congressional Black Caucus that we send out pleas throughout the whole globe in search for some nation that will help us to aid Haiti, if our own government will not. We are going to appeal first to those Members of the Congress. We are going to appeal to President Bush. We are going to appeal to all the forces in this Nation to take a hard look at what we are doing and to back away from a foreign policy.

If that does not happen, we intend to go to the United Nations and to the civilized nations of the world. Haiti does not deserve to die. If we fervently seek it, then somewhere in the civilized world there must be enough compassion and mercy to save the long-suffering people of Haiti. Haiti does not deserve to be strangled at the hand of our government. Haiti does not deserve to die.

This is a very strong language. I have lived with the problems of Haiti for a long time. My district has the second largest concentration of Haitian Americans in America. Miami has the largest concentration. The congressional district of the gentlewoman from Florida (Mrs. MEEK) has the largest concentration of Haitian American; I have the second largest. Together, we in the Congressional Black Caucus have sought to try to establish a new relationship between the United States and Haiti since the days when Haiti had democratic elections and President John Bertrand Aristide was elected by something like 80 percent of the voters.

Because he did not follow its precepts and was not a puppet of the oppressive ruling class, ruled for a long time, the Army staged a coup and Aristide barely escaped with his life. He spent 3 years in this Nation, in Washington here, while we tried to get a negotiated return of Aristide to his rightful place in Haiti. However, because the people in power, the army leaders who staged a coup, were so well financed by drug lords that they did not have to worry about economic sanctions, that they did not have to worry about their own income, they would not budge. They would not yield.

There were several negotiations with them which almost came to the point of reaching some agreement, but it turned out they were just leading us on and had no intention whatsoever of ever letting Aristide back in the country. All the way, they had their lines into the drug lords. Haiti was a major transshipment point for drugs.

Raoul Cedras, the commander of the Army, his second in command Biamby, Michel Francois, they were all on the payroll, well financed by drug lords. Michel Francois was later indicted by the United States for his role in drug transshipment.

So the long history between the United States and Haiti has not been a good one from the time that the occupying forces left Haiti. First of all, we occupied Haiti for 32 years, which is most unfortunate. I will not go into the circumstances that led to that, but after we left Haiti, we left in charge and had bonds between a ruling class that had the benefits of an army which was trained by the United States. The Haitian army and the ruling class that had been very oppressive for the rest of the Haitian people ruled for a long time.

Francois Devalier was elected as president. He made a bond with the ruling class and the Haitian army and created his own army called the Ton Ton Macoutes, which was a civilian militia, death squads that were feared by the people, and the combined balance of the Haitian army and the Ton Ton Macoutes kept Haiti in a state of terror for more than 40 years.

Finally, they got a decent election under pressure from the United Nations and the United States. They had a fair election and President Aristide was elected, and of course, I have told my colleagues before, the army immediately overthrew the elected president, forced him into exile. He barely escaped with his life.

President Clinton, responding to the repeated request of the Congressional Black Caucus trying to shape a decent Haitian policy, after many, many attempts to negotiate with the leaders of Haiti, decided to restore John Bertrand Aristide to power in Haiti through the use of military intervention. Our troops went into Haiti, and as I told the President, he does not have to worry about the people fighting the United States troops. The people will welcome the United States troops with open arms. They will cheer the troops as they come in.

Exactly what I predicted and told the President would happen, happened. The Haitian army was made up of 4,000 folks who were thugs and cowards, and they ran to hide when the army came in, and the people cheered the United States forces. Aristide was restored to power, and the leaders of the Haitian army were sent into exile.

Military leaders like Cedras and Biamby were exiled to Panama on October 13, 1994. The U.S. provided an airliner which shipped them out of the country. Michel Francois had escaped. We believe he went to the Dominican Republic, but he was later convicted in exile of drug transshipment and of murder. However, I have a brief chronology here which I will quickly go through as a backup for what I have said before of our relationship with Haiti.

On 15 October Aristide returned to Haiti, and Aristide, at the part of the United States Government, called for reconciliation and an end to violence. He did not call for retribution. He did not call for trials to punish the traitors. He followed the example of Nelson Mandela and the leadership of South Africa, and he sought reconciliation with the opposition forces.

On 11 October, Aristide moved to reduce the army. Already most of them fled, but he reduced the army to 1,500 troops from a strength of 7,000, and he offered the soldiers of that army that had deposed him jobs within the community and preference for new positions in the government.

On November 4, Aristide appointed a new prime minister in accordance with their constitution and the parliament approved that new prime minister.

On December 17, Aristide, by presidential decree, established a commission on justice and truth to investigate crimes committed by military regime. The commission on justice and truth is the exact same name that was used by Nelson Mandela and the people of South Africa and Bishop Tutu as they sought to unravel the relationship between the oppressive whites of South Africa and the new black-dominated government without bloodshed, with a minimum of bloodshed.

February 9 of 1995, the multinational force of the United Nations collected 20,345 weapons, including 5,853 grenades and 1,736 machine guns from the remnants of the Ton Ton Macoutes and the Haitian army.

January 30, 1995, the U.N. Security Council passed a resolution which extended the United Nations mission in Haiti until July 31, 1995.

March 31, 1995, President Clinton made a trip to Haiti, the first President to set foot on Haiti since Roosevelt; and President Clinton went to oversee the transition ceremony which reduced and established the pattern for the pullout of all the United States forces and handed over the multinational transition of Haiti Government to the multinational forces of the United Nations.

On April 28, Aristide did the most important thing of his career. He dissolved the Haitian army. If he had not dissolved the Haitian army at that point, we would not be standing here, about the point that he was not reelected after he gave up his presidency; and he is now the president of Haiti, but he is hated by right-wing forces in this nation, and we determined that he will not let Haiti die.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BARRETT of Wisconsin (at the request of Mr. GEPHARDT) for March 12 and the balance of the week on account of medical reasons.

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 Ms. JACKSON-LEE of Texas) to revise and extend their remarks and include extraneous material:)

Mr. PALLONE, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. CUMMINGS, for 5 minutes, today.

Mr. MEEKS of New York, for 5 minutes, today.

Mr. LIPINSKI, for 5 minutes, today.

Ms. MCKINNEY, for 5 minutes, today.

(The following Members (at the request of Mr. PAUL) to revise and extend their remarks and include extraneous material:)

Mrs. JO ANN DAVIS of Virginia, for 5 minutes, today and March 14.

Mr. JONES of North Carolina, for 5 minutes, March 14.

Mr. BILIRAKIS, for 5 minutes, March 19.

ADJOURNMENT

Mr. OWENS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 12 minutes p.m.), the House adjourned until tomorrow, Thursday, March 14, 2002, 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:

5862. A letter from the Deputy Assistant Secretary for Program Operations, PWBA, Department of Labor, transmitting the Department's final rule—Class Exemption for Cross-Trade of Securities by Index and Model-Driven Funds [Prohibited Transaction Exemption 2002–12; Application No. D–10851] received February 12, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

5863. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—National Emission Standards for Hazardous Air Pollutants for Source Categories: General Provisions; and Requirements for Control Technology Determinations for Major Sources in Accordance with Clean Air Act Sections, Sections 112 (g) and 112 (j) [FRL–7155–8] (RIN: 2060–AF31) received March 8, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5864. A communication from the President of the United States, transmitting a 6-month periodic report on the national emergency with respect to Iran that was declared in Executive Order 12957 of March 15, 1995, pursuant to 50 U.S.C. 1641(c); 50 U.S.C. 1730(c); 22 U.S.C. 2349aa—9(c); (H. Doc. No. 107—188); to the Committee on International Relations and ordered to be printed.

5865. A letter from the Deputy Associate Administrator, Office of Acquisition Policy, GSA, Department of Defense, transmitting the Department's final rule—Federal Acquisition Regulation; Contractor Responsibility, Labor Relations Costs, and Costs Relating to Legal and Other Proceedings [FAC 2001–03; FAR Case 1999–010 (stay); Item I] (RIN: 9000–AI40) received February 12, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5866. A letter from the Director, OPM, Office of Personnel Management, transmitting the Office's final rule—Locality-Based Comparability Payments (RIN: 3206–AI81) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5867. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule—Miscellaneous Changes in Office of Personnel Management's Regulations (RIN: 3206–AJ54) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5868. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's final rule—Documentation of Nonimmigrants Under the Immigration and Nationality Act, as Amended: Automatic Visa Revalidation—received February 19, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5869. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Civil Penalty Inflation Adjustment Revisions [Docket No. FAA–2002–11483; Amendment No. 13–31] (RIN: 2120–AH21) received February 19, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5870. A letter from the Senior Regulations Analyst, TSA, Department of Transportation, transmitting the Department's final rule—Civil Aviation Security Rules [Docket No. TSA–2002–11602; Amendment Nos. 91–272; 107–15; 108–20; 109–4; 121–289; 129–31; 135–83; 139–24; 191–5] (RIN: 2110–AA03) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5871. A letter from the Regulations Officer, FHA, Department of Transportation, transmitting the Department's final rule—Design Standards for Highways [FHWA Docket No. FHWA–2001–10077] (RIN: 2125–AE89) received February 19, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5872. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E5 Airspace; Andrews—Murphy, NC [Airspace Docket No. 01–ASO–15] received February 19, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5873. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; MD Helicopters, Inc. Model MD900 Helicopters [Docket No. 2001–SW–56–AD; Amendment 39–12601; AD 2001–25–51] (RIN: 2120–AA64) received February 19, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5874. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment, Redesignation, and Revocation of Restricted Areas; NV [Airspace Docket No. 00–AWP–13] received February 19, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5875. A letter from the Senior Regulations Analyst, TSA, Department of Transportation, transmitting the Department's final rule—Security Programs for Aircraft 12,500 Pounds or More [Docket No. TSA–2002–11604] (RIN: 2110–AA04) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5876. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Amendment of Honolulu Class E5 Airspace Area Legal Description [Airspace Docket No. 01–AWP–29] received February 19, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5877. A letter from the Regulations Officer, FHA, Department of Transportation, transmitting the Department's final rule—Revision of the Manual on Uniform Traffic Control Devices; Accessible Pedestrian Signals [FHWA Docket No. FHWA–2001–8846] (RIN: 2125–AE83) received February 20, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5878. A letter from the Chairman, Department of Transportation, transmitting the Department's final rule—Modification of the Carload Waybill Sample Reporting Procedures [STB Ex Parte No. 385 (Sub-No. 5)] received February 15, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5879. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Amendment to Class D Airspace; Eglin AFB, FL; Correction [Airspace Docket No. 02–ASO–3] received February 19, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5880. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Revision to Class E Surface Area at Marysville Yuba County Airport, CA [Airspace Docket No. 01–AWP–22] received February 19, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5881. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Hillsboro, ND [Airspace Docket No. 00–AGL–29] received February 19, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5882. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace, Bellingham, WA [Airspace Docket No. 00–ANM–31] received February 19, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5883. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Stanley, ND [Airspace Docket No. 00–AGL–28] received February 19, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5884. A letter from the Trial Attorney, Department of Transportation, transmitting the Department's ''Major'' final rule—Regulations on Safety Integration Plans Governing Railroad Consolidations, Mergers, and Acquisitions of Control; and Procedures for Surface Transportation Board Consideration of Safety Integration Plans in Cases Involving Railroad Consolidations, Mergers, and Acquisitions of Control (RIN: 2130–AB24) received March 12, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5885. A letter from the Senior Regulations Analyst, Department of Transportation, transmitting the Department's final rule—Aviation Security Infrastructure Fees [Docket No. TSA–2002–11334] (RIN: 2110–AA02) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5886. A letter from the Director, Office of Regulations Management, Department of Veterans' Affairs, transmitting the Department's final rule—Exclusion from Countable Income of Expenses Paid for Veteran's Last Illness Subsequent to Veteran's Death but Prior to Date of Death Pension Entitlement (RIN: 2900–AK84) received February 28, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

5887. A letter from the Regulations Coordinator, Department of Health and Human Services, transmitting the Department's final rule—Medicare Program; Negotiated Rulemaking: Coverage and Administrative Policies for Clinical Diagnostic Laboratory Services [CMS–3250–F] (RIN: 0938–AL03) received March 5, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Energy and Commerce and Ways and Means.

5888. A letter from the Board Members, Railroad Retirement Board, transmitting the Board's Congressional Justification of Budget Estimates for Fiscal Year 2003, pursuant to 45 U.S.C. 231f(f); jointly to the Committees on Appropriations, Transportation and Infrastructure, Ways and Means, and Government Reform.

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:

[Omitted from the Record of March 12, 2002]

Mr. SENSENBRENNER: Committee on the Judiciary. H.R. 2341. A bill to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, to outlaw certain practices that provide inadequate settlements for class members, to assure that attorneys do not receive a disproportionate amount of settlements at the expense of class members, to provide for clearer and simpler information in class action settlement notices, to assure prompt consideration of interstate class actions, to amend title 28, United States Code, to allow the application of the principles of Federal diversity jurisdiction to interstate class actions, and for other purposes; with an amendment (Rept. 107–370). Referred to the Committee of the Whole House on the State of the Union.

Mr. BURTON: Committee on Government Reform. A Citizen's Guide on Using the Freedom of Information Act and the Privacy Act of 1974 to Request Government Records (Rept. 107–371). Referred to the Committee of the Whole House on the State of the Union.

Mr. HANSEN: Committee on Resources. H.R. 1712. A bill to authorize the Secretary of the Interior to make minor adjustments to the boundary of the National Park of American Samoa to include certain portions of the islands of Ofu and Olosega within the park, and for other purposes; with amendments (Rept. 107–372). 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 Mrs. CAPITO (for herself, Mr. SANDLIN, Mr. OXLEY, and Mr. BACHUS):

H.R. 3951. A bill to provide regulatory relief and improve productivity for insured depository institutions, and for other purposes; to the Committee on Financial Services.

By Mr. DEFAZIO:

H.R. 3952. A bill to establish an Office of Consumer Advocacy within the Department of Justice to represent the consumers of electricity and natural gas in proceeding before the Federal Energy Regulatory Commission, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SCHAFFER (for himself, Mr. HOEFFEL, Mr. SESSIONS, Mr. CROWLEY, Mr. GUTIERREZ, Mr. WELDON of Pennsylvania, and Mrs. TAUSCHER):

H.R. 3953. A bill to authorize the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of Ukraine; to the Committee on Ways and Means.

By Mr. ACEVEDO-VILÁ (for himself, Mr. UDALL of Colorado, and Mr. RAHALL):

H.R. 3954. A bill to designate certain waterways in the Caribbean National Forest in the Commonwealth of Puerto Rico as components of the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Resources.

By Mr. ACEVEDO-VILÁ (for himself, Mr. UDALL of Colorado, and Mr. RAHALL):

H.R. 3955. A bill to designate certain National Forest System lands in the Commonwealth of Puerto Rico as components of the National Wilderness Preservation System, and for other purposes; to the Committee on Resources.

By Ms. ESHOO (for herself, Ms. DELAURO, Mrs. LOWEY, Mr. BROWN of Ohio, Mr. GEORGE MILLER of California, Ms. BROWN of Florida, Mr. DOYLE, Mr. KILDEE, Mr. FRANK, Mr. ENGEL, Ms. RIVERS, Ms. NORTON, Mr. BONIOR, Mr. FORD, Mr. RANGEL, Mr. STRICKLAND, Mr. CROWLEY, and Ms. ROYBAL-ALLARD):

H.R. 3956. A bill to clarify the authority of the Secretary of Agriculture to prescribe performance standards for the reduction of pathogens in meat, meat products, poultry, and poultry products processed by establishments receiving inspection services; to the Committee on Agriculture, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GRAHAM (for himself, Mr. BOEHNER, Mr. MCKEON, Mr. DEMINT, Mr. NORWOOD, and Mr. HILLEARY):

H.R. 3957. A bill to increase the amount of student loans that may be forgiven for teachers in mathematics, science, and special education; to the Committee on Education and the Workforce.

By Mr. HANSEN:

H.R. 3958. A bill to provide a mechanism for the settlement of claims of the State of Utah regarding portions of the Bear River Migratory Bird Refuge located on the shore of the Great Salt Lake, Utah; to the Committee on Resources.

By Ms. LOFGREN (for herself and Mr. HONDA):

H.R. 3959. A bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to require the Immigration and Naturalization Service to verify whether an alien has an immigration status rendering the alien eligible for service in the Armed Forces of the United States and to achieve parity between the immigration status required for employment as an airport security screener and the immigration status required for service in the Armed Forces, and to amend the Immigration and Nationality Act to permit naturalization through active-duty military service during Operation Enduring Freedom; to the Committee on the Judiciary, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. JEFF MILLER of Florida (for himself, Mr. BOYD, Ms. BROWN of Florida, Mr. CRENSHAW, Mrs. THURMAN, Mr. STEARNS, Mr. MICA, Mr. KELLER, Mr. BILIRAKIS, Mr. YOUNG of Florida, Mr. DAVIS of Florida, Mr. PUTNAM, Mr. DAN MILLER of Florida, Mr. GOSS, Mr. WELDON of Florida, Mr. FOLEY, Mrs. MEEK of Florida, Ms. ROS-LEHTINEN, Mr. WEXLER, Mr. DEUTSCH, Mr. DIAZ-BALART, Mr. SHAW, and Mr. HASTINGS of Florida):

H.R. 3960. A bill to designate the facility of the United States Postal Service located at 3719 Highway 4 in Jay, Florida, as the ''Joseph W. Westmoreland Post Office Building''; to the Committee on Government Reform.

By Mr. NADLER (for himself, Mrs. MINK of Hawaii, Mrs. JONES of Ohio, and Mr. ANDREWS):

H.R. 3961. A bill to provide additional resources to States to eliminate the backlog of unanalyzed rape kits and to ensure timely analysis of rape kits in the future; to the Committee on the Judiciary.

By Mr. PETERSON of Pennsylvania (for himself, Mr. OTTER, Mr. SIMPSON, Mr. GIBBONS, Mr. POMBO, and Mr. HERGER):

H.R. 3962. A bill to limit the authority of the Federal Government to acquire land for certain Federal agencies in counties in which 50 percent or more of the total acreage is owned by the Federal Government and under the administrative jurisdiction of such agencies; to the Committee on Resources, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for

consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. REYNOLDS:

H.R. 3963. A bill to repeal limitations under the Home Investment Partnerships Act on the percentage of the operating budget of an organization receiving assistance under such Act that may be funded under such Act; to the Committee on Financial Services.

By Ms. MILLENDER-McDONALD:

H. Con. Res. 349. Concurrent resolution calling for an end to the sexual exploitation of refugees; to the Committee on International Relations.

By Mr. FOLEY (for himself, Mr. MICA, Mr. HASTINGS of Florida, Mr. DAVIS of Florida, Mr. TOM DAVIS of Virginia, Mr. SIMPSON, Mr. ROHRABACHER, Mr. SKELTON, Mr. KENNEDY of Minnesota, Mr. MORAN of Virginia, Mr. PICKERING, Mr. BALLENGER, Mr. ETHERIDGE, Mr. EDWARDS, Mrs. MORELLA, Mr. McGOVERN, Mr. LANGEVIN, Mr. WOLF, Mr. FARR of California, Mr. YOUNG of Alaska, Mr. CASTLE, Mr. RADANOVICH, Mr. NETHERCUTT, Mr. LoBIONDO, Ms. KAPTUR, Mr. SESSIONS, Mr. WATTS of Oklahoma, Mr. MASCARA, Mr. ABERCROMBIE, Mr. DOYLE, Mr. BACHUS, Mr. WELDON of Florida, Mr. OLVER, Mr. TIAHRT, Mr. MARKEY, Mr. SAXTON, Mr. EHRLICH, Mr. JENKINS, Mr. TOWNS, Mr. BARR of Georgia, Mr. HAYWORTH, Mr. COOKSEY, Mr. DOOLEY of California, Mrs. CHRISTENSEN, Mr. DeLAY, Mr. PUTNAM, Mr. LaHOOD, Mr. WYNN, Mr. SPRATT, Mrs. MEEK of Florida, Mr. CRENSHAW, Mr. WAMP, Mr. OWENS, Mr. HALL of Texas, Ms. PRYCE of Ohio, Mr. LEWIS of Georgia, Ms. McCARTHY of Missouri, Mr. McNULTY, Mr. OXLEY, Mr. FLAKE, Mr. WALSH, Mr. STUPAK, Mr. SOUDER, Mr. CALVERT, Mr. CROWLEY, Mr. KENNEDY of Rhode Island, Mr. HEFLEY, Mr. FROST, Ms. LOFGREN, Mr. PHELPS, Mr. FORBES, Mr. JONES of North Carolina, Mr. WU, Ms. SLAUGHTER, Mr. ISAKSON, and Mr. SABO):

H. Res. 368. A resolution commending the great work that the Pentagon Renovation Program and its contractors have completed thus far, in reconstructing the portion of the Pentagon that was destroyed by the terrorist attack of September 11, 2001; to the Committee on Armed Services.

By Mr. ROGERS of Michigan (for himself, Mrs. TAUSCHER, Mr. TOM DAVIS of Virginia, Mr. OTTER, Mr. KIRK, Mr. UPTON, Mr. CHAMBLISS, Mr. TERRY, Mr. KNOLLENBERG, Mrs. CAPPS, Mr. MATSUI, Mr. GRUCCI, Mr. WEINER, Mr. HAYES, and Mr. BLUMENAUER):

H. Res. 369. A resolution recognizing the goals and objectives of the Intelligent Transportation Systems Caucus; to the Committee on Transportation and Infrastructure.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII,

Mr. PAUL introduced a bill (H.R. 3964) for the relief of Rudy Valente Jauregui; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 128: Ms. WOOLSEY.

H.R. 218: Mr. FORD and Mr. BACA.

H.R. 250: Ms. SOLIS.

H.R. 303: Mr. ROYCE and Mr. MURTHA.

H.R. 321: Ms. JACKSON-LEE of Texas, Mr. PASTOR, Mr. RODRIGUEZ, Ms. WOOLSEY, and Mr. BARRETT.

H.R. 394: Mr. VITTER, Mr. SENSENBRENNER, and Mr. KING.

H.R. 399: Mr. LAMPSON.

H.R. 440: Mr. YOUNG of Alaska.

H.R. 510: Ms. DeLAURO, Mr. GEKAS, Mr. SKELTON, Mr. PENCE, and Mr. DOOLEY of California.

H.R. 572: Mr. AKIN.

H.R. 600: Mr. CLYBURN.

H.R. 638: Mr. LANGEVIN.

H.R. 745: Mr. GUTIERREZ, Mr. FOLEY, and Mr. McGOVERN.

H.R. 781: Mr. ETHERIDGE.

H.R. 786: Mr. McDERMOTT.

H.R. 848: Mr. GEKAS.

H.R. 1038: Mr. FRANK, Mr. DAVIS of Illinois, Ms. WATERS, and Mr. CONYERS.

H.R. 1041: Mr. ANDREWS and Mr. HOEFFEL.

H.R. 1090: Mr. ORTIZ, Mr. BLUMENAUER, Mr. VITTER, Mr. OWENS, and Mr. RUSH.

H.R. 1097: Mrs. KELLY.

H.R. 1177: Mr. FOLEY.

H.R. 1214: Mr. HALL of Ohio and Mr. LARSEN of Washington.

H.R. 1265: Mr. BALDACCI and Mr. HOLT.

H.R. 1290: Ms. WATERS.

H.R. 1296: Mr. BRADY of Pennsylvania and Mr. WELDON of Florida.

H.R. 1354: Mr. GONZALEZ.

H.R. 1360: Mr. McNULTY, Mr. BENTSEN, and Mr. VISCLOSKY.

H.R. 1434: Mr. BECERRA.

H.R. 1626: Ms. McCARTHY of Missouri, Mr. ANDREWS, Mr. WHITFIELD, and Mr. HOEFFEL.

H.R. 1701: Mr. HALL of Texas.

H.R. 1724: Mr. PLATTS and Mr. LANTOS.

H.R. 1731: Mr. MICA and Ms. ROS-LEHTINEN.

H.R. 1781: Mr. PASCRELL.

H.R. 1822: Mr. BOSWELL, Mr. FORD, and Mr. ROSS.

H.R. 1859: Ms. BERKLEY.

H.R. 1903: Mrs. CHRISTENSEN, Mrs. JONES of Ohio, Mr. KILDEE, Ms. McKINNEY, and Mr. BLAGOJEVICH.

H.R. 1935: Mr. DOYLE, Mr. CANNON, Mr. HILL, Mrs. MALONEY of New York, Mrs. MORELLA, Mr. ROSS, Mr. SNYDER, Mr. LYNCH, Mr. BOOZMAN, Mr. BRADY of Pennsylvania, and Mr. CANTOR.

H.R. 1987: Mr. CALVERT.

H.R. 2059: Mr. HOLT.

H.R. 2096: Mr. NORWOOD.

H.R. 2117: Mr. RYUN of Kansas, Mr. PORTMAN, Mr. DOYLE, Mr. SCHAFFER, Ms. BERKLEY, Mr. CLAY, Mr. SABO, Mr. PHELPS, Mr. BARRETT, Mr. KUCINICH, Mr. OBERSTAR, Ms. WOOLSEY, Mr. LANTOS, and Mr. FATTAH.

H.R. 2125: Mr. KINGSTON and Ms. ROS-LEHTINEN.

H.R. 2162: Mr. GONZALEZ.

H.R. 2173: Mr. BARRETT and Mr. LAMPSON.

H.R. 2219: Mr. WALSH.

H.R. 2237: Mr. CAMP.

H.R. 2374: Mr. MATSUI.

H.R. 2405: Mr. LARSON of Connecticut, Mr. DAVIS of Illinois, and Ms. WATERS.

H.R. 2610: Mr. GORDON.

H.R. 2667: Mr. FOLEY.

H.R. 2795: Mr. WALDEN of Oregon, Mr. GIBBONS, Mr. HANSEN, Mr. PUTNAM, and Mrs. EMERSON.

H.R. 2820: Mr. FOSSELLA, Mr. BARCIA, Mr. COYNE, Mr. TOWNS, Mrs. ROUKEMA, Mr. TURNER, Mrs. MALONEY of New York, Mr. JENKINS, Mrs. BONO, Ms. MILLENDER-McDONALD, Mr. BARTLETT of Maryland, Ms. BROWN of Florida, Mr. GUTIERREZ, Mr. LYNCH, Mrs. CHRISTENSEN, Mr. LaTOURETTE, Mr. McNULTY, and Mr. MURTHA.

H.R. 2863: Mr. HOLT.

H.R. 2874: Mr. KANJORSKI.

H.R. 2918: Mr. PAYNE.

H.R. 2966: Mr. BONIOR.

H.R. 3065: Mr. DAVIS of Illinois.

H.R. 3070: Mr. DUNCAN.

H.R. 3106: Ms. CARSON of Indiana.

H.R. 3131: Mr. CONYERS, Mr. FILNER, Mr. FARR of California, Mr. THOMPSON of California, Ms. ESHOO, Mr. DOOLEY of California, and Ms. ROYBAL-ALLARD.

H.R. 3143: Mr. MANZULLO.

H.R. 3236: Mr. LAMPSON and Mr. BERMAN.

H.R. 3244: Ms. RIVERS.

H.R. 3278: Mr. JOHN and Mr. HINCHEY.

H.R. 3280: Mr. KUCINICH.

H.R. 3320: Mr. PAUL and Mr. JOHNSON of Illinois.

H.R. 3341: Mr. GUTIERREZ and Ms. BERKLEY.

H.R. 3352: Mr. DAVIS of Illinois.

H.R. 3389: Mr. KINGSTON, Mr. THOMPSON of Mississippi, Mr. ISRAEL, Mr. ENGLISH, Mr. PUTNAM, and Mr. ENGEL.

H.R. 3414: Mr. LUCAS of Kentucky.

H.R. 3424: Mr. WAXMAN.

H.R. 3489: Mr. FRANK.

H.R. 3524: Ms. SANCHEZ, Mr. HOEFFEL, Mr. WEXLER, Mr. WATT of North Carolina, and Ms. SLAUGHTER.

H.R. 3581: Ms. SOLIS.

H.R. 3657: Mr. DAVIS of Illinois.

H.R. 3669: Mr. MOORE.

H.R. 3671: Mr. FARR of California.

H.R. 3688: Mr. MASCARA.

H.R. 3733: Mr. WAXMAN.

H.R. 3747: Mr. HONDA.

H.R. 3768: Mr. TOWNS, Ms. KAPTUR, Mr. DAVIS of Illinois, and Mr. RUSH.

H.R. 3777: Mr. McKEON.

H.R. 3782: Mrs. JO ANN DAVIS of Virginia, Mr. DICKS, Mr. PORTMAN, Mr. COSTELLO, Mr. TOWNS, Mr. GILLMOR, Mr. MORAN of Kansas, and Mr. SHUSTER.

H.R. 3792: Mr. QUINN and Mr. SIMMONS.

H.R. 3803: Mr. LEACH.

H.R. 3814: Ms. RIVERS, Mr. TOWNS, and Mrs. MINK of Hawaii.

H.R. 3833: Mrs. WILSON of New Mexico.

H.R. 3839: Mr. KINGSTON.

H.R. 3840: Ms. SANCHEZ.

H.R. 3895: Mr. LUCAS of Kentucky and Mr. LaHOOD.

H.R. 3899: Mrs. CHRISTENSEN, Mr. FROST, and Mr. HOLT.

H.R. 3900: Mr. McNULTY, Mr. LANTOS, Mr. FROST, and Mr. LANGEVIN.

H.R. 3915: Mr. ENGEL and Mr. DINGELL.

H.R. 3917: Mr. GEKAS, Mr. SMITH of New Jersey, Ms. LEE, and Mr. FRANK.

H.J. Res. 23: Mr. HEFLEY.

H.J. Res. 40: Mr. DOYLE, Mr. SMITH of Washington, Mr. CRAMER, Mr. OBERSTAR, Mr. KANJORSKI, and Mr. LYNCH.

H.J. Res. 41: Mr. JEFF MILLER of Florida, Mr. KERNS, and Ms. HART.

H.J. Res. 85: Mr. PHELPS, Mr. LIPINSKI, Mr. BOYD, Mr. CONDIT, and Mr. BISHOP.

H. Con. Res. 26: Mr. KILDEE.

H. Con. Res. 99: Mr. SERRANO and Mr. WYNN.

H. Con. Res. 164: Ms. CARSON of Indiana.

H. Con. Res. 181: Ms. KAPTUR, Mr. DAVIS of Illinois, Mr. LARSEN of Washington, Ms. CARSON of Indiana, Mr. BAIRD, and Mr. WALDEN of Oregon.

H. Con. Res. 263: Mr. ABERCROMBIE and Mr. PAUL.

H. Con. Res. 301: Mr. GIBBONS, Mr. KING, Mr. McNULTY, and Mr. SKEEN.

H. Con. Res. 329: Mr. SKELTON.

H. Con. Res. 333: Mr. KUCINICH, Mrs. DAVIS of California, Mr. STARK, and Ms. LEE.

H. Con. Res. 346: Mr. FARR of California and Mrs. TAUSCHER.

H. Res. 281: Mr. PAYNE.

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 107th CONGRESS, SECOND SESSION

Vol. 148 WASHINGTON, WEDNESDAY, MARCH 13, 2002 No. 28

Senate

The Senate met at 9 a.m. and was called to order by the Honorable DANIEL K. AKAKA, a Senator from the State of Hawaii.

The PRESIDING OFFICER. Dr. David Russell, national chaplain of the American Legion, will lead the Senate in prayer.

PRAYER

The guest Chaplain offered the following prayer:

Let us pray.

Dear most gracious Heavenly Father, we humbly come to You today to request that You grant wisdom for all those who gather in this seat of Government, that they might always act in the best interest of this Nation and its people whom they represent.

Help them, Sir, to seek Your guidance and direction in all their deliberations. Reach deep into their innermost hearts and minds to bring them together in unity so that they may act as one. Enable them to set aside personal desires to seek Your divine will and way for this great Nation.

May they, and we, always be mindful that our Nation, our lives, our very being rests in Thy eternal hands.

Bring them together in a spirit of humility and love for Thee and for these United States of America. These petitions we ask in Jesus' name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable DANIEL K. AKAKA 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.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 13, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DANIEL K. AKAKA, a Senator from the State of Hawaii, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. AKAKA thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Nevada is recognized.

WELCOME TO DR. DAVID RUSSELL

Mr. REID. On behalf of Senator WARNER, I welcome Dr. David Russell, who has been our guest Chaplain, for his very timely prayer and also the representation of the American Legion which has rendered such great service to our country.

Mr. WARNER. Mr. President, we are grateful this morning to have a very distinguished member of the clergy of Virginia participate in the opening of today's session as the Chaplain. It is my honor and privilege to join others this morning. My colleague, Mr. ALLEN, was here, and Senator REID participated in introducing Dr. David Russell.

Dr. Russell hails from Spotsylvania, VA, and is pastor of the Cornerstone Baptist Church in Falmouth, VA, a community of just over 3,600 outside Fredericksburg. He served in the Korean war, as did I, and he served in the U.S. Air Force from 1949 until 1952. It is interesting that our periods overlapped. I served in the Marines in Korea in the fall of 1951 until the spring of 1952.

In short, Dr. Russell has served his Lord, his nation, stretching back over 50 years. He is also privileged to be the national chaplain of the American Legion, an organization of which I am privileged to be a member, as was my father. My father served in World War I as a young doctor in the trenches in France and proudly joined the Legion. I still possess the American Legion pin that my father carried in that period of time.

Dr. Russell's distinguished background, however, includes another profound and noteworthy matter. It has to do with his service as a long-time member of the Chapel of Four Chaplains. In fact, he now serves as the Virginia State Chaplain of the Chapel of Four Chaplains. There may be some who are not familiar with the Chapel of Four Chaplains. I would like this morning to advise the Senate on this historic moment in America's history.

The inspiration for the Chapel of Four Chaplains and its mission of unity without uniformity comes from the courageous acts of four Army chaplains who were serving aboard the USS *Dorchester* when it was hit by an enemy torpedo and sank in the North Atlantic on February 3, 1943. The four chaplains, LT George Fox, LT Alexander Goode, LT John Washington, LT Clark Poling, a Methodist, one of Jewish faith, one of Catholic faith, and one of the Dutch Reform Church, respectively—quickly spread through the ship to tend to the wounded and dying, to comfort those able to attempt survival in the icy arctic water. They died together, going down with the ship, after giving their lifejackets to other members of the crew. Of the 902 service persons aboard that merchant seaman ship and civilian workers on that ship, 672 died, 230 survived.

President Truman was the Commander in Chief under whom the distinguished guest today and I served in the Korean war, and indeed in my brief service at the conclusion of World War

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Printed on recycled paper.

II when I served in the Navy, he was Commander in Chief at that time. In his dedication speech, in 1951, in a memorial to these four brave men, he said:

> This interfaith shrine will stand through long generations to teach Americans that as men can die heroically as brothers, so should they live together in mutual faith and good will.

These words are as important today as they were 51 years ago. The Senate is indeed privileged to have this distinguished American before us today.

This has been an unusual week for me in the sense that on Monday I attended the funeral services at Arlington of Corporal Matthew Commons, U.S. Army, Company A, 1st Battalion, 75th Ranger Regiment, who lost his life just a few days ago in Operation Anaconda in Afghanistan. Last night, I delivered a eulogy on behalf of an old friend in Virginia, an African American who served aboard the carrier *Yorktown* and was in 11 major engagements in World War II. His name was Richard Hall. He worked with me down in Virginia for these many years, and was a dearly beloved friend.

In the last 2 weeks, America experienced approximately nine deaths in Operation Anaconda. But I reflected last night, as I do briefly this morning, on the history of two battles which took place 70-some-odd years ago. Let's see, it was 16 December 1944 to 19 January 1945—the Battle of the Bulge. I mention this because we, the United States, suffered about 41,000 casualties in that battle: Killed in action, 4,000; wounded, 20,000; missing, 17,000; all occurring in 35 days of fighting. That was in Europe.

In the Pacific, where Richard Hall served in so many conflicts, the Battle of Iwo Jima was fought over 36 days from 19 February to 26 March 1945. I remind America we had 26,000 casualties: Killed in action, 6,800; wounded, 19,200. I also remind America of the enormous service these men and women have given this Nation. Today we can stand and share in the freedom provided by the members of our Armed Forces. This freedom is predicated on the sacrifices, be it by CPL Matthew Commons 10 days ago, or in those two battles of World War II. We must be ever mindful of the service of men and women in the Armed Forces throughout our history that makes possible our life today.

I thank my colleagues for this opportunity to address the Senate.

SCHEDULE

Mr. REID. Mr. President, this morning the Senate will be in a period of morning business until 9:30. The time until 9:30 is under the control of Senator ALLEN of Virginia.

At 9:30, the Senate will resume consideration of the energy reform bill. There will be debate only until 11:30 in relation to ethanol. That time will be under the control of Senator NELSON of Nebraska and Senator BOND of Missouri or their designees.

At 11:30, the Senate will resume consideration of the Levin CAFE amendment, with 20 minutes of closing debate prior to a vote in relation to the amendment.

Following disposition of the Levin amendment, Senator MILLER will offer his amendment regarding pickup trucks, with 10 minutes of debate prior to a vote in relation to that amendment.

Following disposition of the Miller amendment, Senators KERRY or SNOWE or their designees will be recognized to offer an amendment regarding CAFE.

We hope to dispose of all the matters of fuel efficiency regarding motor vehicles today. We hope we can move on to other important matters on this bill.

As was spoken on the floor yesterday, the majority leader intends to finish this bill by next Friday. During that period of time, we also have to dispose of the campaign finance bill. There is a lot to do. We would ask those Senators who have amendments dealing with this important energy legislation to come and offer them because that time may run out quicker than they think.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 9:30 a.m., with the time to be under the control of the Senator from Virginia, Mr. ALLEN.

HIGH-TECH TASK FORCE

Mr. ALLEN. Mr. President, I rise this morning to speak about the Senate Republican high-tech task force. Today is an important day for our high-tech task force, as we are unveiling our policy agenda and principles for the upcoming session and the rest of the year.

First, I express my gratitude to Senator REID and Senator DASCHLE for allowing us this half hour of time to address our colleagues on the very important issue of technology and the policy issues that we have faced, are facing, and will face this year.

The purpose of the high-tech task force is to advise Republican leadership and, hopefully, others on the other side of the aisle on issues important to the technology community. We look at ourselves as a portal to the technology innovators and entrepreneurs to get their ideas and messages to the Senate so that we are well informed as to the impact of any potential changes in laws, or there may be laws that are outdated and need to be updated or upgraded.

The advancement of technology in the United States is important. It is important for our quality of life, for our competitiveness as a nation. It is also very important for providing good-paying jobs for Americans.

Technology improvements benefit our lives and our businesses and our competitiveness in many ways. For example, in manufacturing, it allows manufacturers to manufacture whatever the good or product is, more efficiently, with greater quality, with less waste, and fewer toxins. In a distribution center, if you went to a Dollar Tree or a Family Dollar or Dollar General distribution center, you would see how they use technology to pick different items for their various stores and then loading them on trucks.

Technological improvements help our communications systems within our country. It also helps education opportunities, life sciences, and biological advancements that are allowing people to lead better, healthier, longer lives. It can help in law enforcement and coordination of law enforcement efforts at the State, local, and national level. And it can provide for a better transportation system with smart roads and smart cars, and the concept of telecommunicating, teleworking, allowing people to have a better quality of life while not having to fight traffic every day and have more time with their families.

It improves in so many ways our quality of life, our efficiency, and also our environment. On the high-tech task force, in addition to myself, I am joined on the task force by Senators ALLARD, BENNETT, BROWNBACK, BURNS, COLLINS, KAY BAILEY HUTCHISON, ENSIGN, SESSIONS, and GORDON SMITH, as well as ex officio members who are the ranking members of the various important committees that deal with technology, including the Armed Services Committee with JOHN WARNER, Banking Committee, PHIL GRAMM; Senator MCCAIN of Commerce; Senator GRASSLEY of Finance, and Senator ORRIN HATCH, a great leader of our Judiciary Committee.

We had many accomplishments last year. The education bill was an important one. No child left behind. Education is the key—making sure we have a capable population in our country so youngsters can seize the opportunities not just of the silicon dominion of Virginia, but technology jobs all across the country. That was a very important bill. The clean 2-year extension of the Internet access tax moratorium was important. I don't think there should be access taxes on the Internet, but we were able to get a 2-year extension to prevent Internet taxes, which would only exacerbate the digital divide.

We also passed the Export Administration Act in the Senate. We updated those laws so computers can be sold from this country as opposed to other countries getting them from France, Germany, or Japan. We can compete. The House has a different view.

There was a proposed merger of ASML, a Dutch company, with SBG,

which is a Silicon Valley group. The importance of this was helping with the next generation of microchips. ASML has the extreme ultraviolet lithography tools which are important for the smaller geometries on microchips.

We were able to advocate appropriations of additional funds for justice for anti-piracy prosecution. Intellectual property rights is very important, and we need to enforce those. We also turned back efforts to change the current encryption export rules—again, very important.

Now, for the upcoming session, one of the successes was the 3-year, 30-percent bonus depreciation measure, which was finally passed last Friday as part of the economic stimulus bill. That is important for all businesses, but especially the technology community so businesses can upgrade their technology and other equipment. Senator GORDON SMITH was the lead for our high-tech task force in getting that accomplishment, which will help stimulate the economy, save and create more jobs.

Now, the agenda is really one based on principles. The principles we have this year are the same as last. We have added a few issues that have arisen recently. We want a Federal Tax Code that is appropriate for the 21st century. That means several different things. We want to, No. 1, continue working to make the research and development tax credit permanent.

Secondly, we want to accelerate and reform the depreciation schedules for technology equipment. We also want to encourage capital formation for small technology companies. And also of recent importance we are going to work to preserve the current tax treatment for stock options.

Just yesterday, the high-tech task force urged Leaders DASCHLE and LOTT to oppose any effort to consider S. 1940, which is a bill to require above-the-line expensing of stock options. Not to get into all the minutia of tax laws, but the fact is, passage of such legislation would dramatically deter companies from providing rank and file employees with stock options, and they are an important part of compensation. That proposal will certainly be harmful for technology companies.

We also are going to work to enhance free trade, in that it is important for opening up fair and free trade. We will open up new markets for our technology and our services. One must recognize that, while computers are fairly prevalent in this country, they are not all that prevalent in the rest of the world. Nearly half of the people in the world have yet to make their first telephone call. Only about 2 percent of the world's population has a computer. That tells us there are great opportunities for our technologies, as well as construction equipment, and so forth, all over the world; and tearing down barriers will help our jobs in this country and our technological advancements to continue. Also, it would not only benefit our country, but it would increase the standard of living for those who tear down those barriers so that their citizenry can have the opportunities of advanced technology for their quality of life, a better environment, and more opportunities. So we are going to continue to advocate trade promotion authority. We will also continue working to protect Internet security, and we will continue combating terrorism.

To that end, we are going to seek advancement of the Bennett-Kyl legislation to allow information sharing between private companies and the Government by codifying a limited Freedom of Information Act exemption.

We are going to support the Bush administration's budget, as far as funding for cyber-security issues. We are going to continue working to safeguard copyrights in the digital age. That is very important. The private sector needs to work together with a variety of companies to do it, rather than worry about an inept Federal Government dictating standards in that regard.

We are going to continue promoting education and technology in a variety of ways. There are some good ideas that we are supporting—particularly, the President in his effort on education, proposing that families of students who are in failing schools get a tax credit. A $2,500 tax credit could go toward purchasing computers, peripherals, books, and also tuition. Personally, I am for a tax credit focusing on computers and peripherals, educational software and tutoring. It should not just be for kids in failing schools, but for all schools, in order to bridge the digital divide.

We are going to work to expand broadband technologies. The Patent and Trademark Office funding is important. Those fees ought to go to the Patent and Trademark Office and should not be diverted to other efforts. We want to keep government out of competition with e-commerce businesses.

Digital decency. We are for it. We want the private sector to look at ways to put in a filter so people can enjoy the Internet as they see fit, as opposed to the government censoring it.

In the area of legal reform, there are several areas—especially class actions. We have these class action lawsuits filed all over the country. The diversity of that jurisdiction, at the option of the defendant, ought to be more easily removed to Federal court to get a better, more expedited and fair judgment.

Also, spectrum reform is very important, particularly in rural areas. I am going to yield in a minute to the Senator from Montana.

Before I do that, I ask unanimous consent that endorsements of these policy principles and ideas by the Information Technology Association of America, Information Technology Industry Council, the Business Software Alliances, the Electronic Industries Alliance, TechNet, and ACT be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ITAA LAUDS HIGH TECH TASK FORCE AGENDA

ARLINGTON, VA.—The information Technology Association of America (ITTA) today praised the Senate Republican High Tech Task Force as the group kicked off its 2002 agenda on Capitol Hill.

''We look forward to working with the Republican High Tech Task Force as well as Democrats in the Senate to achieve sound policy that will allow the high tech industry to once again become the engine of our U.S. economy,'' said ITTA President Harris N. Miller, adding ''Last week's passage of the Economic Stimulus legislation on a bipartisan basis showed that the HTTF, under Senator Allen's leadership, reaching across the aisle can accomplish great objectives for the IT industry.''

''In 2001, we worked on a bipartisan basis to support passage of key tech related bills such as the extension of the Internet tax moratorium and education reform,'' Miller continued. ''This year, Trade Promotion Authority and improving information security are some of ITAA's top priorities, so we are gratified to see them also topping the HTTF agenda.''

The Information Technology Association of America (ITTA) provides global public policy, business networking, and national leadership to promote the continued rapid growth of the IT industry. ITAA consists of over 500 corporate members throughout the U.S., and a global network of 47 countries' IT associates. The Association plays the leading role in issues of IT industry concern including information security, taxes and finance policy, digital intellectual property protection, telecommunications competition, workforce and education, immigration, online privacy and consumer protection, government IT procurement, human resources and e-commerce policy. ITAA members range from the smallest IT start-ups to industry leaders in the Internet, software, IT services, ASP, digital content, systems integration, telecommunications, and enterprise solution fields.

ITI APPLAUDS SENATE REPUBLICAN TASK FORCE AGENDA, RECENT LEGISLATIVE ACCOMPLISHMENTS

WASHINGTON, DC.—The Information Technology Industry Council (ITI) applauds the Senate Republican High-Tech Task Force for its 2002 agenda and its work securing passage of key legislative initiatives during the past year.

''We are pleased to support the Task Force's agenda and would like to thank them for their work last year to secure passage of legislation vital to the IT industry,'' said Rhett Dawson, President of ITI.

''The 30 percent bonus depreciation provision in the stimulus bill, Senate passage of education reform legislation, and the two-year moratorium on Internet access taxes were key victories for the IT industry. The work of the Task Force was key to achieving these goals. We look forward to a productive 2002 in which the Senate passes Trade Promotion Authority and other important pieces of legislation.''

ITI represents the leading U.S. providers of information technology products and services. ITI member companies employ more than 1 million people in the United States and exceeded $668 billion in worldwide revenues in 2002.

The High-Tech Voting Guide is used to ITI to measure Members of Congress' support for

the information technology industry and policies that ensure the success of the digital economy. At the end of the 107th Congress, key votes will be compiled and analyzed to assign a ''score'' to every Member of Congress.

ITI member companies include Agilent Technologies, Amazon.com, AOL Time Warner, Apple Computer, Canon U.S.A., Cisco, Compaq, Corning, Dell, Eastman Kodak, EMC, Hewlett-Packard, IBM, Intel, Lexmark, Microsoft, Motorola, National Semiconductor, NCR, Panasonic, Siebel, Siemens, SGI, Sony, StorageTek, Sun Microsystems, Symbol Technologies, Tektronix and Unisys.

BUSINESS SOFTWARE ALLIANCE APPLAUDS AGGRESSIVE AGENDA PROPOSED BY SENATE REPUBLICAN HIGH TECH TASK FORCE

WASHINGTON, DC, Mar. 13.—The Business Software Alliance (BSA) today commended the Senate Republican High Tech Task Force following its release of an aggressive agenda for the 108th Congress aimed at benefiting the technology industry.

''The technology industry serves as a primary engine for the U.S. economy, and the Senate Republican High Tech Task Force deserves significant credit in laying out a clear, pro-growth agenda,'' said Robert Holleyman. BSA's President and CEO. ''As the nation moves toward a more positive economic outlook, it is more important than ever to focus Congress' attention on legislative initiatives that will secure sustained growth, create jobs, enforce strong intellectual property protection, promote strong security and spur innovation. The agenda put forth today mirrors many of BSA's own policy objectives and serves as a coherent blueprint to achieve our shared goals.''

''The Senate Republican High Tech Task Force has served as a vocal and influential legislative champion on policy issues of critical importance to the high tech industry. We look forward to continuing the partnership we have established with the Task Force and making these goals legislative realities,'' continued Holleyman.

Last year, BSA joined the Republican High Tech Task Force in promoting number of successful legislative programs. Key legislative achievements included:

An appropriations increase for anti-piracy prosecutions;

The three-year, 30-percent accelerated depreciation;

A two-year extension of the Internet Tax moratortium;

President Bush's Education Reform Act; and

Maintaining current encryption export rules.

EIA APPLAUDS 2001 ACCOMPLISHMENTS OF SENATE REPUBLICAN HIGH-TECH TASK FORCE; LOOKS FORWARD TO CONTINUED LEGISLATIVE SUCCESSES IN 2002

ARLINGTON, VA.—Dave McCurdy, President of the Electronic Industries Alliance (EIA) today thanked the Senate Republican High-Tech Task Force for their 2001 legislative accomplishments and applauded the rollout of their 2002 agenda.

McCurdy said: ''Thank Senate Republican High-Tech Task Force has worked closely with the high-tech industry to outline technology priorities during each legislative session. Their involvement and advocacy of issues critical to our industry resulted in major legislative accomplishments in 2001, including Senate passage of the Export Authorization Administration Act and passage of a 3-year, 30 percent accelerated depreciation provision.

''We look forward to the continued success of the High Tech Task Force. EIA will work hard to help secure successful completion of their 2002 agenda, which mirrors many of our priority issues, including passage of Trade Promotion Authority.

''Granting Trade Promotion Authority has consistently been a priority for the technology industry. In 2000, more than one-third of what the U.S. electronics industry produced was exported overseas—over $200 billion in goods. This means more than one-third of the 1.8 million employees who work for U.S. electronics companies depend on exports for their jobs. International trade and access to foreign markets are critical to our continued success. We look forward to working with the High Tech Task Force in ensuring the quick passage of Trade Promotion Authority in 2002.''

The Electronic Industries Alliance (EIA) is a national trade organization that includes the full spectrum of U.S. manufacturers, representing more than 80% of the $550 billion electronics industry. The Alliance is a partnership of electronic and high tech association and companies whose mission is promoting the market development and competitiveness of the U.S. high tech industry through domestic and international policy efforts. EIA, headquartered in Arlington, Virginia, is comprised of more than 2,300 member companies whose products and services range from the smallest electronic components to the most complex systems, used by defense, space and industry, including the full range of consumer electronic products. The industry provides more than two million jobs for American workers.

TECHNET APPLAUDS SENATE REPUBLICAN HIGH TECH TASK FORCE'S AGENDA FOR 2002

PALO ALTO, CA.—The Technology Network (TechNet), a national network of high-tech and bio-tech CEOs, today praised the Senate Republican High Tech Task Force for releasing an agenda that is long on innovation and economic growth and short on government regulation.

''The Republican High Tech Task Force is an important portal for our industry, and TechNet in particular,'' said Rick White, CEO of TechNet. ''The agenda they have laid out is consistent with our efforts to spur broadband deployment, expand free trade, and minimize the government's involvement in the technology industry.''

''In particular, we appreciate the leadership the Task Force has shown in opposing any effort to require companies to expense stock options,'' continued White. ''This issue is vital to the long term success and stability of our industry.''

TechNet represents 235 technology and biotech companies nationwide. The group is focused on four key issues: making broadband ubiquitous by the end of the decade; passing bi-partisan trade promotion authority legislation; strengthening our education system; and keeping stock options free from being expensed as cash.

Last week TechNet brought 30 CEOs to Washington, DC for a series of meetings with congressional leaders. The group spent time with Senator George Allen and other members of the Senate Republican High Tech Task Force—discussing issues key to the growth of the technology industry.

ACT COMMENDS WORK OF SENATE REPUBLICAN HIGH TECH TASK FORCE ON BEHALF OF ENTREPRENEURIAL TECH COMPANIES

WASHINGTON, DC.—On behalf of its three thousand small- and mid-size high tech member companies, the Association for Competitive Technology (ACT) today commended the work of the Senate Republican High Tech Task Force (HTTF) in the 107th Congress and applauded its commitment to key issues for this session.

With the technology industry teetering on the edge of recession, there were several critical policy decisions for small entrepreneurial technology companies in 2001. Thankfully, the HTTF was hard at work on behalf of the industry. The HTTF was instrumental in securing a two year extension to Internet tax ban, the Export Authorization Administration Act and a new 3 year, 30 percent accelerated depreciation schedule for technology equipment. The HTTF was also an important force in thwarting efforts to restrict export rules for encryption that would have been disastrous to software companies, e-commerce and privacy.

The HTTF technology agenda announced today demonstrates that their continued commitment to providing entrepreneurial technology companies with the ability to succeed. ACT is especially excited by HTTF's goals for issues such as protecting privacy, educating a workforce for the 21st century, expanding free trade and updating our nation's tax code to reflect the realities of the New Economy.

''The Republican Senate High Tech Task Force has been a powerful ally for entrepreneurial technology companies. ACT looks forward to working the issues that will be critical to ensuring the continued success of the American technology industry,'' said ACT President Jonathan Zuck.

ACT is a national education and advocacy group for the technology industry. Representing mostly small- and mid-size companies, ACT is the industry's strongest voice when it comes to preserving competition and innovation in the high tech sector. ACT's membership includes businesses involved in all aspects of the IT sector including computer software and hardware development, IT consulting and training, dot-coms.

Mr. ALLEN. I now yield to the Senator from Montana, Mr. BURNS, who has been a strong and knowledgeable advocate and leader of improving technology. The Commonwealth of Virginia has rural areas, but not as many as Montana. One of the ways that rural areas, whether out West, or in the South, or in Hawaii, can benefit from technology and communication is with leadership of people such as Senator BURNS.

I yield to Senator BURNS.

The ACTING PRESIDENT pro tempore. The distinguished Senator from Montana is recognized.

Mr. BURNS. I thank my good friend from Virginia. The Senator from Virginia has rural areas; we have frontier areas. That kind of draws a distinction. I think the Senator from Virginia has picked up a big part of the responsibility of furthering the agenda of high technology because our States do have a lot of similarity, such as in distance learning and telemedicine. These areas are isolated by mountains, where communications and the free flow of information have eluded people. Of course, with that in mind, I think he has picked up on what he wants to do with his State of Virginia, so that not only Northern Virginia benefits from research and development but the advancement of the information age, and also that the rest of the State can participate in it as well.

If you look at my State of Montana, you see we have similar challenges ahead of us. I congratulate Senator

ALLEN for his fine work. He has done a marvelous job chairing this high-tech task force. Under his leadership, we were able to aid in some victories last year, including the extension of the Internet tax moratorium for 2 years and the inclusion of an enhanced depreciation provision in the stimulus package that the President just signed.

Senator ALLEN went over the list that pretty well sets our priorities, and not necessarily in that order; they are all very important.

I am a member of the Internet caucus, which is a bipartisan group. This year in our opening reception we had over 40 exhibitors. Senator ALLEN came. Approximately 1,000 people attended that reception. The free flow of information has become very important.

I want to go over a couple of points. I gave a lot of speeches before I ever came to the Senate saying there have been three interventions that have changed our whole way of life. It has really brought the size of our planet down considerably. First is the jet engine, second is the transistor, and third is the silicon chip. In a matter of hours, we can be anywhere in the world. We can in 5 seconds exchange ideas visually and audibly anywhere in the world, whether it be land line or through space. The silicon chip has sped up the way we handle information. It has changed our life forever. This planet is smaller because of those inventions.

Look at what has happened since. As the information age came upon us, we realized as far back as 1989 and 1990, when I first came to the Senate, that the policies that guided the infrastructure for that flow of information were passed in 1934. We soon understood that some policy changes were going to have to take place before we could see gigantic moves or an extension of the way we were to deal with the free flow of information. As a result, it only took 6 years to pass the Telco Act of 1996 because we were trying to set policy for technologies that went way beyond what was thought in 1935.

The free flow of information is democracy. We all base our decisions on the information we get. As long as it is a free flow of information, a free flow of ideas, our democracy and our Republic will remain strong and people will participate in the political arena. Freedom equals opportunity, but it is also held together by an ingredient called responsibility.

We were not finished looking at the policies before we got the Internet, this great infrastructure of information. We have to take a look at the insurance to be sure we have sound organizations as the gatekeepers.

Specifically, before we can look at the complex area of comprehensive spectrum reform, we should keep in mind the vital nature of spectrum to those on the front line of homeland defense, our first responders: The police, fire, medical, public health, and other emergency response agencies.

We passed a bill in the last Congress that is revolutionizing the cell phone industry. For the first time, we made 911 the national emergency number. Now, with new technology, one can dial 911 on a cell phone and reach the nearest first responder. Before, in the cell phone industry, if one dialed 911, they were apt to get anybody anywhere. The calls now go into the nearest communications center that can handle an emergency.

Another topic that will prove of utmost importance to critical infrastructure is the operation of a shadowy organization known as the Internet Corporation for Names and Numbers, commonly known as ICANN. The formation of ICANN originated with the so-called green and white papers of the Clinton administration in 1998 that proposed the delegation of control of the domain name system from the Commerce Department to an entirely new organization which would be a new, not-for-profit corporation formed by private sector Internet stakeholders.

The Clinton administration further proposed that the U.S. Government should end its role in the Internet numbers and names address system. Soon thereafter, ICANN was created and the Commerce Department began to delegate the functions of the Internet domain name system to it.

In the eyes of many critics, this delegation has happened far too swiftly. While ICANN is supposed to function by consensus of the Internet community, its operation has often been controversial and shrouded in mystery. Recently, even the President of ICANN, Stuart Lynn, admitted publicly the organization is not working and needs to undergo comprehensive structural reform because it is losing sight of effectiveness in accomplishing our real mission.

Taking into account that the ICANN mission is ensuring the stable and secure management of the Internet domain system, I am extremely concerned at these developments which are so critical to our national security.

In another area, to make the Internet more responsible and make it respond to the users, to give the users confidence in this system, we have to look at spamming. Spamming is the receiving of unwanted junk mail. I do not know of a time on my address anyway that I have received more spam than I am right now. It is a lot more than when I was in the U.S. Marine Corps, I can tell you that. The irresponsible use of spamming by marketers cannot be tolerated. To ensure the free flow of information and confidence in this system, we have to take a look at privacy.

Those are the areas we should be focusing on now in order to let this great technology be a workhorse for us.

I thank the chairman of the high-tech task force. I applaud him for his leadership in taking on this great responsibility. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Virginia is recognized.

Mr. ALLEN. Mr. President, I thank the Senator from Montana for his eloquent remarks, his strong leadership, and his understanding that with freedom come innovation and improvements in our lives.

I now yield to Senator BENNETT of Utah who was chairman of this task force previous to me but is still a leader on our task force and someone who is greatly respected in the area of technology and, as I mentioned earlier, he has provided the key leadership in the Senate on cyber-security.

I yield to the Senator from Utah, Mr. BENNETT.

The ACTING PRESIDENT pro tempore. The Senator from Utah is recognized for 1 minute.

Mr. BENNETT. I thank the Chair.

Mr. President, my plea is very simple and can be stated in 1 minute: We must, in the words of Abraham Lincoln, think anew and act anew, recognizing that in the cyber-age, many of the attitudes we have had about warfare, about vulnerability, about opportunity have to be thought through entirely differently.

If we can understand that and put aside some of our old prejudices and old ideas about technology and about regulation, we will be on the road to the prosperity and security we need. If we cling to the old ideas, the old paradigms with respect to information sharing and antitrust activities, we are in for serious trouble.

So in 1 minute, that is my message. Let us think anew, let us act anew, and let us recognize the technological age has changed everything.

I yield the floor.

Mr. ENSIGN. Mr. President. I rise today to briefly speak about the importance of technology to our economy and our way of life.

Just think about how technology has changed our lives over the past few decades. Not so long ago, documents could only be sent through the mail, computers were enormous metal boxes with limited functionality, and the Internet—although it had been invented—was neither user friendly nor accessible. When I was growing up, watching television meant the handful of network channels we could get from an antenna on the roof; and when our car broke down we'd have to hitch hike to the next gas station or pay phone to call for help. It's hard to believe that for my three young children, those are things of the past. They're used to cell phones and cable TV.

We now live in a world where technology represents one of the largest and fastest growing sectors of our economy. Technology employs millions of Americans and was largely responsible for the tremendous economic expansion from 1994 to 2000. Technology certainly helped fuel the growth of my State's economy. According to the U.S. Department of Commerce, Nevada is second in the Nation for net creation of high-tech businesses. And I strongly encourage that growth because those

businesses paid my constituents over $1.3 billion in wages.

Advances in technology have made our personal lives easier and our professional lives more productive. Speed bumps in the communication process have been eliminated and replaced with wireless phones and e-mail. Advances in technology and the Internet now allow me to visit regularly with my constituents in Nevada while I am working in Washington through a real-time video teleconferencing network. Constituents of mine back in Nevada are able to listen to my remarks here on the Senate floor by logging on to my website.

Indeed, 10 years ago I would have never imagined technological advances such as these, and I am certain that there will be more unforeseen breakthroughs in the coming years.

Although new technologies greatly benefit American society, new issues have arisen for legislators to address in order for America to remain a world leader in technological innovation. We must grapple with broadband deployment, copyright protection and enhanced wireless services if we want America to have a competitive advantage.

High-speed Internet access, or broadband, will drive the economy of tomorrow and every American household should have access to it at reasonable rates. I believe that broadband Internet will serve as the foundation for technological and communications advances in the future. According to Commerce Secretary Evans, broadband is vital to America's economy and will produce over 1 million new American jobs and an additional $50 billion a year for our economy. The importance of this technology cannot be underestimated, and surprisingly few Americans have access to this service or subscribe to it due to its high cost and its lack of desirable content. While there are a number of legislative proposals currently before the U.S. Senate which aim to increase broadband availability, this issue is far from resolved.

I am working with my colleagues on the Senate Commerce Committee to address this important issue in a way that will level the regulatory playing field for service providers, create incentives for private investment in the networks, and preserve competition in the marketplace. In short, instead of rolling out the red tape on private industry, we should roll out the red carpet to allow competition in the fairest manner possible.

As more Americans subscribe to broadband, private industry must work cooperatively to ensure that copyrighted material is protected from piracy. While America leads the world in software, entertainment, and other kinds of intellectual property innovation, piracy is on the rise and has taken a serious toll on our economy. In 2000, piracy cost America an estimated 107,000 information technology jobs, $5.3 billion in wages and $1.8 billion in U.S. tax revenue. It is clear that the practice of piracy must be stopped. If not, the American economy will continue to suffer and we will lag behind other nations in technology innovations. We must aggressively protect copyrighted works—both at home and abroad—that will drive the economy of tomorrow. The Commerce Committee recently held a hearing on this important issue, and I am aggressively working with my colleagues to stop piracy and bring a new level of protection to copyrighted works.

Finally, Mr. President, we must encourage further advances in wireless technology. In the last 10 years, wireless phone use has skyrocketed, and over 132 million Americans now have a cell phone. Prices have fallen and service quality has improved. Wireless has expanded beyond voice to include wireless e-mail and text messaging, like by Blackberry, which allows me to send and receive e-mail when I am on the road.

Overseas, next generation wireless technology, such as wireless video and Internet, have been deployed along with many other exciting new services. Unfortunately, the United States has begun to lag behind other nations in offering advanced wireless services. A number of issues—such as spectrum management, spectrum harmonization, and wireless security—demand our immediate attention in order to bring these exciting new services home. As a member of the Senate Commerce Committee and Co-chair of the Internet Caucus Wireless Task Force, I will continue to work with my colleagues in the Senate to reestablish the United States as the global leader in wireless technology.

In conclusion, we have accomplished much over the past year on many technology issues. The Republican High Tech Task Force has been an effective voice for technology on Capitol Hill. Members of the Task Force have helped secure additional funding for the Patent and Trademark Office, encourage greater copyright enforcement within the Department of Justice, and provide tax incentives to stimulate business investment in technology infrastructure. I look forward to another productive year.

Mr. SMITH of Oregon. Mr. President, as a member of the Senate High Tech Task Force, HTTF, I am proud to speak about the importance of the hi-tech sector, a sector of our economy that has in the past been such an effective engine of growth in my State of Oregon.

And it is this engine of growth that needs strengthening in order to help the Oregon economy grow.

I am so pleased that the President signed into law last weekend an economic stimulus package that included both an extension of unemployment benefits and the bonus depreciation changes that I and other members of the Task Force worked so hard to pass in the Senate.

Oregon, as many of you know, had an unemployment rate of 8 percent in January, well above the national average.

The stimulus package included a much-needed unemployment benefit extension, one that Oregon had already qualified for because of its high unemployment rate.

But this stimulus package also included real economic stimulus that I believe will boost the Oregon economy.

Both this year and last I have had the privilege of introducing bonus depreciation amendments to various economic stimulus bills in an attempt to actually stimulate business investment.

I did this because the current Tax Code penalized businesses, especially the hi-tech sector, by forcing them to choose between either retaining outdated equipment to fully recover their costs or foregoing full recovery in order to stay abreast of the latest development in the hi-tech fields.

Businessmen, farmers, the hi-tech industry all benefit from accelerated depreciation, and the impact on this Nation's economy will provide greater opportunities for jobs in my home State of Oregon where the hi-tech sector is so critical to economic recovery.

Now we must take the next step in bolstering the hi-tech community by making permanent the R&D tax credit.

The R&D tax credit encourages investment in basic research that over the long term can lead to the development of new, cheaper, and better technology products and services.

Research and development is essential for long-term economic growth. Innovations in science and technology have fueled the massive economic expansion we witnessed over the course of the 20th century.

These advancement have improved the standard of living for nearly every American.

Simply put, the research tax credit is an investment in economic growth, new jobs, and important new products and processes.

The R&D credit must be made permanent: This credit was originally enacted in 1981, and has been temporarily extended many times. Permanent extension of long overdue.

Because this vital credit isn't permanent, it offers business less value than it should. Business, unlike Congress, must plan and budget in a multiyear process. Scientific enterprise does not fit neatly into calender or fiscal years.

Research and development projects typically take a number of years, and may even last longer than a decade.

As our business leaders plan these projects, they need to know whether or not they can count on this tax credit.

Current uncertainty surrounding the credit has induced businesses to allocate significantly less to research than they otherwise would if they knew the tax credit would be available in future years.

This uncertainty undermines the entire purpose of the credit.

Investment in R&D is important because it spurs innovation and economic growth: Information technology was responsible for more than one-third of real economic growth in the late 1990s.

Information technology industries account for more than $500 billion of the annual U.S. economy. R&D is widely seen as a cornerstone of technological innovations, which in turn serves as a primary engine of long-term economic growth.

This tax credit will result in higher wages. Findings from a study conducted by Coopers & Lybrand show that workers in every State will benefit from higher wages if the research credit is made permanent.

Payroll increases as a result of gains in productivity stemming from the credit have been estimated to exceed $60 billion over the next 12 years.

Furthermore, greater productivity from additional research and development will increase overall economic growth in every State in the Union. Research and development is essential for long-term economic growth.

The tax credit is cost-effective: The R&D tax credit appears to be a cost-effective policy instrument for increasing business R&D investment. Some recent studies suggest that one dollar of the credit's revenue cost leads to a one dollar increase in business R&D spending.

Bonus depreciation and the R&D tax credit are but two of many issues that interest both the hi-tech sector and this Senator.

While I am proud of the achievement with the bonus depreciation I will continue to work with hi-tech companies on the R&D tax credit and many other issues to keep our economy running strong, across this Nation and especially in my State of Oregon.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. EDWARDS). Morning business is closed.

NATIONAL LABORATORIES PARTNERSHIP IMPROVEMENT ACT OF 2001

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 517, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 517) to authorize funding for the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes.

Pending:

Daschle/Bingaman further modified amendment No. 2917, in the nature of a substitute.

Feinstein amendment No. 2989 (to amendment No. 2917), to provide regulatory oversight over energy trading markets.

Levin amendment No. 2997 (to amendment No. 2917), to provide alternative provisions to better encourage increased use of alternative fueled and hybrid vehicles.

The PRESIDING OFFICER. Under the previous order, the time until 11:30 a.m. shall be for debate only relative to ethanol.

Who yields time?

The Senator from Nebraska.

Mr. NELSON of Nebraska. Mr. President, for the next several minutes, I will speak about the renewable fuel standard as part of the energy bill. For more than an hour, perhaps closer to 2 hours, my colleagues and I will be talking about the importance of the renewable fuel standard as a part of the energy bill and as a part of our national defense, as well as our economy, and for the environment.

In the early days of the automobile, Henry Ford believed at first that the best source of power for the automobile was with ethanol made from farm crops and other renewable materials. It is interesting to note, after a century of domination by oil, that we have now come perhaps full circle to recognizing there is a place for ethanol and renewable fuels as part of the fuel standard in order to power the automobiles that we continue to drive some 100 years later.

Ultimately, the power of oil interests led to policies that made oil king, with depletion allowances, foreign tax credits, and naval convoys and armies dispatched to protect oilfields around the world. Of course, the direct or indirect control of oil remains an American economic, diplomatic, political, and military priority.

While we have had, in fact, a petroleum age, it has ushered in many technological advances. The industrialized world's love affair with oil has not been without costs. Dependence on imported oil threatens our national and our energy security, our economy, our jobs, our farmers and ranchers, our industry and our environment. Public policy decisions and discussions have continued that began nearly a century ago, launching upon a path which led us to our current reliance on imported oil.

Today we have a historic opportunity to begin the process of swinging back full circle, at least to some degree, in our national energy policy. The energy policy today embodied in this bill offers us a chance to realize the potential that Henry Ford saw even then, and that his successors managing Ford, GM, and Chrysler are making possible every time they produce an E–85 automobile capable of running on 85-percent ethanol. More than 2 million of these so-called flexible fuel vehicles are on the road at this time.

Additionally, essentially all automakers in the world produce cars that run well on blends of ethanol, up to 10 percent, as well as those that will run up to 85 percent. We have the cars. Now we need the fuel. This bill provides the means in order to get it.

The Energy Policy Act of 2002 will boost biofuels and biorefinery concepts to realistically address oil import levels that have now surpassed the 56-percent mark, with ever higher levels ahead of us if we do not do something significant now to change the direction in which we have been heading.

From the perspective of a Senator from a farm State, and a former two-time chair of the Governors' Ethanol Coalition, one of the most important aspects of this landmark energy bill is the establishment of a 2-billion-gallon renewable fuel standard in 2004 that gradually grows to 5 billion gallons by 2012. Even if this approximate tripling of the ethanol industry from today's levels represents less than 4 percent of the total projected U.S. motor fuels demand over the next decade, it is a critical beginning of national importance. Enactment of this RFS, along with other provisions in this bill that emphasize new sources of energy production from renewables such as wind power, as well as conservation to further reduce our dependence upon foreign sources of energy, will help us reverse this 100-year-old reliance on fossil fuels. It will not replace them, but it will help us reduce the amount of reliance.

There is now a revolution driving American agriculture as surplus, low-value starch and oils are converted into high-value liquid fuels, with the proteins being fed locally so that American taxpayers save money. Rural communities are reinvigorated. High-value, high-quality finished products enter the export market and the Nation's energy security and environment are dramatically improved.

The Senate energy bill represents a historic step away from business as usual in U.S. energy policy. Just as we cannot export ourselves out of an agricultural crisis, we also cannot drill ourselves out of our energy crisis. With the renewable fuel standards, it will no longer be a matter of whether or not there will be a biofuels industry to augment our oil and auto industries. Rather, it will be how fast can we advance these domestic renewable fuels? How do we enhance their environmental performance, reduce their costs, and advance the technology to include the conversion of all forms of clean biomass into biofuels, biochemicals, and biopower?

I am unabashedly proud of what my home State of Nebraska has accomplished. The formation of the National Governors' Ethanol Coalition was one of the most important steps. Nebraska and several other Midwestern States created this coalition that now represents 26 States and one U.S. territory, as well as Brazil, Canada, Mexico, and Sweden.

Since its formation in 1991, the Governors' Ethanol Coalition has worked to expand national and international markets for biofuels. I might add that this Governors' Ethanol Coalition included the current and the previous Presidents of the United States when they were Governors of the State of Arkansas and the State of Texas. Within the State of Nebraska during the period of 1991 to 2001, seven ethanol

plants were constructed and several of these facilities were expanded more than once during the decade. I do not want to take full credit for that timeframe, but I want the record to reflect it happened during my watch.

Specific benefits of this national ethanol program in Nebraska include more than $1.2 billion in new capital investment in ethanol processing plants, 1,005 permanent jobs at the ethanol facilities, and over 5,000 induced jobs directly related to plant construction, operation, and maintenance. The permanent jobs alone generate an annual payroll of $44 million. More than 210 million bushels of corn and grain sorghum are processed at the plants annually. Economists at Purdue University and the USDA estimate that the price of corn increases from 9.9 cents to 10 cents per bushel for every 100 million bushels of new demand. Local price basis increases in Nebraska range from 5 cents to 15 cents, quite a stimulus for agriculture in ethanol-producing areas.

These economic benefits and others have increased each year during the past decade due to plant expansion, employment increases, and additional capital investment.

If each State produces 10 percent of its own domestic renewable fuels, as Nebraska does, America will have turned the corner and that noose of oil import dependency and climate change will begin to fade away. In the world of renewable biomass, there are no wastes, just feed stocks for other production systems, without the fossil-based toxins blocking the next biological step.

I ask my colleagues to take a new look at the opportunities offered by RFS and grasp the full potential of the biorefinery portions of this energy legislation. These provisions are urgently needed to increase our energy and our national security, create new basic industries and quality jobs, reduce the vulnerability of our energy supplies, enhance the environment, contribute to the stabilization of greenhouse gases, while improving America's economic performance. Everyone gains from this effort.

This balanced and comprehensive piece of legislation is the end result of the dedication of so many of my colleagues. It was not always easy to foresee the day when biofuels and other renewable resources would be poised to be a major component of our national energy policy. The farsightedness of a few has directly led to the creation and wide acceptance of the bill before the Senate today.

The oil production versus imports chart shows the domestic oil production peaked in 1970 and again in 1985 and has continued to drop. The oil imports on the graph are shown to have expanded from 1950 to the point where they are more than 10 million barrels per day, and the trend continues. We must, in fact, support the growth of our own industry in the domestic production of fuels to power our energy needs.

Last summer, Senator TIM JOHNSON and my colleague from Nebraska, Senator HAGEL, introduced legislation that dealt with this very issue. Their hand is felt throughout the bill. I congratulate them and thank them for their efforts. Senator Daschle's and Senator LUGAR's tireless efforts created a bill with broad consensus, taking shape in the form we see today, the legislation before the Senate. They have taken an issue that could have been controversial and instead introduced a bill that provides a wide-reaching blueprint for future renewable energy goals. These provisions are a direct result of their leadership. I am honored to be a cosponsor of this bill.

I personally take a moment to recognize and thank staff who have worked on this issue as well. They worked long hours to put the bill together. Their efforts are much appreciated. Eric Washburn from Senator DASCHLE's staff and the rest of the team are a real asset to Senator DASCHLE and have been a tremendous help to me personally throughout this process.

I ask my colleagues to join me in promoting new opportunities for the technologies that will put our fuels and our world transportation fuels on solid, sustainable, and environmentally enhancing ground. We owe it to our country now and to future generations to pass this legislation.

The PRESIDING OFFICER. Who yields time?

Mr. NELSON of Nebraska. I yield time to the distinguished Senator from Illinois.

Mr. DURBIN. I ask for 10 minutes.

Mr. NELSON of Nebraska. That will be fine.

Mr. DURBIN. Mr. President, I thank the Senator from Nebraska for his leadership on this issue. Where we come from, ethanol is a big deal. It is a big deal because we have a lot of corn growers, farmers who need to have a better price for their corn. They need increased demand for their sales in the United States and overseas, and we know the ethanol industry consumes about 1 out of every 6 acres of corn across America. So as we increase the demand for ethanol in America, we increase the demand for corn, raising the prices and helping our farmers to sustain their farm operations and to have less dependence on the Federal Government from year to year.

This is a major breakthrough. I salute all those responsible for it: Senator TOM DASCHLE, Senator JEFF BINGAMAN, Senator BEN NELSON of Nebraska, as well as all those on the Republican side of the aisle. What has happened for the first time in 20 years since I have been on Capitol Hill is that we finally have reached this moment where we have an agreement, an agreement between the ethanol producers—the corn growers, obviously—and the oil industry. This is a big breakthrough because this has been a pitched battle for two decades, with the oil companies doing everything they can to suppress ethanol production.

In this bill, we have a consensus agreement that has been crafted by the leaders who brought the bill to the floor, and with that agreement we will triple the use of ethanol in the United States over the next 10 years. In tripling it, it will not just help the economics of the farm bill, it will mean we are going to have cleaner air in America, a better environment for America in its cities and its towns, and less dependence on foreign oil. That, to me, is a positive at three different levels.

I salute all those responsible for it: the Renewable Fuels Association, National Corn Growers, American Petroleum Industries, the American Farm Bureau, the Farmers Union, and so many others. This really makes a difference.

As a result of this decision, we are going to see more ethanol blended with gasoline. It is going to mean the exhaust coming out of our tailpipes across America for years to come is going to be less of a threat to the families across America. When we face an epidemic of lung and respiratory disease such as asthma and other problems, it is essential we continue to move forward with the use of this clean-burning fuel.

I have been chairman of the House Alcohol Fuels Caucus and a member of the Senate Alcohol Fuels Caucus. I can tell you this is a great day. I salute all those who crafted this wonderful compromise which is going to really make a commitment.

I think Senator NELSON alluded to what will happen. Now that there is some certainty this bill will be signed into law, you will have more and more ethanol production coming on line. And for my selfish reasons, for downstate Illinois, where our economy is struggling with high unemployment and where we have more ethanol produced than anywhere in America, we want to see plants springing up, not just in Illinois but in Nebraska, Missouri, Iowa, South and North Dakota—wherever we can find the agricultural feed stock to produce ethanol. We have the potential of creating good-paying jobs and then to have the technology from its source near the usage point that can help our economy all across the Midwest.

This is a terrific shot in the arm in terms of the economy of the Midwest, in terms of the environment of the Nation. I salute all those who worked so hard to make this a reality.

The second half of my statement is not as positive or optimistic or hopeful, but I want to add it because I think it is essential that we keep this achievement in perspective with what we are about to do this morning in just 2 hours on the floor of the Senate.

By every vote count that I have seen, we are about to reject any significant increase in fuel efficiency in automobiles and trucks across America as part of this energy bill. The special interests who have come to Capitol Hill

to fight off any improvement in fuel efficiency are about to score a big victory this morning. That is a sad commentary on the Senate and on our efforts to be honest in trying to find a way, at least, to move toward energy independence and energy security for America. It is a triumph for these special interests. It is a defeat for the American people. It is about to happen in just 2 hours on the floor of this Senate.

The opponents of increasing fuel efficiency have no faith in the ability of America's creative genius to come up with better technology and better science so we can have more fuel-efficient vehicles. The opponents of this fuel efficiency standard have no faith in the American people. They stand in the Chamber and say: We wouldn't dare tell people they couldn't buy bigger and fatter SUVs year after year.

I think more of the American people understand we are at war against terrorism; we are a nation at risk; we are dependent on foreign oil. These American families and businesses are ready to participate, roll up their sleeves and help America move toward energy security. To suggest we would not dare ask them to consider buying a different vehicle 5 or 10 years from now is an affront to the unity which America has shown since September 11.

Finally, it is a reflection on this Senate, as well as the House of Representatives, for its failure to show leadership on this critical issue. In 1975, this Congress took a look at the average fuel economy of fleets across America at 14 miles per gallon, brought together the political courage despite the opposition of the Big Three in Detroit, and said in 10 years we are going to double fuel efficiency in vehicles across America from 14 to 27.5 miles a gallon.

We were told by the Big Three: it is impossible; we can't do it. We will be selling vehicles people don't want to buy. They will be kiddy cars and go-carts—that is the only way to achieve it, and you will drive businesses overseas.

They were wrong then, and they are wrong now. In over 10 years we doubled the fuel efficiency of vehicles across America. By 1985, we were at 27.5 miles per gallon. So what happened between 1985 and today? In terms of increasing fuel efficiency, absolutely nothing. Nothing has been done by Congress or by the industry in the United States to produce automobiles and trucks that are more fuel efficient.

So we come today with a proposal that over the next 12 or 13 years we will increase fuel efficiency by 30 percent. It is going to be rejected on the floor of the Senate. That, to me, is shameful. It is shameful that we have reached the point where we have no faith in America's technology, no faith in the people of this country to stand behind energy security, and no faith in the ability of the Senate to show leadership at a time when this country expects us to do so.

I can tell you, quite frankly, that the Senate will bow down to the special interests this morning so that America has to bow down to OPEC for decades to come.

That is a sad commentary on the Senate and this energy bill.

It is naive for the American people to believe we can truly have energy security and independence if we don't address the efficiency of the vehicles we drive. Approximately 40 percent of the oil we are bringing up today from underground is being used to fill our vehicles. By the year 2020, over 50 percent is going to be used for highway travel and for vehicles and trucks. If you do not address fuel efficiency, you are not dealing honestly with the question of America's energy future.

I can't believe we are standing here today to witness this on the floor of the Senate. But by every vote count that I have seen, we are going to lose big. The special interests are going to come in and tell us there is no way they can design an engine for fuel efficiency. I don't believe it. Frankly, I am embarrassed by the fact that most of the good technology that is leading the way in fuel efficiency and emissions has come from overseas automakers. We are better than that. American is better than that.

For the Senate to abandon any hope that we can develop this technology is a sad commentary on this view of what our potential is as a nation. For them to turn their backs on the fact that if we don't have better fuel efficiency we are going to continue to be independent on foreign oil for decades to come is, frankly, a tragic mistake.

I sincerely hope that good numbers about renewable fuel standards will be part of this ultimate legislation. I hope even more that before the end of the morning hour we will see some courage in this Senate to stand up to the special interests, stand up to OPEC, and say we are truly going to move towards energy security in this Nation.

I yield the floor.

The PRESIDING OFFICER (Mrs. CLINTON). The Senator from Nebraska is recognized.

Mr. NELSON of Nebraska. Madam President, it is my pleasure at this point to yield the floor to the distinguished senior Senator from the State of Nebraska, my colleague, Mr. HAGEL. I welcome his support for ethanol. As a colleague, as a Nebraskan, and as Member of this body, I congratulate him and Senator JOHNSON on their support of this very important bill.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. HAGEL. Thank you, Madam President.

Madam President, I ask that I be given 10 minutes of time from the Republican side.

The PRESIDING OFFICER. The Senator has that right.

Mr. HAGEL. I thank the Chair.

I first acknowledge the statements of my friend and colleague from Nebraska, Senator NELSON. He has been a leader on renewable fuels for many years—long before he came to the Senate, when he served our State of Nebraska ably as its Governor for 8 years, and for his leadership over those years. He brings that leadership and experience to this body in regard to not only this issue but many others.

I rise in support of the renewable fuels standard included in the underlying bill. This legislation is important if we are to increase the market share for renewable fuels, such as biodiesel, ethanol, and biogas from landfills and feedlots.

I, too, wish to recognize and thank other colleagues who have been very important to this debate over many years, especially Senators GRASSLEY, LUGAR, DASCHLE, BOND, and in particular, as Senator NELSON has stated, Senator JOHNSON, who has been a strong leader both during his tenure in the House and here in the Senate, and, of course, again, my colleague from Nebraska, Senator NELSON.

Also, those groups that represent many of the important interests of this country that were very involved in bolting together a compromise for this section of the energy bill, as Senator DURBIN pointed out, should be recognized and thanked for their participation and their support in helping to develop this section of the bill.

During a recent stop to the Midwest, President Bush proclaimed the promise of renewable fuels, saying,

> Renewable fuels are gentle on the environment, and they are made in America so they cannot be threatened by any foreign power. Ethanol and biofuels are fuels of the future for this country.

The President is right. Renewable fuels afford us the opportunity to develop energy, environmental and economic policies that work together. A renewable fuel standard would enhance our environment, strengthen national security, reduce our trade deficit, and decrease our dependence on foreign oil.

Today, less than 1 percent of America's transportation fuel comes from renewable sources. Under this energy bill, renewable fuel use would increase to approximately 3 percent of our total transportation fuel supply. This would more than triple the amount of renewable fuel we now use.

Today, America imports nearly 60 percent of the crude oil it consumes—estimated to climb as high as 70 percent by 2020.

Senator NELSON displayed a chart which I think very clearly indicates the danger this presents to our foreign policy, to our interests, and to our geopolitical and strategic trade interests around the world, which now are, as we know, interconnected.

Almost a fourth of these imports come from the Persian Gulf, where Iraq currently sells the United States between 600,000 and 1 million barrels of oil a day.

This renewable fuel standard is a fair and workable compromise based on

months of work with the petroleum industry, the environmental community, DOE, USDA, and EPA. This is flexible legislation—not a gallon-by-gallon mandate. It will not force a specific level of compliance in places where compliance may be difficult.

To guard against possible fuel shortages, it permits the EPA Administrator, in consultation with USDA and the Department of Energy, to adjust the renewable fuel requirement.

To make this legislation even more flexible, refiners, blenders, and importers will have access to a credit trading program—so those who use more renewable fuel can sell credits to other refiners, blenders, and importers who fall short on meeting their requirements. Producers will not be penalized if there are insufficient supplies of renewable fuel. Finally, small refiners will be exempt from their requirements established by this program.

In the wake of September 11, America and the rest of the free world face dramatic new challenges. Energy independence is one of the most serious of these challenges.

Our Nation needs a broader, deeper, and more diverse energy portfolio—one that ensures we have clean, reliable, and affordable domestic sources of energy. Expanding the market for renewable fuels is a modest, but significant part of the solution. To enhance national energy security and improve environmental quality, we need a reasonable renewable fuel standard. As President Bush said, ethanol, biodiesel, and other biofuels are the fuels of the future for this country.

I ask my colleagues to support the renewable fuel standard in this energy bill to make renewable fuels an important component of a new national energy plan which is so vitally important to the future of this country.

I yield the floor.

Mr. NELSON of Nebraska. Madam President, I thank the Senator from Nebraska for his very articulate comments supporting the efforts for the renewable fuels standard and for his support for ethanol. It is a pleasure to work with him on this issue.

Madam President, I thank members of my staff, as a matter of privilege, for their support and their work on this important issue. I have identified Eric Washburn of Senator DASCHLE's staff. It is my pleasure to also thank my staff, Tom Litjen as well as Scott McCullers.

At this time, I yield the floor to the distinguished Senator from North Dakota, to be followed by the distinguished Senator from Missouri.

Mr. DASCHLE. Mr. President, I would like to join my colleagues this morning in congratulating the officials and organizations that came together recently to negotiate a broad compromise agreement on the regulation of clean-burning fuels in the United States. This is truly an historic agreement that reconciles a variety of competing interests in order to meet several important national policy objectives.

The fuels provision establishes greater flexibility in the Nation's gasoline regulations, protects air quality and nearly triples the use of domestic, renewable fuels over the next 10 years. And, significantly, it enjoys the support of the ethanol industry, the oil industry and environmental organizations, three segments of society that have not always agreed on transportation fuels issues.

A number of organizations worked diligently to fashion this agreement and deserve a lion's share of the credit for its success. They include the American Coalition for Ethanol, the Renewable Fuels Association, the Governor's Ethanol Coalition, the National Farmers Union, the Farm Bureau, the National Corn Growers Association, the American Corn Growers Association, the American Petroleum Institute, the Northeast States Coordinated Air Use Management Agency, the Clean Fuels Development Coalition and the American Lung Association. It is indeed testament to the spirit of compromise in the U.S. Senate that all these groups representing often divergent constituencies and interests can come together to create a product that benefits all.

While these groups came to the negotiating table with the interests of their members firmly in mind, they also understood that the fuels component of any viable energy strategy must serve a variety of national goals. Without their embrace of this far-sighted approach, this balanced agreement would not have been possible.

Among the Senators that I would like to thank, first and foremost is Senator DICK LUGAR. The seeds of this agreement were planted a few years ago when Senator LUGAR and I first introduced legislation to establish a renewable fuels standard and provide greater flexibility in producing reformulated gasoline. Senator LUGAR's enthusiastic support gave this idea needed momentum and helped lay the groundwork for the agreement that was reached last week.

I would be remiss if I didn't acknowledge the involvement of the White House in crafting this agreement. Andrew Lundquist, who has a unique perspective gained as a former staff director of the Senate Energy Committee and Director of Energy Policy for the President, has been extremely helpful throughout the negotiation process, both in identifying effective policy and working with diverse parties to achieve it.

Among those whose opinions I sought early in this effort and who always provide me with intelligent and helpful advice are Trevor Guthmiller and Bob Scott of the American Coalition for Ethanol, and Dave Hallberg, the first president of the Renewable Fuels Association who currently is developing an innovative ethanol plant and cattle feedlot in Pierre, SD. Their common sense, South Dakota counsel on these tough national fuels issues has never led me astray.

This agreement could not have been fashioned without the leadership and advocacy of Red Caveney, president of the American Petroleum Institute, Bob Dineen, president of the Renewable Fuels Association, Jason Grumet, former executive director of the Northeast States Coordinated Air Use Management Agency, Bruce Knight, president of the National Corn Growers Association, Tom Buis, executive director of the National Farmers Union, and Doug Durante, chairman of the Clean Fuels Development Corporation. I am deeply grateful for the hard work and focus of these dedicated individuals as well as for the valuable contribution of Todd Sneller, administrator of the Nebraska Ethanol Board, Larry Pearce, director of the Nebraska Energy Office, and Bill Holmberg, an original foot solider in our 20 year campaign to promote the use of renewable fuels in America.

Senators TIM JOHNSON and CHUCK HAGEL deserve enormous credit for legislation they introduced to establish a very ambitious renewable fuels standard, and for their tireless work in promoting this concept. And there are many others BEN NELSON, TOM HARKIN, CHUCK GRASSLEY, MARK DAYTON, PAUL WELLSTONE, MAX BAUCUS, DICK DURBIN, KIT BOND, and others—who also deserve recognition for the progress we have made on this issue. Senator NELSON, for example, has, at my request, taken on the responsibility of managing this debate on the fuels provision.

Chairman JIM JEFFORDS and Ranking Member BOB SMITH also deserve tremendous credit for moving this legislation through the Environment and Public Works Committee and for bringing their expertise and steady demeanor to the negotiating table. Their involvement was critical to the successful brokering of this agreement.

This agreement makes a number of important changes in Federal law based on the experience we have gained over the last 7 years of implementing the reformulated gasoline program. It eliminates the oxygen requirement from the reformulated gasoline program, a change that is very important to the efforts of States like California and New York, who are planning to eliminate MTBE from their gasoline supplies in the near future. But, in so doing, it also ensures that we preserve the hard-fought air quality gains that have resulted from the implementation of that requirement.

The agreement establishes a renewable fuels program to nearly triple the use of renewable fuels like ethanol and biodiesel over the next 10 years. It also provides special encouragement to biomass-based ethanol, which holds great promise for converting a variety of organic materials into useful fuel, while substantially reducing greenhouse gas emissions. This will have substantial benefits for the environment and for rural economies, while helping to lower

our dangerous dependence on foreign oil.

It bans MTBE in 4 years and authorizes funding to clean up MTBE contamination and to fix leaking underground tanks. This section is particularly important to States like California that are struggling to clean up groundwater contaminated by MTBE.

It allows the most polluted States to opt into the reformulated gasoline program, and provides all States with additional authority under the Clean Air Act to address air quality concerns.

I would like to take a moment to acknowledge concerns about this program that have been expressed by my friends and colleagues from California, who in light of their recent experiences with electricity markets are understandably wary of new energy regulation in the fuels market. In response to their concerns, I and those participating in the development of this compromise have taken a number of steps to ease California's transition from MTBE to ethanol. Under the compromise, California no longer needs to meet the oxygen requirement of the reformulated gasoline program upon enactment; this is one year ahead of other States with reformulated gasoline programs. This modification was possible because of California's progressive State fuels program that ensures protection of air quality in the absence of the oxygen requirement.

To address concerns that have been raised about ethanol supplies, prices and logistics, the compromise requires that during 2003, before the renewable fuels standard takes effect, the Department of Energy study these issues. If that study determines that there will be any problems with the ethanol program in 2004, then the EPA Administrator is directed to reduce the level of the mandate for 2004.

Under the renewable fuels program, California and any other State can apply to EPA under separate provisions of the bill to request that the Administrator reduce the ethanol mandate in any year of the program, based on supply or economic concerns. The Congress will expect the Administrator to enforce this provision diligently.

Moreover, the compromise allows California in 2004 to meet its ethanol requirement by blending ethanol only in the wintertime. This is very significant, because California is expected to use 300 to 400 million gallons of ethanol in 2004 to meet its wintertime carbon monoxide Clean Air Act requirements anyway, while the new renewable fuels program will require the use of less than 250 million gallons that year. In other words, California will use more than 100 million gallons of ethanol in 2004 than the new mandate requires. So the ethanol mandate that is in this bill should have no effect on California in 2004, and will substantially lessen California's ethanol requirements compared to current law unless the State decides not to implement its ban on MTBE.

As with all compromises, this agreement is not ideal for anyone, but measured against maintaining the status quo, this agreement will provide considerable additional flexibility to California and other states in producing and using clean-burning gasoline. For example, if this compromise were not developed, California would need to meet the existing reformulated gasoline oxygen requirement and implement the ban on MTBE that the governor has stated will go into effect either at the end of 2002 or, if extended, at the end of 2003. This scenario would result in the need for California to use over 800 to 900 million gallons of ethanol in 2004, far more than the renewable fuels requirements of this compromise.

Finally, under the bill, refiners in California and throughout the Nation can buy credits from refiners that use ethanol in other States to meet its requirement, rather than use actual gallons of ethanol. This ensures that ethanol will be used where it is most efficient and economical.

In the development of this compromise, I have had numerous conversations with my colleagues, Senators FEINSTEIN and BOXER, and with California Governor Gray Davis and the director of the California Department of Environmental Protection, Winston Hickox, about the effect of a renewable fuels standard on their state. I respect their knowledge of their State's energy situation and their passion and tenacity in defense of their State's interests. No one wants to see price volatility in any regional market. The renewable fuels provision has been modified in response to California's concern about possible future energy scenarios, and, I believe, effectively protects the state against unintended consequences.

In the finest tradition of the U.S. Senate, this agreement represents a careful balance of often disparate and competing interests. No member or organization got everything they wanted. But in the end, each participant won important victories that made this agreement stronger.

I look forward to working with my colleagues in the Senate, the House and the White House to enact this important compromise this year.

Finally, I ask unanimous consent to place a letter into the RECORD that I received yesterday from the Governor's Ethanol Coalition. The coalition has been a strong supporter of my efforts to enact a renewable fuels standard from the very beginning, and it gives me great pleasure to have worked closely with that organization for the last few years in this regard.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GOVERNORS' ETHANOL COALITION,
Lincoln, NE, March 12, 2002.

Hon. TOM DASCHLE,
Majority Leader, U.S. Senate,
Washington, DC.

Hon. TRENT LOTT,
Minority Leader, U.S. Senate,
Washington, DC.

DEAR SENATOR DASCHLE AND SENATOR LOTT: On behalf of the 27 members of the Governors' Ethanol Coalition, we are writing to express our strong support for the provisions including in the Energy Policy Act of 2002 (S. 517), which will establish a national renewable fuels standard.

The provisions set forth in the Manager's Amendment to S. 517 reflect an agreement negotiated over the last two years by the states, agricultural interests, refiners, and the environmental community that will address such important issues as MTBE water contamination and the oxygenate requirements in reformulated gasoline while providing a significant market for renewable fuels such as ethanol and biodiesel. Specifically, we support those provisions in S. 517 that: Create a national renewable fuels standard, ensuring a growing part of our nation's fuel supply, up to 5 billion gallons by 2012, is provided by domestic, renewable fuels; eliminate the use of MTBE in the United States within four years; eliminate the oxygenate requirements in the reformulated gasoline program; and maintain the air quality gains of the reformulated gasoline program.

By enacting these provisions, we will strengthen our national security, displace imported oil from politically unstable regions, stimulate ethanol and biodiesel production, expand domestic energy, supplies, and continue to reduce air pollution.

We encourage you to support these provisions and to resist any amendments that would alter this landmark agreement.

Sincerely,

BOB HOLDEN,
Governor of Missouri, Chair.

JOHN HOEVEN,
Governor of North Dakota, Vice Chair.

MIKE JOHANNS,
Governor of Nebraska, Past Chair.

Mr. VOINOVICH. Mr. President, I rise today to express my support for the ethanol provision that has been included in the Energy Policy Act. I was pleased to join my colleagues, Senators GRASSLEY, DASCHLE, BOB SMITH, HAGEL, BOND, BROWNBACK, and BEN NELSON, in developing a policy on ethanol that addresses the concerns of a variety of stakeholders in the energy debate while providing a tangible benefit for the American people. I believe the inclusion of this provision is a key element in our effort to construct a viable energy policy.

As I have often stated, we face an incredible challenge in putting together an energy policy for our Nation. In my view, the Senate's final product has to be a policy that harmonizes energy and environmental policies, acknowledging that the economy and the environment are vitally intertwined. It has to be a policy that broadens our base of energy resources to create stability, guarantee reasonable prices, and protect America's security. It has to be a policy that won't cause energy prices to skyrocket, which would unfairly affect the

elderly, the disabled, and low-income families. Finally, it has to be a policy that won't cripple the engines of commerce that fund the research that will yield future environmental protection technologies.

The Senate is currently working to address these challenges, and I believe the inclusion of an ethanol provision in this bill will help the environment, protect public health, promote fuel efficiency, reduce our dependence on foreign oil, boost the economy, and create and retain jobs for Americans, all at the same time. As the ranking member of the Senate Clean Air Subcommittee, I am especially pleased that expanding the use of ethanol will help reduce auto emissions, which will clean the air and improve public health.

Becuase of the events of September 11, perhaps our greatest energy challenge is to lessen our reliance on foreign sources to meet our energy needs. As my colleagues know, the United States currently imports about 58 percent of our crude oil. For both national security reasons, particularly now, and as part of a comprehensive energy policy, it is crucial that we become less dependent on foreign sources of oil and look more to domestic sources to meet our energy needs, and ethanol is an excellent domestic source. Ethanol is a clean burning, home-grown renewable fuel upon which we can rely for generations to come.

Creating a greater market for ethanol is good for our Nation's economy and, in particular, good for Ohio's economy. Ohio is one of the Nation's leading consumers of ethanol, with 40 percent of the gasoline consumed in the State having an ethanol content. Ohio has placed a tremendous importance on expanding the use of ethanol, so much so, we are actively pursuing an opportunity to get ethanol production plants built in Ohio.

In addition to consumption of ethanol, Ohio is also a major producer of the main component of ethanol, corn. In fact, Ohio is 6th in the Nation in terms of corn production, and an increase in the use of ethanol across the Nation means an economic boost to thousands of farm families across my State.

Finally, I am also pleased that the tax package reported out of the Finance Committee to accompany the energy bill includes a provision that would transfer the 2.5 percent per gallon of the federal tax on ethanol-blended fuels from the General Fund to the Highway Trust Fund. This provision is similar to the Highway Trust Fund Recovery Act, a bill that Finance Committee Chairman MAX BAUCUS and I introduced last summer.

As my colleagues may know, 2.5 cents of 13.1 cents-per-gallon ethanol tax presently goes straight to the Treasury. That is more than $400 million for transportation improvements lost per year, including $50 million to Ohio. The Finance Committee provision ensures that the money is used for our roads, the purpose for which it was collected in the first place, and keeps ethanol viable by restoring people's faith that the taxes they pay on this clean fuel are used properly.

I am delighted that the Senate was able to come together and craft a bipartisan agreement on the treatment of ethanol. It is my hope that the spirit of bipartisanship will continue throughout the energy debate so we can finally put in place a comprehensive national energy policy.

Mr. LUGAR. Mr. President, our dependence on oil from the Middle East represents a grave national security threat. The events of September 11 have underscored the urgency of moving forward on multiple fronts to improve our energy situation in the short term and achieve energy independence in the long term.

I have long believed that renewable energy is a vital part of the solution. Renewables are essential to freeing ourselves and developing countries from growing dependence on oil imports from volatile regions of the world. They also help address climate change. This is why I have long supported increased funding for biomass, solar, and other renewable energy programs.

Today I am proud to introduce with my colleagues a bipartisan agreement on provisions in the energy bill that would go far toward diminishing our Nation's dependence on oil imports. The proposal incorporates into the energy bill the Daschle-Lugar national renewable fuels standard legislation that Senator DASCHLE and I introduced in May of 2000.

This proposal, like the legislation I introduced with Senator DASCHLE, would phase-out the use of MTBE, Methyl Tertiary Butyl Ether, and increase the use of ethanol and biomass ethanol as the clean fuel additive to gasoline. Use of biofuels would nearly triple over the next decade.

Fuel derived from biomass offers the most promising long-term approach to the problems of oil dependence. Previously, ethanol could only be produced efficiently from a tiny portion of plant life including corn and other feedgrains. High production costs made a broad transition to ethanol fuel impractical. But recent breakthroughs in genetic engineering of biocatalysts, enzymes, bacteria and yeasts, make it possible to break down a wide range of plants. Like the Daschle-Lugar legislation, the proposal that we are introducing today includes a special credit for ethanol used under the renewable fuels standard program that is produced from non-grain cellulosic materials like rice straw, municipal waste, and fast-growing poplars. Such fuel is environmentally friendly and would not require significant changes to America's automobile-based infrastructure.

There is a virtual consensus among scientists that when considered as part of a complete cycle of growth, fermentation, and combustion, ethanol contributes no net carbon dioxide to the atmosphere. The transition to cellulosic ethanol would have a positive effect on air quality in American cities.

Cellulosic ethanol could be introduced directly into our current auto infrastructure with only modest changes. In fact, Henry Ford originally thought ethanol would be the fuel of choice to power cars. Studies indicate that the United States has more than enough idle land to supply a significant portion of its transportation fuel needs with cellulosic ethanol. Cellulosic ethanol compares favorably to gasoline in its performance as an internal combustion engine fuel with considerably higher octane levels. Reductions in processing costs of ethanol are already occurring, and further reductions are imminent. We must remember that ethanol processing remains a relatively young industry. Oil processing is cheaper now because it has had the benefit of a century of intensive research and development.

Further market penetration of cellulosic ethanol as a fuel provides a cash crop to any region that grows grass, trees or other vegetation. This offers enormous potential for rural development both in the United States and abroad. Such a democratization of world energy supplies could reduce armed conflict, lower the risk of global recession, and aid in the development of emerging markets. National security complications and costs stemming from the need to safeguard Middle Eastern oil resources will be diminished.

The agreement my colleagues and I reached on the renewable fuels standard provision of the energy bill will form an important and essential component of our national energy policy, but it is only the beginning. I encourage my colleagues to support this agreement and to work with President Bush to achieve national energy security.

Mr. CRAIG. Mr. President, I rise today to discuss the renewable fuels provision in the energy bill that we are debating. Renewable energy sources are an increasingly important part of our energy generation, and it is clear that they will only continue to increase in importance. Thus, the debate is not over whether or not we will develop renewable energy resources, but how we will do so.

Throughout my career in Congress, I have supported and led efforts to explore the development and promotion of renewable fuels. I have done this for several reasons including their value in offsetting our nation's dependence on foreign sources of energy, their environmental benefits, and the potential economic opportunities for agricultural producers and rural communities. Clearly, hydropower is our greatest renewable supply. About ten percent of our nation's electricity is from hydropower. However, another very promising renewable energy source with

great potential is ethanol, and this is the area where I want to concentrate my discussion of renewables.

Ethanol has already proven its importance to the nation. Its use as part of the clean fuel program has dramatically reduced air pollution in many cities across the nation. In fact, cities around the nation have found that using fuels with an ethanol blend help them to meet federal clean air targets. Ethanol also helps us to take a step closer to energy independence. By increasing our use of ethanol, we will rely less on imported foreign oil and more on America's farmers.

Another benefit of ethanol is that, at the same time it helps the environment and makes our nation more energy independent, it also helps our rural communities. As a rancher in Midvale, Idaho, I believed—and still do—that energy can be a value-added opportunity for agriculture and I have worked to advance technological opportunities for ethanol and other bio-fuels. Currently, ethanol uses around seven percent of our nation's corn crop, and ethanol production facilities are an important economic resource in many states, including my own. Without this economic stimulus, many rural communities, which are already poorer and have higher unemployment than the rest of the Nation, would be hurting even more.

For these reasons, I have always been a supporter of ethanol. As part of my efforts to promote it, there have been numerous times in the past when I supported legislation to help our nation develop its ethanol industry. For example, I was proud to join a majority of Senators in voting to support the 5.4 cent per gallon tax credit for ethanol, which ensures the ethanol tax credit will be in place until at least 2007—something crucial to existing ethanol plants and to those considering new production facilities. I also led an effort, in cooperation with the American Soybean Association, in the 105th Congress to ensure that biodiesel was considered an ''alternative fuel'' under the Energy Policy Act of 1992 (EPACT). My legislation, which was passed by Congress and signed into law by the President, now allows fleet operators to purchase vehicles powered by biodiesel under the requirements of EPACT.

However, more needs to be done. Ethanol and other renewable energy resources must be encouraged in order to protect our environment and help our quest for energy independence. This bill has many important provisions relating to ethanol, and I want to encourage my colleagues to support these provisions. The increased use of ethanol that would occur if this bill passes will be good for the environment, good for our energy independence, and good for our farmers. It is much better to rely on the farmers of Idaho or Iowa or Kansas for our energy needs instead of Saddam Hussein.

I look forward to working with the Bush administration, my colleagues in the Senate, and my constituents to develop a comprehensive energy policy that includes a new and strengthened resolve to develop domestically grown renewable sources of energy. The ethanol language in this bill is an important step in that direction. Bio-fuels, including ethanol, can and should be an important part of our path to energy independence, and I urge my colleagues to support the renewable fuels provisions in this bill.

Mr. HARKIN. Mr. President, America needs a new energy policy that will increase America's energy independence and reduce the dramatic energy price spikes that hit Iowans right in the pocketbook. We need a forward looking, sustainable and environmentally friendly policy that will provide for America's national security and economic security.

One of the keys to our energy future is a sustainable, environmentally friendly energy policy that includes the adoption of a nationwide renewable fuels standard. By requiring that a percentage of all the gasoline marketed in America contain renewable fuels we can greatly improve our energy security, protect the environment, and create jobs through the farm-based products used in energy production.

I've worked for years in the Senate to build bipartisan consensus for the creation of a national renewable fuel standard, introducing my own legislation and cosponsored similar legislation by Senators TIM JOHNSON, and CHUCK HAGEL. This bipartisan effort paid off when we included a renewable fuels provision in the Senate energy bill recognizing the benefits of the oxygen content requirement in the reformulated gasoline program.

The bipartisan renewable fuels provision will greatly increase the production of the fuels of the future, such as ethanol and biodiesel. By directing refiners and importers to increase the use of renewable fuels to 2.3 billion gallons in 2004 and 5 billion gallons in 2012 we can significantly increase the nationwide demand for ethanol, which was approximately 1.8 billion gallons in 2001.

This bipartisan proposal also says that the government should lead by example and use alternative fuels in 50 percent of all Federal Government vehicles by 2003 and 75 percent by 2005. This is a common sense approach which has been proven to work in Midwestern States, like Iowa, where 100 percent of all gasoline used in State vehicles contain clean-burning, renewable ethanol.

Renewable fuels already help improve our environment, provide energy security, and increase farm incomes and create jobs in rural America. Authoritative estimates indicate that a renewable fuels standard would increase demand for corn for ethanol from 650 million bushels to 2.5 billion bushels in 2016 which would increase the price of corn by an average of 28 cents per bushel and create 300,000 jobs nationwide.

America's energy past has been one of fossil fuels, air pollution, and dependence on foreign oil. Our new energy policy should not repeat the mistakes of the past. It must be forward looking, it must invest in a sustainable and independent energy future and not subsidize the failed policies of the past. America's energy future can start today with a greater investment in renewable energy.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Madam President, first of all, I thank the Senator from Nebraska for his leadership on this issue. We are talking about the energy bill today in the Senate Chamber. We have been on this bill for some while, and we hope very much we will conclude it soon. But one piece of the energy bill deals with what is called the renewable fuel standards. For those who are not accustomed to what the titles mean, it simply means alternative fuels, such as ethanol.

Ethanol is an awfully good example—there are others—of what would help us reduce our reliance on foreign sources of energy.

I have been to ethanol plants around the country, and a couple of them in North Dakota. It makes good sense, from a kernel of corn or a kernel of barley, to be able to take the drop of alcohol from that kernel of corn to extend America's energy supply, and, at the same time, have the protein feed stock left to feed the cattle. So you have a circumstance where you grow your fuel.

Frankly, I did not know much about this a couple of decades ago. I saw an ad in one of the big daily newspapers, and it was by one of the largest oil companies in the country. It said: We oppose ethanol production because it really isn't very viable and doesn't contribute much.

I thought: Well, if the biggest oil companies are opposing this, I ought to take a look at it. And I did. I discovered, sure enough, using the approach to take alcohol from grain, for example, to extend America's energy supply, holds great promise for our country.

Since that time we have, of course, seen additional plants be developed in this country as well as more production of renewable fuels. But, it seems to me, everyone here understands that we have an enormous amount of our energy coming from a part of the world that is inherently unstable: Saudi Arabia, Kuwait, part of the Middle East, and Central Asia. We have all of this oil and natural gas coming from parts of the world that are unstable. And our economy depends on that constant source of supply.

That is an enormous risk to our economy in this country. What do we do about that? We do a lot of things, one of which is to create a renewable fuel standard by which we aspire, as a country, to get more of our energy supply in renewable fuels. We can do that. We can have that kind of future if we set goals and reach those goals.

Today, ethanol reduces the demand for gasoline and for MTBE imports by 98,000 barrels a day. That makes great sense, as I said, to take the alcohol from a kernel of corn and extend America's energy supply.

The American Petroleum Institute now supports this. The National Corn Growers, the Renewable Fuels Association, the National Farmers Union, and the Farm Bureau all have sent letters to Senator DASCHLE and Senator LOTT expressing their support for this version.

Madam President, 1.8 billion gallons of pure ethanol are currently produced in our country. This provision that we are debating would add 3.2 billion new gallons of ethanol, for a total of 5 billion gallons by the year 2012. That translates, for example, into a new market for American corn of 1.19 billion bushels of corn.

That helps family farmers, obviously, to be able to produce a crop, and use that crop, on a renewable basis, to extend America's energy supply. It means new opportunities for farmers to invest in value-added processing of a product they are already growing.

I might, while I am here, also say there are some other interesting and exciting things happening in my home State of North Dakota.

The Aerospace Program and the Environment and Energy Research Center, both at the University of North Dakota located in Grand Forks, are researching potential uses of ethanol as aviation fuel.

Aviation fuel is the last fuel in the United States that still contains lead. Ethanol, in our judgment, could be used for aviation fuel, and so the University of North Dakota is teaming with South Dakota State University and the FAA on a program to get ethanol approved and certified to help replace lead-based aviation fuel. The University of North Dakota, in fact, is hosting a conference on this subject in the month of May. And they are going to bring together aviation fuel distributors, pilots, plane manufacturers, and others, to determine the future role that ethanol can play in the aviation industry as an aviation fuel.

We are talking, in this energy bill, about a lot of things. As I have indicated before, we are talking about electricity. We are talking about a renewable portfolio standard in that area. We are talking about limitless and renewable fuels in this area, the renewable fuels standard.

There are a lot of people who deserve credit for bringing us to this position, because it has been a lot of hard work. We have had a lot of opposition over the years for ethanol production. But I think, finally, we have broken through, and this represents a kind of a new beachhead for opportunities in our country to understand what ethanol and what renewable fuels can do to extend America's energy supply.

I indicated yesterday the I have been recently, in the last couple of months, to Central Asia. Those of us who have traveled in the Middle East and Central Asia understand that we cannot continue to hook America's economy to a constant fuel supply that comes from parts of the world that are so inherently unstable.

We need to do better than that. We need to produce more of our own energy. Part of that is, yes, digging and drilling for natural gas, oil, coal, and doing that in an environmentally sensitive way, and the underlying bill does that. But a significant part of it is also in the area of limitless and renewable sources of energy. That is exactly what we are talking about today. That is what the Senator from Nebraska began talking about this morning.

I am really pleased to be in this Chamber to support this. I want to see a series of ethanol plants dotting the prairies in the Northern Great Plains in this country which can take kernels of corn, barley, and other grains, put them in an ethanol plant, extract the drop of alcohol, extend America's energy supply and still have protein feed stock left for animals. That makes good sense for family farmers and good sense for America. It is not just national security; it is also energy security, which translates into national security. And that has its roots in this renewable fuels standard.

So I thank my colleague from Nebraska. I am pleased to be with him and so many others in this Senate Chamber who have worked hard on this for a long period of time.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. DEWINE. Madam President, I yield myself 15 minutes from this side's time.

The PRESIDING OFFICER. The Senator has that right.

AMENDMENT NO. 2997

Mr. DEWINE. Madam President, I want to talk today about one aspect of this debate about CAFE standards. To me, this aspect is the most important consideration.

I know we have talked about many different things. We have argued this issue, and we have talked about many statistics which have been given.

I believe it would be a mistake to approve the underlying bill without the Bond-Levin amendment. I support the Bond-Levin amendment because I believe the underlying bill, quite bluntly, will cost thousands and thousands of lives. So for this Senator, while the other issues are important, the most important is this: Are we going to say, as a Congress, as a Senate, as the Government, that we are going to force people into smaller cars, when we know, by every piece of evidence that we can find, that smaller cars lead to higher fatalities? To me, that is the question. I think it would be a tragic mistake for us to do this.

I know people have come to this Chamber—and I have listened to a lot of the debate—and have said that is just not true, it is not going to cost lives. They have argued about how many lives it will be. They have argued about whether the statistics that have been cited are accurate. But every scientific study that I have seen that really has much validity shows that some lives will be lost. In addition to that, I think good common sense tells us that as well.

In 1989, a study by Robert Crandall of the Brookings Institution and John Graham of the Harvard Center for Risk Analysis provided the first evidence suggesting a negative relationship between weight and vehicle occupant fatality risk.

Another study from Dr. Leonard Evans, president of the International Traffic Medicine Association, found that large, heavy cars lower the risk to drivers. His study suggested that more passengers, i.e., more weight within the vehicle, reduced fatalities by 7.5 percent.

The National Highway Transportation Safety Administration, NHTSA, and the Insurance Institute for Highway Safety found that since 1975, 46,000 people have died because of the 1970s-era push for greater fuel efficiency that has led to smaller cars.

For every mile per gallon gained by the standards increased, 7,000 people have died according to the USA Today. According to the National Academy of Sciences and supported by the National Safety Council and the American Trauma Society, CAFE standards have led to 1,300 to 2,600 additional crash fatalities and 97,000 to 195,000 total injuries. The NAS report says:

> [I]t is clear that there were more injuries and fatalities than otherwise would have occurred had the fleet in recent years been as large and heavy as the fleet of the mid-1970s.

According to the July 2001 issue of the American Journal of Public Health, the rates at which drivers crash are strongly influenced, of course, by drunk driver behavior. But the relative risk to each driver when a crash does occur is not affected in any obvious way by driving behavior. The relative risk is enormously influenced by relative masses of the involved cars. That is pretty simple. In other words, if two cars crash into each other, and one of them is twice as heavy as the other, then the driver of the lighter car is about 12 times as likely to be killed.

Again, according to the Insurance Institute for Highway Safety, between 1991 and 1997, 41 percent of all car deaths occurred in single-vehicle accidents. So we need to ask ourselves this: If you or a member of your family are going to be in one of these single-vehicle accidents, in what kind of a car should you be sitting? Obviously, the heavier the car, the safer you are.

In the year 2000, the motor vehicle death rate per 100,000 people was especially high among 16 to 24-year-olds—that is what we continue to see—and people 80 years and older. These are the portions of the population most likely, candidly, to buy a car based on financial situations since lighter cars are

cheaper to purchase and fuel. Now, in all fairness, there are other reasons why 16 to 24-year-olds are involved in more fatal accidents, but this is certainly one of them.

Finally, according to the Competitive Enterprise Institute, based on J. DeFalco's findings in the ''Deadly Effects of Fuel Economy Standards, CAFE's Lethal Impact on Auto Safety,'' in my own State of Ohio, it is estimated, based on the data, that in the year 2000, 768 passenger car occupants died because of these CAFE standards.

I believe the statistics are clear. Simply put, we cannot increase CAFE standards without increasing fatalities. Yes, there are actions you can take to improve safety, such as airbags and other safety devices, and we are certainly moving in that direction, albeit more slowly than this Member would like. Yes, you can argue that the safety effect of downsizing and downweighting as a result of CAFE standards has been negligible because the injury and fatality experience per vehicle mile of travel has, in fact, steadily declined during the changes in the fleet. That is true.

However, a 1992 National Research Council report suggested that reduced risk of motor vehicle travel is part of a long-term historical trend tracing way back to 1930, and the improving safety picture is the result of various interacting and sometimes conflicting trends.

So while things such as enhanced vehicle designs, increased rates of safety belt use, better roads, and decreased drunk driving are, in fact, reducing crash injury risk, there are other variables, such as higher speed limits or no speed limits on some roads, increased horsepower, and an increased number of teenagers and other risky drivers on the road that are increasing crash injury risk. In short, technological innovations don't get you out of a CAFE safety bind.

In the words of Dr. Leonard Evans, to argue this is

> [L]ike a tobacco industry executive saying that smoking doesn't endanger your health because with everything we know about diets and exercise, you can smoke and still be as healthy as a non-smoker. It is true that with current knowledge about keeping fit, smokers can be healthier. But, this knowledge can make a non-smoker even healthier yet. If you smoke, you're going to be taking a risk no matter what.

Similarly, if you get in a car, you are taking a risk no matter what. That is just reality. We accept that there will be a certain number of accidents and injuries and deaths. We know that. We may not accept it, but we understand it. But the question really is about the weight and size of cars. You can argue about how many lives are lost or saved, what the exact figure is, what the exact number is. You can argue about how many variables impact safety and which variables have the most impact.

You can argue about how much the environment will be affected by this bill. You can argue about oil dependency. But in the end, one of the main variables that we know will make a difference in determining how many Americans die next year driving automobiles or as passengers in automobiles is the weight of the car. That is a variable we know will make a difference.

For me, that is what it comes down to. As millions of Americans, I do read Consumer Reports. Year after year, I take a look at the annual report that lists the cars and rates them for many reasons. It rates them for safety. One of the special reports every year is a safety report. You can look down and see how they rate each size car. They always break them down into the larger cars, the heavier cars, all the way down to the light cars.

What you will see is that, yes, some of the midsize cars do very well. Some of the smaller cars do better than you might expect. But what you clearly can see is that by and large, if you are interested in safety, you buy a bigger, heavier car.

I am not suggesting that every American should do that or can afford to do that. I am suggesting that is something that every American should have the option to do. Every American should have the option within their means to as best they can protect their family from highway fatalities. They should be able to intelligently choose their car. They should make the choice of the car, what safety features the cars have, and they should be able to make the choice in regard to the weight of that car.

I believe the underlying bill strikes at that freedom, at that liberty, and at the ability of parents to protect their children in the car, the ability of someone buying a car to protect themselves or their loved ones. It is a tragic mistake.

I will be supporting the Levin-Bond amendment. It is a rational compromise. It is an approach that makes sense. It is not micromanagement from the Congress but is allowing the science and technology to take place and to be utilized. I hope if that amendment does pass, when the decisions are made in regard to setting of the standards, highway safety will not just be one of the items considered, that highway safety will be at the top of the list.

Madam President, I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. NELSON of Nebraska. Madam President, we yield time to the distinguished Senator from the State of Missouri, who will speak. We are alternating, but if there is no one on the other side to speak, then Senator JOHNSON will be next.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mrs. CARNAHAN. Madam President, the Senate is engaged in an important debate on our Nation's energy policy. America needs an energy policy that reduces our dependency on imported oil, one that increases our energy efficiency, promotes the use of renewable fuels, and encourages additional domestic production of fossil fuels.

We need an energy policy for the 21st century—not a pipeline to the past. The bill the Senate is now considering is a good foundation for this debate.

This legislation promises to increase our domestic natural gas supply dramatically. It improves energy efficiency standards. It requires that the Federal Government lead in using our natural resources more efficiently. To me, the most exciting aspect of this bill is that it encourages production and use of renewable fuels. One of the most promising of these is ethanol. By blending ethanol with gasoline, we can reduce our oil imports and we can reduce the environmental damage of vehicle emissions.

This legislation lays out a plan for increasing the amount of ethanol Americans use, and I strongly support these provisions. As America struggles to meet its growing energy needs, ethanol provides extraordinary opportunities. This product is made from corn and, unlike fossil fuels, can be produced in abundance. The more ethanol we use to fuel our cars and trucks, the less oil we will need to import from hostile countries such as Iraq. Rather than looking to the Mideast for energy, we would be far better off to look to the Midwest. With the use of a corn-based product such as ethanol, we can create an enormous market for homegrown agricultural products. At the same time, we can reduce the emission of harmful greenhouse gases. In short, ethanol use is good for the economy, good for the environment, and good for our national security interests.

Ethanol is a relatively new fuel, and we are still building the infrastructure and capacity for wider use of this product. Last year, I introduced legislation to promote the production and the use of ethanol-blended fuels and other value-added agricultural products.

My legislation proposed to expand eligibility for the tax credit available for small producers of ethanol. I am very pleased that these aspects of my bill have been included in the amendment crafted by the Senate Finance Committee. These changes will ensure that farmer-owned cooperatives are eligible to receive the tax credit. They will also encourage small producers to expand the size of their operations to meet increased demands.

Under this legislation, facilities that produce as much as 60 million gallons a year could still qualify as small producers. These changes are necessary if America is to meet the demand for ethanol envisioned by this bill.

Last year, America produced less than 2 billion gallons of ethanol. Under this legislation, annual ethanol use would increase to 5 billion gallons over the next 10 years.

Ethanol is truly a win-win solution to our energy needs. The increased use required by this legislation represents

a positive step for our farmers, for our environment, and for energy independence.

I support the compromise of this bill that will lead to the increased use of ethanol, and I urge my colleagues to support it as well.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. JOHNSON. Madam President, I am pleased to rise today to speak about the inclusion of a renewable fuels standard in the pending energy bill. In the midst of the ongoing debate about this legislation, it is heartening to see us come together on an issue that has the potential to enormously improve our Nation's transportation fuel supply.

This is a landmark provision that will improve our energy security and provide a direct benefit for the agricultural economy in my State and in other rural States across our country. Senator DASCHLE should be commended for his hard work in bringing the parties and the industries together to reach a bipartisan consensus that will help our Nation in the next decade and in the decades to come. Senator JEFF BINGAMAN, chairman of the Energy Committee, also deserves commendation for working with us to include this package in a comprehensive energy bill.

As we all know, there has been a great deal of discussion this past year about our Nation's energy. The increasing volatility in gasoline and diesel prices and the growing tension in the world from terrorist attacks have affected all of us. There is a clear need for energy policies that will address issues of the environment, issues of improving our trade balance, clean air, energy security, our farm economy, and more jobs in America. This provision addresses all of those issues.

Earlier this year, I introduced legislation with my friend and colleague from Nebraska, Senator CHUCK HAGEL. Our legislation, the Renewable Fuels for Energy Security Act of 2001, S. 1006, was designed to ensure future growth for ethanol and soybean-based biodiesel fuels through the creation of a new renewable fuels content standard in all motor fuel produced and used in the United States. I am also a cosponsor of another renewable fuels bill that was introduced by Senator DASCHLE and Senator LUGAR. I am pleased that an effort has been made here to incorporate these bills in a comprehensive energy legislation bill and that we have the package we are considering today.

Meanwhile, the House of Representatives passed an energy bill that contains no renewable fuels standard of any kind. It is the Senate legislation that is the groundbreaking bill which will determine whether our Nation will, in fact, go forward with a thoughtful renewable fuels standard for our Nation. So it is with some pride and satisfaction that, in a bipartisan fashion, the Senate has come together on this issue. It is clear that Senators—particularly from rural States but others as well—understand the importance of including a new standard in our energy legislation.

Today, ethanol and biodiesel comprise less than 1 percent of all transportation fuel in the United States, and 1.8 billion gallons is currently produced in our country. The consensus package we have today would require that 5 billion gallons of transportation fuel be comprised of renewable fuel by the year 2012. Ambitious but doable. That is nearly a tripling of the current ethanol production for the coming decade as we incorporate this new standard.

I don't need to convince anybody in my State of South Dakota or other rural areas of the benefits of ethanol to the environment and the economies of rural communities. We have several plants in South Dakota and more are being planned. These farmer-owned ethanol plants in South Dakota, and in neighbor States, demonstrate the hard work, commitment, and vision we see in rural areas and the commitment to a growing market for clean domestic fuels.

Based on current projections, construction of any new plants will generate roughly $900 million in capital investment and tens of thousands of construction jobs in rural communities. For corn farmers, the price of corn is expected to rise as much as 20 to 30 cents a bushel. Farmers will have the opportunity to invest in these ethanol plants to capture a greater piece of the ''value chain.'' Combining this with the provisions in this bill and the potential economic impact for South Dakota is tremendous.

An important but underemphasized fuel is biodiesel, which is chiefly produced from excess soybean oil. We all know soybean prices are hovering near historic lows. Biodiesel production is small but has been growing steadily. The renewable fuels standard would greatly increase the prospects for biodiesel production and greatly benefit soybean producers all across our land.

It is important that Congress take a serious look at these issues beyond just the economic impact to our region. Bio-based fuels offer multiple benefits—from addressing climate change to improving our trade balance.

By increasing fuels production in rural areas of our Nation, we can also reduce the need for new refineries and new pipelines.

The renewable fuel standard over the next decade will displace roughly 1.6 billion barrels of oil without any additional drilling and could increase ethanol renewable fuels being more widely used. In addition, it takes 1 gallon of ethanol to the same amount of fuel that produces 2 gallons of oil.

A substantive bill that improves the Nation's energy security can only be enacted if we work in a bipartisan manner. Problems and difficulties our Nation faces are simply too important to be bogged down in partisan rhetoric. The consensus emerging on this issue demonstrates the benefits of working together to find real solutions for our Nation and should serve as a model for the consideration of the rest of the legislation we take up this year.

Again, I thank Senator HAGEL, Senator DASCHLE, and Senator BINGAMAN for their extraordinary efforts and for working with me as we have developed this amendment and included it in this important legislation.

We know we are not to the goal line yet relative to the renewable fuel standard. This energy legislation remains controversial as a whole, with issues ranging from drilling in ANWR to CAFE standards, all creating hurdles to its final passage. But I am pleased to see the kind of bipartisan consensus that reaches across industries on the renewable fuel standard.

It is my hope when the dust settles at the conclusion of this debate that we will have a comprehensive energy bill that will include this provision. Whatever else happens, this Congress cannot adjourn at the end of the year without having addressed the need for a renewable fuel standard in this or some other comprehensive legislation.

I thank the Chair. I urge my colleagues to be supportive of the renewable fuel standard, and I look forward to final passage of this legislation. I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. NELSON of Nebraska. Madam President, I thank my colleague from South Dakota, who has worked so long and hard on this issue and has cosponsored the Hagel-Johnson/Johnson-Hagel legislation that helped lead the way to this particular part of the energy bill. I thank him for his constant support and vigilance on the issue.

It is clear that this issue has achieved a wide bipartisan result with strong support from both sides of the aisle. It is also very apparent that some of the challenges the ethanol or biofuels industry faced in the past have lessened as a result of the hard work of so many.

There was a time when there was an absolute conflict between oil and ethanol producers and between the interests that supported each of those industries. This past week, an agreement was announced that brought together the environmental industry as well as the petroleum industry. I thank the API for their support. It is a clear recognition that this is a way to work together to support an energy policy that will benefit all Americans and benefit our world as well.

It is important to point out that while we continue to stress the importance of more domestic production and reduce the reliance on foreign sources of oil, there is a role that the industry domestically and the renewable fuels industry today can play together, a role that finds room for both domestically produced oil as well as foreign-

produced oil and domestically produced energy in the area of renewable fuels.

It is pleasant to recognize we have crossed that line and have been able to bring together parties from different industries to recognize the common goal of the ability to rely on our own needs to the extent we can with our own production. That is clear in moving from 1 percent of the oil and fuel needs of our country and the supply to up to 4 percent in just 10 years. That is not only a move in the right direction, it is a move away from some of the reliance we have had in other areas of the world where stability is not strong for our future but certainly puts us in peril for the future needs of our energy.

It is also very important to point out that this industry, with the renewable fuel standard that will be created and with the ethanol and other biofuels processing plants that will be springing up all over America, can extend to the rural areas.

I know the distinguished Presiding Officer is concerned about, in her own State, the erosion of the rural areas in population and the decreasing opportunities that exist in some of the rural areas. This industry can extend across America because of the reliance on biomass—and it is not simply limited to the corn-producing States or other States more closely associated with farm products—and not only be a strong industry far beyond a cottage industry, but it can certainly extend to many of the other States that are not always considered part of the agricultural producing industry in America today, but we know they are. Therefore, this is, as the distinguished Senator from Missouri said, a win-win situation for all of us.

I am also pleased there is a cutting-edge technology that continues to be a part of this biofuels effort. Many States are today advancing the new technology, which the distinguished Senator from North Dakota mentioned, of aviation fuel that can be extended to biorefinery products.

The High Plains facility in my State of Nebraska at York is processing the plant's waste stream in an anaerobic digester for the production of biogas that can be used to dry the distiller's grains and operate the plant, so that the plant has the opportunity ultimately to be self-sustaining in terms of its own energy needs as it produces energy for the rest of the country.

The Dow-Cargill facility in Blair, NE, is currently producing ethanol but in short order will be producing biodegradable plastics for use in the food industry in that same facility. They produce energy, but they will be producing an environmentally friendly plastic that will be biodegradable rather than what we are currently using.

Later in this session, I hope to offer an amendment calling for a Manhattan-type project to aggressively advance the biorefinery concept—the production of biofuels, bioenergy, and biochemicals in integrated facilities. A major resource commitment, utilizing the unique capabilities of the Department of Defense to take a concept from inception to fruition, is needed in this country to ensure that 10 years from now we have established the commercial technology base to produce many billions of gallons of renewable fuels in dispersed and decentralized installations around our country.

There is the opportunity for increased technology, for increased production of biofuels that will assist us in the growth that is being sponsored by this legislation with the expectation that perhaps it is only the beginning—that, in fact, we can exceed the requirements that will be provided in this bill in years to come.

I am proud the production and the testing of these products is underway today and will expand into the future and be a nationwide emphasis, whereas today clearly the emphasis has been more limited and more discussed in terms of the rural areas of the Midwest. This is about more than the Midwest. It is about, in fact, a national energy policy that will end up with national energy needs, in meeting those needs from so many different parts of our world and our Nation.

The energy needs are clear, and that is why this energy bill is important. But not only are the needs important, but the sources of production to fill those needs likewise are important. That is why this particular provision is extremely important to deal not only with the energy needs, but to deal with a cleaner environment, for economic development, and obviously for national security by relying on our own sources for more of our own energy production.

Shortly, Senator LINCOLN from Arkansas will be joining us. I might mention, as I did before, as part of the Governors' Ethanol Coalition that was established in 1991, we had a distinguished Governor from the State of Arkansas in that initial group who kept his commitment to supporting ethanol not only in his role as Governor but as the President of the United States. It is also important to point out that as we have continued to expand the role of the current President, while the Governor of Texas he participated in that Governors' Ethanol Coalition, making it a broad-based group of 26 States and several countries working together to continue to support ethanol and the development of biofuels to deal with our energy needs.

Until the distinguished Senator from Arkansas arrives, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. NELSON of Nebraska. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON of Nebraska. Madam President, as we are waiting for Senator LINCOLN, perhaps it is important to point out some of the truths about the renewable fuel standard and debunk some of the myths that sometimes have continued for a period of time as a method of trying to avoid dealing with the need for more domestic production and as a means of deterring our efforts for this renewable fuel standard.

There is a myth that somehow there are inadequate supplies of ethanol to meet the demand that will be created by this renewable fuel standard. The fact is, the ethanol industry has been growing substantially in recent years. If I could get the chart that shows the growth within the industry, it has been growing in recent years in anticipation of the phaseout of MTBE, particularly in the State of California. We can see the historic fuel ethanol production over the course of the last 20 years. It continues to increase.

According to the Renewable Fuels Association, 15 new plants have opened and several expansions have been completed, increasing U.S. ethanol production capacity to 2.3 billion gallons. Thirteen plants are currently under construction and will bring the total capacity to 2.7 billion gallons by the end of 2002. A survey conducted by the California Energy Commission concludes that the ethanol industry will have the capacity to produce 3.5 billion gallons a year by the end of 2004. So achieving the 5 billion gallon requirement over a 10-year period is clearly within reach, and we are clearly on our way to achieving that.

There is also a myth that MTBE will result in a shortage of gasoline-blending components; that if we remove MTBE it will result in a shortage of gasoline-blending components that will therefore reduce U.S. fuel supplies. The fact is, while acknowledging there will be enough ethanol, some have suggested there will be a shortage of gasoline-blending components needed to replace MTBE.

MTBE is currently blended at 11-percent volume, largely in Federal reformulated gasoline in the Nation's nine severe ozone nonattainment areas so we can satisfy the oxygenate requirements.

Ethanol is used exclusively today in RFG in Chicago and Milwaukee, where it is blended at 10-percent volume. Ethanol used in RFG to replace MTBE will similarly be blended at the 10-percent level, mitigating any loss in supply from MTBE's removal. A large share of the ethanol-blended formula will satisfy the renewable fuel standard. It will be blended in conventional gasoline where it simply is blended with finished gasoline, adding an additional 10-percent volume to the U.S. fuel market. In other words, it will, in fact, expand the availability of fuel rather than reduce it.

There is another myth: that the RFS will result in significant price increases for consumers at the pump. The

fact is, S. 517 does not require a single gallon of renewable fuels be used in any particular State or region. The additional flexibility provided by the RFS credit-trading provisions of S. 517 will result in much lower costs to refiners and therefore to consumers. The credit-trading system will ensure that ethanol is used where it is most cost effective.

According to ChevronTexaco, the free market will not allow a California price differential of 20 to 30 cents per gallon to be sustained. The market will always find ways to take advantage of a much smaller differential. Furthermore, a nationwide Federal MTBE ban provides certainty for investments and eliminates the greater use of boutique fuels, thereby lowering gasoline prices.

One of the constant challenges we have today is the use of boutique fuels, the blending of certain grades and certain kinds of fuels, which actually has the impact that while reducing efficiency it raises the cost of gasoline prices. This will have the effect of moderating that, and it will, in fact, reduce the number of boutique-blended fuels and therefore reduce the cost of production of these fuels.

Increasing the use of renewable fuels such as ethanol and biodiesel will diversify our energy infrastructure, making it less vulnerable to acts of terrorism and increases the number of available fuel options, increasing competition, and reducing consumer costs of gasoline.

There is a myth that more time is needed for the MTBE phaseout to ensure adequate fuel supplies. The fact is, the negotiated agreement set forth in S. 517 announced last week provides for a 4-year phaseout of MTBE, giving the petroleum and the transportation industries adequate lead time to make necessary changes to accommodate the increased use of renewable fuels. In fact, the American Petroleum Institute, the lead trade association for the refining industry, agrees that 4 years is an adequate phaseout period, and cost estimates for removing MTBE must also consider the cost incurred in additional MTBE water contamination if MTBE is not removed from the fuel supply.

A recent poll conducted by the California Renewable Fuels Partnership concluded that 76 percent of likely voters supported banning MTBE because we cannot afford the pollution caused by MTBE, while only 13 percent think it is a bad idea because of potential higher gasoline prices.

The myth is it will raise gasoline prices when it is not expected to raise those prices. But 13 percent is a bad idea because of potential higher gasoline prices. If they are aware of the fact that it will not raise gasoline prices, perhaps the 76 percent favoring the phaseout, banning it, will increase substantially.

There is another myth important to debunk; that is, ethanol cannot be transported from production centers in the Midwest, where it is currently produced, to coastal markets without incurring substantial investments and therefore large costs to the consumer. Furthermore, ethanol must be blended at the terminal and cannot be shipped by pipeline, constraining the distribution network. The fact is, today ethanol is transported cost effectively from coast to coast by barge, railcar, and oceangoing vessel.

An analysis completed in January for the U.S. Department of Energy assessed the infrastructure requirements including transportation, distribution, and marketing issues for an expanding ethanol industry. The report concludes that no major infrastructure barriers exist to expanding the U.S. ethanol industry to 5.1 billion gallons per year, comparable to the renewable fuel standard established in S. 517. Therefore, the study concludes the logistics modification necessary under the scenario can be achieved cost effectively.

Myths are important to debunk because they will, if not countered, very often stand in the way of the progress of this important part of our energy efforts.

One final myth: Air quality will actually suffer as ethanol use increases nationwide. The fact is, the use of ethanol significantly reduces tailpipe emissions of carbon monoxide, an ozone precursor, VOCs and fine particulates that pose a health threat to children, seniors, and those with respiratory ailments. Importantly, renewable fuels help to reduce greenhouse gases emitted from vehicles, including carbon dioxide, methane, and other gases that contribute to global warming.

S. 517 protects against any backsliding on air quality. First, the agreement tightens the toxic requirements of reformulated gasoline by moving the baseline refiners must meet by 1999 to 2000.

The Northeast States for Coordinated Air Use Management concluded that they are satisfied to have reached an agreement that substantially broadens the ability of the U.S. EPA and our Nation's Governors to protect, and in some cases actually improve to a greater extent, air quality and public health as we undertake major changes in the Nation's fuel supplies.

Those who typically have proposed the myths and have supported those myths and made them a part of current mythology relating to biofuels and ethanol in particular have very often done so out of a lack of information but very often as a result of trying to derail the effort toward expanding this important part of our energy source. That is why it is important we take the opportunity to point out the truthfulness of the facts underlying ethanol and point out the falsehoods in the myths being used to deter our actions toward this amendment.

I note my colleague from the other side. I yield the floor.

The PRESIDING OFFICER (Mr. CARPER). The Senator from Montana.

Mr. BURNS. I thank both of my friends from Nebraska. Both have been champions for renewable fuels, especially in the area of ethanol development.

We all know we have not put forth our best effort toward research and development for the best use of this fuel. I was raised in the Midwest. When people think of ethanol, they think of corn. But corn is not the only grain that can be used. I lend my support to what the Senator from Nebraska is saying, and also to all our work in research and development for making this fuel more viable, making it work, and making it cost effective. It must be one of our big challenges.

I have heard my good friend from Nebraska, the former Governor of Nebraska, make a couple of speeches on ethanol; both his enthusiasm for the product and the benefits it provides. It is not only good for our country, but good for our air and for the agricultural community that sorely needs help.

Increasing the use of ethanol to 5 billion gallons is a step in the right direction. Some say it is possible to increase that figure. It is a number we finally settled on that was acceptable to folks who want to participate in this industry in my State of Montana.

As I have stated, early this morning we spoke of the high-tech task force that we put together on this side of the aisle. We talk of all the research and development for the free flow of information. Here is another area we should zero in on. It will be new structures that will allow us to take advantage of this fuel and make it as efficient as using total gasoline or oxygenated gasolines.

I talk to refiners in the private sector. Nobody wants to make a cleaner fuel than the refiners. The increase in production of ethanol is a good step. However, we should look at what we can do with our land grant universities who have the wherewithal to do some real research and development on this fuel, making it more viable than it is today. We have shortchanged making it better and more cost effective. We can let this work for us.

I support my good friends from Nebraska. I thank them for their leadership on this issue. It is important. I would like to be part of trying to round up a little more money in a government-private sector partnership and allow the research to go forward on this matter.

I thank my good friend from Nebraska. I yield the floor.

Mr. NELSON of Nebraska. I thank my colleague from the great State of Montana for his support. He does have Midwest connections. He had the good fortune to marry a woman from the State of Nebraska. We appreciate his connection with the Midwest and his support.

I yield the floor to the Senator from Arkansas, who will speak on the renewable fuel standard.

Mrs. LINCOLN. Mr. President, I thank my colleague from Nebraska, who has done critical work on this issue. I am delighted to be joining many of my colleagues in discussing the critical role that renewable fuels will play in our national energy policy.

The energy bill we have been considering contains an important provision for renewable motor fuel standards. This provision establishes a national program for renewable fuels to be phased in beginning in 2004.

This program would be flexible, so as not to adversely affect small producers and refineries, and it would provide incentives to encourage the development and use of renewable fuel.

What would be the end result of this program? It would require 5 billion gallons of renewable fuels by the year 2012, significantly reducing our dependence upon foreign energy sources.

What does this mean? This is incredible. I think this is so important for us to stop and take a moment and realize what we are actually doing—5 billion gallons of renewable fuels by 2012. What a dramatic move we are making in the right direction.

I should also mention that this provision includes measures to protect consumers. It would require a Department of Energy study next year, before the program begins, to assess the possible consumer impacts of a renewable fuels program. If the program would have a negative effect on consumers, the Environmental Protection Agency would be authorized to adjust the requirements to prevent these negative effects. By delivering the United States from the whims of groups like OPEC, who manipulate the production and price of oil, we will also reduce our trade deficit by an estimated $34 billion. That will be good for both American economic security and national security.

Furthermore, a renewable fuel standard would create new economic opportunities in rural America. As many as 214,000 new American jobs could be created in response to the renewable fuel standard. It would increase the demand for grain by an average of 1.4 million bushels per year. It would create nearly $5.3 billion in new investment, much of that in rural areas.

Importantly, a renewable fuel standard has attracted broad support—and not only from the agricultural and fuel industries. The American Lung Association, for example, has also offered strong support for this provision, since renewable fuels would provide an effective strategy to reduce toxic air emissions and protect our air quality.

It is an exaggeration to say that a renewable fuel standard could protect the health and well-being of future generations of Americans. Those of us from rural states appreciate the remarkable potential of renewable fuels. That is one reason why the farm bill that recently passed in the Senate also included a renewable motor fuels standard.

In Arkansas, we recognize the importance of renewable fuels in helping the United States to become more energy-independent. That is why we are continuing to move forward with the development of a valuable new alternative fuel: Biodiesel. Biodiesel is a clean-burning fuel that can be produced from domestic renewable sources, such as agricultural oils, animal fats, or even recycled cooking oils. It contains no petroleum, but it can be easily blended with petroleum diesel at any stage of the process—during production at the refinery, in the pipeline, or even from the gas pump into a diesel tank.

Biodiesel can be used in compression-ignition diesel engines with no major modifications. We are there. We are there with a product that is environmentally safe, that is good for our economy, and good for our environment.

In road tests, biodiesel blends have demonstrated performance, fuel mileage, and drivability comparable to petroleum diesel. Biodiesel is simple to use, biodegradable, non-toxic, and essentially free of sulfur and aromatics.

Athough new to our country, its use is well-established in Europe with over 250 million gallons consumed annually. Farmers in Arkansas and other rural States have embraced the development of biodiesel because it makes good economic sense for the farm industry. Biodiesel would allow us to develop new markets and to expand existing markets for soybean oil, cottonseed oils, and other types of agricultural oils.

I have fought to include biodiesel as an alternative fuel, most recently by inserting a biodiesel tax credit in the Finance Committee's energy tax incentives package. This provision was overwhelmingly approved by the committee in a vote last month.

Biodiesel is not yet cost-competitive with petroleum diesel. In order to create favorable market conditions for biodiesel, we need market support and tax incentives to foster these conditions. With today's depressed market for farm commodities, biodiesel would serve as a ready new market for surplus farm products.

Investment now in the biodiesel industry will level the playing field and create new opportunities in rural America.

I believe that biodiesel could be made more available by allowing its use under the Energy Policy Act which Congress passed in 1992. If we expand the alternative fuels options to include biodiesel, we can make even more progress on bringing renewables to a wider market and making them more cost-effective.

Reduced dependency on foreign oil, greater protection of our air and water against pollution and contamination, a strengthened rural economy with new jobs and productive uses for surplus farm commodities, energy sources that are natural, sustainable, and renewable—and all of this now. We do not have to wait. We do not have to retrofit our automobiles. All we have to do is move forward in making this product comparable in the sense that it can be competitive in the marketplace. We can do it now.

These are only a few of the major benefits we will see from increasing our investment in renewable fuels. Now is the time to lay the groundwork to move our Nation in the direction of energy independence. How excited we should be that we have come this far, that we can move quickly now in energy policy to lessen our dependence on foreign oil, to use our own economy, our own production, and our agricultural and rural States to create a better environment and less dependence on foreign oil.

I am very pleased to join Senator NELSON and the rest of my colleagues today in making sure that efficient, renewable fuels will play a key role in our Nation's future energy plan. Now is the time to act.

We have been void of energy policy in our Nation for far too long—one that is progressive, meets our needs, lessens our dependence on foreign oil, as well as putting our people to work —all the while protecting our environment.

I thank my colleagues for bringing up such a critical issue, and I look forward to moving forward on this one quickly.

Mr. President, I ask unanimous consent that several letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

RED RIVER VALLEY
SUGARBEET GROWERS ASSOCIATION,
Fargo, ND, January 18, 2002.

Hon. BEN NELSON,
U.S. Senate, Hart Office Building,
Washington, DC.

DEAR SENATOR NELSON: As the Senate prepares to work on an energy bill, you will have a voice on some important decisions that will affect our country in many ways and for many years to come. One of the most important things you can do to make a difference is to support including a renewable fuels standard in the energy bill. Such a measure would require the oil industry to use an increasing amount of ethanol and biodiesel every year, while giving the oil industry the flexibility to determine when and where it is best to use it.

More importantly, a renewable fuels standard that would require the use of at least five (5) billion gallons of ethanol by 2012 is good energy policy. We hear a lot of talk about reducing our dependence on foreign oil, and this would be the best measurable and tangible step we could take to actually accomplish that goal.

A renewable fuels requirement would increase jobs, something our country desperately needs, create markets for farm products, and help us reduce our reliance on oil from the Middle East—over 66% of the world's oil reserves lie in the politically unstable Persian Gulf. Ethanol and biodiesel can help our country, but we need your support in order to help make that happen. The time is right, and we need your support for this effort. I urge you to contact me if for any reason you cannot support such a provision. Thank you for your help on this issue.

A renewable fuels standard has been incorporated in S. 1766, and we strongly support

that provision. No matter what form the final bill takes, we want to see a renewable fuels requirement in the final version of the Senate's energy bill.

Sincerely,

MARK F. WEBER,
Executive Director.

ACE,
Sioux Falls, SD, March 5, 2002.

Hon. BEN NELSON,
U.S. Senate, Washington, DC.

DEAR SENATOR NELSON: I am writing to thank you for your support for including a renewable fuels standard in the Senate energy bill. The American Coalition for Ethanol (ACE) was one of the first organizations to advocate the creation of a renewable fuels standard (RFS). In fact, I testified on behalf of ACE in support of an RFS in front of the Senate Agriculture Committee all the way back on April 11, 2000. As an organization that represents a broad, grassroots base, including many farmer-owned ethanol plants, rural electric cooperatives and public power districts, ACE feels that a renewable fuels standard that phases in ethanol demand over 10 years will allow more farmer-led ethanol projects to be developed.

A renewable fuels standard will give the ethanol industry the certainty that it needs in order to continue to grow. It will give farmers and bankers the assurance they need in order to keep investing in new ethanol production. At the same time, a renewable fuels standard will also: create badly needed jobs and economic development in rural areas; create opportunities for farmers to invest in the processing of the products they are producing; and significantly reduce our country's dependence on foreign oil, much of which we are importing from Iraq and other countries in the Middle East.

Various studies have shown that there are no barriers to the implantation of a 5 billion gallon renewable fuels requirement. Now, as the Senate begins work on its version of the energy bill, it is time that ethanol and biodiesel be recognized for their ability to help provide for a secure energy future for the United States. We thank you for your support for a renewable fuels standard and will look forward to working with you to further expand opportunities for farmers and rural America.

Sincerely,

TREVOR GUTHMILLER,
Executive Director.

NEBRASKA FARMERS UNION,
Lincoln, NE, March 6, 2002.

Hon. BEN NELSON,
Hart Building,
Washington, DC.

DEAR SENATOR NELSON: As you prepare for the debate on a national energy policy, I want to re-state the importance of the proposed renewable fuel standard to the Nebraska Farmers Union. I know you have been a long-time supporter of this concept but it is important that others understand the impact this proposal can have on the agricultural economy, the environment, and on our country. One example of the potential impact generated by the proposed national standard is clearly illustrated by the ethanol plants in Nebraska. The Clean Air Act Amendments of 1990 and the ethanol program adopted in Nebraska encouraged investment in ethanol plants. The investment in Nebraska ethanol plants yielded a host of economic and environmental benefits. These include the expansion of grain markets in the state, quality jobs in rural areas, displacement of imported gasoline, diversified local tax bases, and the reduction of carcinogenic gasoline components with clean burning ethanol. Enactment of a renewable energy standard would provide a strong impetus for additional investment in new plants throughout the country. New investment will yield additional jobs, additional grain consumption, increased output of clean burning ethanol and additional tax contributions to state and local tax coffers. All these benefits are crucial to the economy of Nebraska and other states.

Higher prices offered by ethanol plants for cash grain helps support our farmers and reduces transportation of crops grown in the state. Local access to expanded grain markets reduces the use of imported fuels and lowers the transportation costs associated with grain marketing. These reduced costs are especially important during times of economic hardship in the agricultural sector.

Theses are many reasons why a national renewable fuel standard is of importance to the national economy. I urge you to continue your strong support for the proposed national renewable fuel standard and to convey the importance of this standard to your colleagues in the Senate.

Sincerely,

JOHN K. HANSEN,
President.

NEBRASKA CORN GROWERS ASSOCIATION,
Lincoln, NE, March 6, 2002.

Hon. BEN NELSON,
Hart Building,
Washington, DC.

DEAR SENATOR NELSON: As you prepare for the debate on a national energy policy, I want to re-state the importance of the proposed renewable fuel standard to Nebraska corn producers. I know you have been a longtime supporter of this concept but it is important that others understand the impact this proposal can have on the agricultural economy, the environment, and on our country. The ethanol plants in Nebraska perhaps best illustrate one example of the potential benefits that can be generated by the proposed national standard. The ethanol development program adopted in Nebraska encouraged investment in new ethanol plants. The investment in Nebraska ethanol plants yielded a host of economic and environmental benefits. These include the expansion of grain markets in the state, quality jobs in rural areas, displacement of imported gasoline, diversified local tax bases, and value-added grain processing.

Enactment of a renewable energy standard would provide a strong impetus for additional investment in new plants throughout the country. New investment will yield additional jobs, additional grain consumption, expanded grain markets, increased output of clean burning ethanol and additional tax contributions to state and local tax coffers. These benefits are crucial to the economy of Nebraska and other states.

Increased demand for ethanol tends to stimulate higher prices for corn. Higher prices bid by ethanol plants for cash grain helps support our corn producers and reduces transportation of crops grown in the state. Local access to expanded grain markets reduces the use of imported fuels and lowers the transportation costs associated with grain marketing. These reduced costs are especially important during times of economic hardship in the agricultural sector.

These are numerous reasons why a national renewable fuel standard is of importance to the national economy, and to our rural economy in Nebraska. On behalf of Nebraska's corn producers, we commend your hard work and thank you for your strong support for the proposed national renewable fuel standard.

Sincerely,

MARK SCHWEERS,
President.

NE ETHANOL BOARD,
Lincoln, NE, March 5, 2002.

Hon. BEN NELSON,
Hart Building,
Washington, DC.

DEAR SENATOR NELSON: As you and your colleagues prepare to continue the debate on a national energy policy, I want to take this opportunity to reiterate the importance of the proposed renewable fuel standard. I know you have been a longstanding supporter of this concept but it is important that others understand the profound impact this proposal can have on our country. One example of the potential impact generated by the proposed national standard is clearly illustrated in Nebraska. The ethanol development program adopted in Nebraska more than a decade ago has yielded a host of economic and environmental benefits. These include the following:

Construction of seven grain processing plants that annually convert 20 per cent of the Nebraska corn and grain sorghum crop to clean burning ethanol and value-added protein products.

New capital investment in these facilities that totals more than one billion dollars to date. Additional investment is currently underway in new and existing plants.

More than 1,000 permanent jobs directly resulting from plant operations and more than 5,000 induced jobs that support the ethanol industry.

Quality jobs in rural areas of the state. A recent survey indicates that the average salary paid at ethanol plants in Nebraska is approximately $36,100. This salary level is significantly higher than the average salary for all job categories in the state. Quality jobs help retain skilled workers in rural parts of the state. This income, coupled with tax assessments on the plant, helps to diversify the local tax base.

Higher prices and reduced transportation of crops grown in the state. This new demand for grain stimulates cash prices and provides a local market.

Increased economic activity in other sectors. For example, a recent analysis by the University of Nebraska-Lincoln indicates that the feeding of high protein co-products produced at ethanol plants yields improved gains in cattle. The study indicates that when fed as a wet ration, energy costs are saved and cattle weight gains are improved. The economic impact of this activity is measured at more than $41 million each year in Nebraska.

Improved air quality. Reductions of carbon monoxide in the atmosphere are in part due to the use of ethanol enhanced fuels in Nebraska. In addition, a recent study by the University of Nebraska concludes that ethanol reduces aromatic levels in gasoline.

Retention of energy dollars in the state economy. There is no gasoline refined in Nebraska. Every gallon of gasoline must be imported from outside the borders of the state. Displacement of gasoline with ethanol helps retain dollars in our economy.

These are a few reasons why a national renewable fuel standard is of such importance to the Nebraska economy. More importantly, the proposed standard offers the opportunity to generate similar benefits nationwide. For that reason, the 27 Governors that comprise the National Governors' Ethanol Coalition stand firmly in their support of this proposed standard.

The proposed standard must be a key component of a new national energy plan. The standard presents us with an opportunity to stimulate a significant national biofuels effort that will yield important economic, energy, environmental and national security benefits. I urge you to continue your strong support for the proposed national renewable

fuel standard and to convey the importance of this standard to your colleagues in the Senate.

Sincerely,

TODD C. SNELLER.

CHIEF ETHANOL FUELS, INC.,
Hastings, NE, March 5, 2002.

Hon. BEN NELSON,
Hart Building,
Washington, DC.

DEAR SENATOR NELSON: As you prepare for the debate on a national energy policy, I want to re-state the importance of the proposed renewable fuel standard to companies like Chief Ethanol Fuels. I know you have been a long-time supporter of this concept, but it is important that others understand the impact this proposal can have on ethanol companies and on our country. One example of the potential impact generated by the proposed national standard is clearly illustrated by our plant in Nebraska. The ethanol development program adopted in Nebraska encouraged us to invest in the Hastings plant. Our investment has yielded a host of economic and environmental benefits. These include the expansion of our processing plant from 10 million gallons annual capacity to more than 60 million gallons capacity. At our plant, we convert Nebraska corn and grain sorghum to clean burning ethanol and value-added protein products.

We continue to evaluate the investment of new capital in our facility when market conditions warrant. Enactment of a renewable energy standard would provide a strong impetus for additional investment. New investment yields additional jobs, additional grain consumption, increased output of clean burning ethanol and additional tax contributions to state and local tax coffers.

Our ethanol plant is an aggressive bidder for local grain. Higher prices bid for cash grain helps support our farmers and reduces transportation of crops grown in the state. The ethanol we sell at local terminals helps to retain energy dollars in the state's economy. Since no gasoline is refined in Nebraska, we must import it from outside the borders of the state. Displacement of gasoline with ethanol helps retain dollars in our economy.

As the debate on the issues progresses, I would ask that a mechanism be included to assure year around blending and not just Winter season. Smaller ethanol producers do not have the storage capacity or financial wherewithal to store ethanol production during the 6 month Summer season.

I urge you to continue your strong support for the proposed national renewable fuel standard and to convey the importance of this standard to your colleagues in the Senate. Thank you for your many years of strong support for ethanol.

Sincerely,

ROGER BURKEN.

GRIFFIN INDUSTRIES, INC.,
Cold Spring, KY, March 5, 2002.

Hon. BEN NELSON,
U.S. Senate, Hart Senate Building,
Washington, DC.

DEAR SENATOR NELSON: I wish to thank you for your continued support of the biofuel efforts and initiative that you are supporting in the upcoming discussion on the Senate Energy Bill.

As you know, we are the major supplier of biodiesel, a renewable energy source for replacement of petroleum diesel fuel, here in Kentucky. We currently service the Midwest, East Coast and Southeast regions of the country with ASTM–121 high quality fuel to many non-attainment air quality cities for use in buses and service vehicles and other fleets delivering consumer goods of all types.

Our plant has the capacity to produce ASTM standard fuel from various feedstocks including soybean oil and spent cooking oil. This new process is helpful in creating new uses for agri-products and lessens our dependency on foreign oil suppliers, especially the volatile Middle East Region of the world where we are under battle at the present time.

Biofuels can play a very important part in the United States Energy Policy while helping agriculture at the same time. We currently have several new projects under consideration at other Griffin Industries locations and will commit new capacities to the biodiesel market if biofuels are included in our nation's energy future.

Thank you for ''carrying the flag'' on biofuels. If we can be of assistance, please don't hesitate to contact me.

Best Regards,

DENNIS B. GRIFFIN,
Chairman.

CHANGING WORLD TECHNOLOGIES, INC.,
West Hempstead, NY, March 5, 2002.

Hon. BEN NELSON,
U.S. Senate, Hart Senate Office Building,
Washington, DC.

DEAR SENATOR NELSON: Although I am a resident of New York and not Nebraska, I wanted to applaud your efforts in promoting renewable bio-fuels. I am the chairman of a company that is building a bio-refinery in Missouri, which will process turkey slaughterhouse waste into natural gas, oil and fertilizer with no material remaining that requires disposal.

Our patented technology, if applied broadly, could replace all imported energy feedstocks, thus insuring our energy independence. In addition to our Missouri plant, which will be operational in August, we are building commercial plants to handle agricultural waste in Nevada, Alabama, Georgia, Arkansas and Colorado. Our process can also be applied to other organic wastes, such as scrap tires, waste plastic, sewage sludge and municipal solid waste.

We and others like us have commercial technologies, which can transform costly waste materials into valuable energy products. With your support and that of other like-minded senators, we can advance the commercial viability of the renewable fuels industry, enhance the quality of our environment, and replace imported oil as a significant energy source. You have our full support in all of your efforts.

Best regards,

BRIAN S. APPEL,
Chairman and CEO.

MASADA, OXYNOL,
Birmingham, AL, March 5, 2002.

Hon. E. BENJAMIN NELSON,
Dirksen Office Building,
Washington, DC.

DEAR SENATOR NELSON: I am writing to tell you how pleased I am that a Renewable Fuel Standard proposal has been included in the Senate energy bill. I know that you are a strong supporter of the renewable fuel standard and I share your hope that it is enacted.

A renewable fuel standard will increase national energy security, stimulate economic growth and help protect the environment. The use of ethanol, a domestically produced fuel, will reduce our dependence on foreign oil imports while adding much needed jobs in the United States. Not only is ethanol an alternative to imported oil, it is cleaner burning and helps decrease air pollution by dramatically reducing the production of greenhouse gases.

Masada OxyNol™ has patented a unique process that converts household garbage into fuel ethanol. After traditional recyclables are removed, the remaining cellulosic portion of the garbage is processed into ethanol. More than 90% of the garbage is beneficially reused or recycled instead of being landfilled or incinerated.

As a leader in the field of cellulose to ethanol production, our company realizes the importance of a strong renewable fuel standard. We at Masada OxyNol™ are very much in favor of the inclusion of the renewable fuel standard in the final energy bill. The implementation of such a standard will be good for the nation.

Thank you for all of your hard work toward the establishment of the renewable fuel standard.

Yours truly,

DARYL E. HARMS,
Chief Executive Officer.

FEBRUARY 22, 2002.

SENATORS THOMAS A. DASCHLE, TRENT LOTT, JEFF BINGAMAN, FRANK H. MURKOWSKI, ERNEST F. HOLLINGS, AND JOHN MCCAIN, AND REPRESENTATIVES J. DENNIS HASTERT AND RICHARD A. GEPHARDT: As you wrestle with the complex and vitally important energy bill now before the Senate and the subsequent House/Senate Conference, we ask that you carefully consider the national and energy security aspects of this legislation in order to reduce our reliance on oil.

The United States is almost out of oil, and our dependence takes us places and forces us to do things that are not always in America's national interest. The power of oil reinforces the top of almost all societies and that strength and privilege too often fails to translate into policies and actions meeting the true needs of the people, their environment and their future. Perhaps the greatest gift America can give to the world is to put the power of oil into perspective.

We can use less oil to meet our needs in smarter ways while advancing energy efficiency and renewable energy technologies. Europe is ahead of us in many these areas. Countries rich in oil and poor in dealing with their people and their environment may then begin to take a more insightful look at their 20 year horizon and decide that their current wealth can be better deployed. They should then be able to see that subjugation, terrorism, and war are not good investments for current oil-derived wealth.

Here at home: America must reduce its dependency on oil as we deplete our reserves and increase imports that will increasingly come from the Middle East, the Caspian Basin and Indonesia; we must accept our responsibility to reduce America's greenhouse gas and other harmful emissions largely emanating from the combustion of fossil fuels; we must preserve for future generations and for strategic purposes, the last of our oil reserves and pioneer the advancement of non-petroleum transportation fuels; and we must disperse our energy production facilities and reduce our reliance on vulnerable electrical grids and oil and gas pipelines.

There are major opportunities for energy efficiency, fuel economy and renewable energy technologies like solar, wind, biomass, geothermal, incremental hydro and hydrogen.

While these imperatives will come at a modest investment to our economy, they will bring major returns and benefits: accelerate the process of freeing us from our oil dependency; honor our international environmental obligations; create major new domestic industries and millions of jobs—especially in rural America where opportunities for biomass, solar, wind and geothermal industries abound; take America out of the ''rumble seat'' and into the driver's seat in establishing the world's energy future; and greatly strengthen our energy and national security.

We are national security specialists and energy security advocates of biofuels because of their ready potential to replace imported oil. We recommend: passage of a meaningful renewable fuels and a renewable portfolio standard; increased efficiency standards for vehicles—and the use of biofuels in these vehicles—and for facilities/appliances using electricity; and extension of the energy production tax credits for at least two years and include open-loop biomass, agricultural and forestry residues, animal waste, solar and geothermal.

We ask that you give our convictions and recommendations careful consideration in your deliberations.

ROBERT C. MCFARLANE,
National Security Advisor to President Ronald Reagan.
R. JAMES WOOLSEY,
Former Director, Central Intelligence.
Admiral THOMAS H. MOORER, USN (Ret),
Former Chairman, the Joint Chiefs of Staff.

GOVERNORS' ETHANOL COALITION,
Lincoln, NE, March 12, 2002.

Hon. TOM DASCHLE,
Majority Leader, U.S. Senate, Washington, DC.
Hon. TRENT LOTT,
Minority Leader, U.S. Senate, Washington, DC.

DEAR SENATOR DASCHLE and SENATOR LOTT: On behalf of the 27 members of the Governors' Ethanol Coalition, we are writing to express our strong support for the provisions included in the Energy Policy Act of 2002 (S. 517), which will establish a national renewable fuels standard.

The provisions set forth in the Manager's Amendment to S. 517 reflect an agreement negotiated over the last two years by the states, agricultural interests, refiners, and the environmental community that will address such important issues as MTBE water contamination and the oxygenate requirement in reformulated gasoline while providing a significant market for renewable fuels such as ethanol and biodiesel. Specifically, we support those provisions in S. 517 that: create a national renewable fuels standard, ensuring a growing part of our nation's fuel supply, up to 5 billion gallons by 2012, is provided by domestic, renewable fuels; eliminate the use of MTBE in the United States within four years; eliminate the oxygenate requirement in the reformulated gasoline program; and maintain the air quality gains of the reformulated gasoline program.

By enacting these provisions, we will strengthen our national security, displace imported oil from politically unstable regions, stimulate ethanol and biodiesel production, expand domestic energy supplies, and continue to reduce air pollution.

We encourage you to support these provisions and to resist any amendments that would alter this landmark agreement.

Sincerely,

BOB HOLDEN,
Governor of Missouri, Chair.
JOHN HOEVEN,
Governor of North Dakota, Vice Chair.
MIKE JOHANNS,
Governor of Nebraska, Past Chair.

NATIONAL CORN GROWERS ASSOCIATION,
Washington, DC, March 13, 2002.

DEAR SENATOR: On behalf of the National Corn Growers Association, I want to express our solid support for the inclusion of a Renewable Fuel Standard (RFS) in S. 517 that is being debated in the Senate. A commitment to a RFS is a commitment to making America energy independent. Our energy security is not a partisan issue and we hope that all Members of the Senate will put America first and vote yes on the RFS.

We believe the benefits from passing the RFS are overwhelming. Even a modest RFS that equals to about 3% (phased in over 10 years) of the gasoline used in the U.S. would reduce oil imports by 1.6 billion barrels over the next decade. According to a recent study by AUS Consultants, reducing oil imports by this amount will reduce our trade deficit by nearly $34 billion while creating 214,000 jobs and adding $51 billion to household income. In addition, the RFS will create $5.3 billion in new investment, much of it in rural America. Finally, the RFS provisions of S. 517 will provide flexibility for refiners to produce fuel more cost effectively while protecting the environment.

The RFS is a standard, just like the standards we have for automobile fuel economy or the energy efficiency of appliances and buildings. Congress has established these visionary goals for energy efficiency over many years as an integral part of our pubic policy. The RFS simply says that it is good public policy, and in our national interest for some portion of our transportation fuel to be derived from renewable resources.

It is time for America to take meaningful steps toward energy independence. A first, small step is to establish a RFS now. Put America first, vote yes on the RFS.

Sincerely,

TIM HUME,
President.

Mr. GRASSLEY. Mr. President, I yield myself such time as I might consume.

The PRESIDING OFFICER. The Senator is recognized.

Mr. GRASSLEY. Mr. President, I wish to speak on the issue of ethanol and the renewable fuel standard, but before I do, I compliment the Senator from Arkansas for the simple reason that she was the sponsor of the amendment in the Senate Finance Committee in which we adopted this as part of our tax incentives for renewable fuels. She led the way in that committee. I was happy to join her as the Republican leader of that effort because not only will Arkansas benefit but half of our States raise some soybeans and they will benefit as well. So I compliment Senator LINCOLN.

I am pleased to join my colleagues in support of the renewable fuel standard, which is an example of true bipartisan cooperation in this body. It was a bipartisan effort that made this possible. Obviously, Senator NELSON has already been applauded by my colleagues. I would say that as well. Not only since he has been in the Senate but as Governor of the State of Nebraska he helped, through the Governors' Conference, cochairing issues of ethanol for that conference. So he has been a leader in this area for a long time.

So I give my heartfelt thanks to him and to others who were instrumental, both directly and indirectly. Even though President Bush is not a member of this body, I think he needs to be complimented in the first instance for denying California's request for a waiver out of the Clean Air Act's oxygenation requirements.

Upon taking office, President Bush quickly recognized that there was no scientific or legal justification for the waiver. He, in fact, had the courage to take that action. It could have been possible 2 years before, if President Clinton had done likewise. During that period of lost time, we had a dampening and a delaying of efforts, such as we are having today, to successfully help our national security and our farm economy because these all benefit from the increased ethanol use as an oxygenate.

President Bush, has turned out to be the most pro-ethanol President we have ever had, and because he refused to let the Clean Air Act unravel, he gave us the leverage necessary for this process, the negotiation of a new renewable fuel standard. Now we are back on track.

I thank Senator NELSON. I also thank the senior Senator from Nebraska, Mr. HAGEL, because he provided persuasive leadership last fall in securing support for his Senate Energy Committee Republican colleagues to get behind this renewable fuel standard.

I also have said this has been a very bipartisan effort. Obviously, our majority leader, Senator DASCHLE, has been involved in a very helpful way. During the negotiations conducted by Senator HAGEL, he provided constant assurances that he would be supportive of this final product.

I compliment our Republican leader, who comes from an oil-producing State and who has been behind ethanol for several years, Senator LOTT, and also Senator MURKOWSKI, the ranking member of the Energy Committee. Last fall, they gave Senator HAGEL, myself, and other Senators their commitment, at least for the Republican side, that they would support this renewable standard.

Today, our Nation produces just 1.8 billion gallons of ethanol a year. The renewable fuel standard will require that we use 2.3 billion. That is a one-half-billion increase in gallons by the year 2004. Then it steadily increases up the ladder until it is a mandated use of 5 billion gallons by the year 2012.

This sounds like just more and cheaper gas to burn. But it also will improve air quality. It strengthens our national security, and it reduces our trade deficit. One-third of our trade deficit is caused by the import of oil. It will decrease our independence upon oil from dictators who aren't reliable—Saddam Hussein. It will extend markets for agricultural products in a way that we all want—value added. It creates jobs in cities.

A 1997 study by the Midwestern Governors' Conference—I would bet Senator NELSON had something to do with this when he was Governor—determined that ethanol demand was responsible for over 195,000 jobs throughout the economy. Forty-two thousand of those jobs were located in Iowa.

With the passage of the renewable fuel standard, 214,000 new jobs are anticipated. I expect a large portion of those would be in my State of Iowa.

Just last week, for instance, Quad County Corn Processors, a cooperative in the small town of Galva, IA, began production at their new 18-million-gallon ethanol facility. Iowa now has nine ethanol plants and five more are under construction.

The Iowa Corn Growers Association provided me an analysis of the economic impact of seven new Iowa farmer-owned ethanol plants in our State, two of which have been completed and five are under construction. Over 4,000 farmers have invested in these facilities. These are farmers helping themselves in a cooperative way. The facilities will create 170 new jobs. While Iowa currently produces 500 million gallons of ethanol each year, these new facilities will add 150 million gallons more.

According to the Iowa Corn Growers, corn prices will increase 5 cents per bushel for every 100 million bushels of corn processed. Therefore, these seven new farmer-owned ethanol facilities alone will increase corn prices by 3.5 cents.

Every year, about 175 million bushels of Iowa corn are processed into ethanol. This in turn adds about $730 million per year to the income of Iowa farm families. It adds up to $1.7 billion of increased economic activity in our State.

As I mentioned today, we produce nationwide about 1.8 million gallons of ethanol. When fully implemented, the bipartisan compromise in this bill—the renewable fuel standard—will almost triple production.

Economic analysis by A–U–S Consultants found that this legislation will displace over 1.6 billion barrels of oil, increase farm income by almost $6 billion annually, increase household income by $52 billion per year, and create over 214,000 new jobs nationwide.

I also would like to share with my colleagues the finding of a study produced 2 years ago by the Department of Energy entitled ''The Impacts of Alternative and Replacement Fuel Use On Oil Prices.'' The study found that ''current use of alternative and replacement fuels is estimated to reduce total U.S. petroleum costs by about $1.3 billion per year.''

It is very important to understand that these alternative fuels—primarily MTBE as well as ethanol—made up only 2.71 percent of our total motor fuel use. I want to say to naysayers who criticize efforts to expand alternative sources of motor fuels that the evidence proves that even small amounts of alternative motor fuels can generate huge savings to consumers.

The Department of Energy study went on to estimate that if we increase our alternative motor fuels use by just 10 percent by the year 2010, consumers will save $6 billion per year. By increasing the use of alternative motor fuels, we increase price elasticity in the event of supply disruption and thus reduce the potential damage to our Nation's economy. To do otherwise leaves us subjected to our current vulnerable situation where, again, according to the Department of Energy, ''For every one million barrels per day of oil disruption, world prices could increase by $3 to $5 per barrel.''

In closing, I emphasize that 1 million barrels per day is a mere 5 percent of U.S. oil consumption. Yet this very small amount would cause price hikes of 10 to 25 percent if oil were $20 per barrel. A little in alternatives, such as ethanol—or we could even say biodiesel—can go a long way toward protecting all consumers from OPEC efforts of price gouging.

I thank my colleagues for working together in this bipartisan effort, which is good for the economy, good for the environment, good for jobs, and good for energy independence.

As I so often say to describe ethanol, it is good, good, good.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. NELSON of Nebraska. Mr. President, I yield the remaining time to the distinguished Senator from the State of Florida.

Mr. NELSON of Florida. Mr. President, first of all, alternative fuels and ethanol are the subject of the instant amendment, but I think we have to use our creativity and our technology in order to approach the overall energy crisis.

If a terrorist sinks a supertanker in the Straits of Hormuz, which are only 19 miles wide, we are going to see a major disruption in the flow of oil to the industrialized world, and we will have wished we had used our technology and our creativity to reduce our dependence on that foreign oil by doing things that have worked to save our oil consumption in the past, like increasing the miles per gallon of the automobiles we drive. We have the know how to do that.

It just amazes me that we have the technology to, for example, produce a car which will go 80 miles per gallon and yet we are still so balled up in our politics that we may not pass an initiative that calls for moderate increases in the fuel efficiency of our nation's automobiles. The modest increases called for by the Kerry-McCain initiative would achieve three goals of particular importance to our nation in this time of war: lessen our dependence on foreign oil, reduce gasoline costs for consumers and protect the environment by reducing toxic air emissions and carbon dioxide emissions, which contribute to global warming. Increasing CAFE can achieve these goals-which are particularly important to our nation's security now that we are in a battle against terrorists around this globe.

So I wanted to add my voice, hopefully, as a voice of reason, to get our representative body to start using our technology and our common sense to increase the fuel economy of all of our vehicles.

Thank you, Mr. President.

The PRESIDING OFFICER. All time has expired.

AMENDMENT NO. 2997

Under the previous order, the hour of 11:30 having arrived, there now will be 20 minutes equally divided on the Levin amendment No. 2997.

Who yields time?

The Senator from Michigan.

Mr. LEVIN. Mr. President, I would assume that I would be dividing the time in support of the amendment equally with my cosponsor from Missouri, and we would each control 5 minutes of the 10 minutes on our side. So I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 minutes.

Mr. LEVIN. Mr. President, our bipartisan alternative to the Kerry-Hollings language in the substitute before us is aimed at increasing fuel economy, helping to protect the environment, and decreasing our dependence on foreign oil but doing it in a way which does not harm the domestic manufacturing industries.

We have a three-point policy, basically: One, we provide that we will increase fuel economy. Two, we have greater emphasis on positive incentives to produce and to purchase fuel-economic vehicles. We do this through joint research and development funds which we would increase over the amount requested by the administration. We would do this through mandatory Government purchases of hybrids. And we would also do this through increased tax credits above those provided by the Finance Committee.

But the third part of our policy is that many factors should be considered in raising the CAFE requirement. It should be raised. And our amendment says that it will be raised, but it would be raised, under our amendment, not in an arbitrary way, not just by adopting an arbitrary number on the floor of the Senate, but, rather, by telling, in the first instance, the Department of Transportation to look at all of the factors which should be considered in adopting a new CAFE standard—many factors, including safety, including cost, including competitiveness of manufacturers.

The National Academy of Sciences has specifically said that there is a safety tradeoff. That is what they have found. The opponents of our amendment say it is a flawed study. OK. We disagree with that. But, nonetheless, if it is a flawed study, the National Academy of Sciences has also then said, the National Highway Traffic Safety Administration should continue their work in this area. But, point blank, the National Academy of Sciences says there is a tradeoff.

I yield myself an additional minute.

The PRESIDING OFFICER. The Senator is recognized.

Mr. LEVIN. In the year studied, 1993, they found between 1,300 and 2,600

deaths and 13,000 and 26,000 injuries. They said these deaths and injuries were a painful tradeoff that resulted from CAFE. The opponents of our amendment do not consider safety. They just say the study is flawed. That is their answer.

What about the discriminatory impacts of CAFE?

The National Academy of Sciences again says that one concept of equity among manufacturers requires equal treatment of equivalent vehicles made by different manufacturers. We do not have equal treatment of equivalent vehicles made by different manufacturers under the language that is in the substitute of Senator KERRY and Senator HOLLINGS. It treats equally-efficient vehicles differently and discriminates, thereby, against American jobs and the American industry.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. LEVIN. Mr. President, I yield 1 minute to my colleague from Michigan.

The PRESIDING OFFICER. The Senator from Michigan.

Ms. STABENOW. I thank my colleague from Michigan.

Mr. President, it is important to emphasize today that this debate is not about whether or not we will increase vehicle fuel efficiency. We are not arguing for a freeze on CAFE standards. What we are saying is that we need to do this in the best way possible. This needs to be something where we win environmentally and we win in terms of the economy and jobs.

That is what this substitute does. It is comprehensive. It moves vehicle fuel efficiency forward. It creates the market incentives and the support to make sure we have what is necessary in terms of infrastructure for these new vehicles. It moves us in the right direction.

I simply urge my colleagues to vote for this amendment, to support increased vehicle fuel efficiency, and a vibrant, economically healthy U.S. auto industry. We do both through this amendment.

Mr. FEINGOLD. Mr. President, I am voting in favor of the Levin-Bond amendment, and I want to explain my views in detail. Fuel efficiency is a critically important issue for our country, for my home State of Wisconsin, and for our future. I remain committed to the goal that significant improvements in automobile and light truck fuel efficiency can be achieved over an appropriate time frame. Some will argue that my vote for Levin-Bond is a vote against increasing the corporate average fuel economy, CAFE. I do not share that view.

The Levin-Bond amendment seeks to renew the Department of Transportation's role in setting CAFE standards acting through the National Highway Traffic Safety Administration, NHTSA, part of the Federal Department of Transportation, DOT. If Congress does not act today to try to restore normalcy to the NHTSA process, Congress will always either block or act to set CAFE standards, every 20 years or so, when the political will is sufficient to do so. NHTSA will never be able to carry out the normal process of reviewing and incrementally improving fuel efficiency for automobiles and light trucks, as Congress originally intended when it passed the CAFE law in the 1970s.

Both interest groups battling over the CAFE issue, the auto manufacturers and the environmental community, have switched their positions in this debate on this bill. The auto industry, who once wanted CAFE perpetually frozen with a rider, now support the Levin amendment. The environmental community, who once opposed the rider and wanted NHTSA to act, now wants Congress to set the standard rather than NHTSA. With my vote, I am committing to a consistent position. Let me explain the evolution of that position.

Months prior to the midterm elections in 1994, NHTSA published a notice of possible adjustment to the fuel economy standards for trucks before the end of the decade. The following year, however, the House-passed version of the FY1996 Department of Transportation Appropriations bill prohibited the use of authorized funds to promulgate any CAFE rules. The Senate version did not include the language, but it was restored in Conference. Much the same scenario occurred in the second session of the 104th and the first session of the 105th Congresses. In both those sessions, a similar rider was passed by the House and not by the Senate, but included by the Conferees and enacted. However, the growth in gasoline consumption and the size of the light-duty truck fleet were concerns cited behind introduction in the Senate of an amendment to the bill expressing the Sense of the Senate that the conferees should not agree to the House-passed rider for FY2000. The amendment, sponsored by the former Senator from Washington, Mr. Gorton, and the Senator from California, Mrs. FEINSTEIN, was defeated in the Senate on September 15, 1999, by a vote of 55–40, and the rider was once again enacted into law.

As I stated on the Senate floor in the debates on the CAFE rider on June 15, 2000, my vote was about ''Congress getting out of the way and letting a federal agency meet the requirements of federal law originally imposed by Congress.'' I supported removing the rider because I was concerned that Congress has for more than 5 years blocked NHTSA from meeting its legal duty to evaluate whether there is a need to modify fuel economy standards.

As I made clear then, I have made no determination about what fuel economy standards should be, though I do think that an increase is possible. NHTSA has the authority to set new standards for a given model year, taking into account several factors: technological feasibility, economic practicability, other vehicle standards such as those for safety and environmental performance, the need to conserve energy, and the recommendations of the National Academy of Sciences. I want NHTSA to fully and fairly evaluate all the criteria, and then make an objective recommendation on the basis of those facts. I expect NHTSA to consult with all interested parties—unions, environmental interests, auto manufacturers, and other interested Wisconsin citizens in developing this rule. And, I expect NHTSA to act, and if it does not, this amendment requires Congress to act on a standard.

In opposing the Levin-Bond amendment, some subscribe to the view that NHTSA has a particular agenda and will recommend weak standards. I do not support that view, just as I could not support retaining the CAFE rider in law.

NHTSA should be allowed to set this standard. Congress is not the best forum for understanding whether or not improvements in fuel economy can and should be made using existing technologies or whether emerging technologies may have the potential to improve fuel economy. Changes in fuel economy standards could have a variety of consequences. I seek to understand those consequences and to balance the concerns of those interested in seeing improvements to fuel economy as a means of reducing gasoline consumption and associated pollution.

In the end, I would like to see that Wisconsin consumers, indeed all consumers, have a wide range of new automobiles, SUVs, and trucks available to them that are as fuel efficient as they can be while balancing energy concerns with technological and economic effects. That balancing is required by the law. I fully expect NHTSA to proceed with the intent of the law to fully consider all those factors, and this amendment ensures they do so.

In supporting this amendment, I maintain the position that it is my job to ensure that the agency responsible for setting fuel economy be allowed to do its job. I expect them to be fair and neutral in that process, and I will work with interested Wisconsinites to ensure that their views are represented and that the regulatory process proceeds in a fair and reasonable manner toward whatever conclusions the merits will support.

Mr. VOINOVICH. Mr. President, as co-chairman of the Senate Auto Caucus, I am pleased to join with my colleagues, Senator LEVIN and Senator BOND, in offering this CAFE standards amendment to the energy bill. This is truly an important issue; one that impacts upon our Nation's economy, our environment and the safety of the traveling public.

There is no doubt that each of us wants the automobile industry to make cars, trucks, SUVs and minivans that are as energy efficient as possible.

Not only is it good for the environment, it also means more money in the pocket of the American consumer because they spend less at the gas pump.

However, I am deeply concerned that the extreme Corporate Average Fuel Economy (CAFE) standard included in the pending energy bill will have a devastating effect on public safety, as well as put a severe crimp in the manufacturing base of my state of Ohio.

For the first time in American history, new vehicle sales of trucks, SUVs and minivans in 2001 outpaced the sale of automobiles. This remarkable result can be attributed to a number of factors, but one reason that is often cited is the fact that these vehicles are seen as safer.

Indeed, when asked why they bought their particular vehicle, truck, SUV and minivan owners overwhelmingly stated that they simply felt safer than they would have in a regular sedan or compact car.

Overall, Mr. President, our roadways are safer. In fact, safety statistics show that the numbers of automobile fatalities are at historic lows while total vehicle highway miles traveled has risen. According to the National Highway Traffic Safety Administration (NHTSA), there were 1.5 fatalities per 100 million vehicle miles traveled in 2000, while in 1999, the rate was 1.6 per 100 million vehicle miles traveled. Ten years earlier, in 1990, the rate was 2.1 per 100 million vehicle miles traveled. Part of the reason traffic fatality rates have continued to drop can be attributed to the fact that vehicles are being made safer.

However, some in this body are indirectly proposing that we give up the safety accomplishments we have attained in order to achieve an arbitrary fuel efficiency standard for automobile vehicles.

As my colleagues know, the provision included in the energy bill sets the CAFE standard at a combined fleet average of 35 miles per gallon by 2015.

Under current law, light truck fleets and passenger cars make up two separate fleet distinctions with different mile-per-gallon requirements for each. The existence of two separate fleets recognizes that passenger cars and light trucks are different vehicles that require different capabilities. However, the enactment of a combined fleet average would ignore this distinction.

We also need to ask what the scientific basis is for the 35 mile-per-gallon threshold? What rational explanation is there for the magic number ''35,'' or was that number simply fabricated?

To achieve this standard, the auto industry would have to modify their manufacturing base, and produce an automotive fleet that will in all likelihood require greater use of lighter materials. Lighter materials will definitely help increase fuel efficiency, however, it will also make those automobiles less safe.

The provision in the bill also will be damaging to auto manufacturers that produce a large number of light trucks because a combined fleet average will factor in both the fuel efficiency averages of passenger cars and light trucks by a manufacturer.

And, because truck, SUV and minivan demand is not expected to decrease anytime soon, automakers that are meeting this demand will either have to manufacture and sell a high-gas mileage vehicle that likely does not exist now, or cut the production of the trucks, the SUVs and the minivans that American consumers want. This will only increase prices for the safe vehicles America wants.

Ohio is the number two automotive manufacturing state in America, employing more than 630,000 people either directly or indirectly. I've heard from a number of these men and women whose livelihood depends on the auto industry and who are frankly very worried about their future. I have met with members of the United Auto Workers, and executives from the major automobile manufacturers about the CAFE proposal and there is genuine concern that the provision in the bill could cause a serious disruption in the auto industry resulting in the loss of tens of thousands of jobs across the Nation.

The Levin-Bond-Voinovich amendment is a rational proposal that will keep workers both in Ohio and nationwide working, allowing these men and women to continue to take care of their families and educate their children while also encouraging greater fuel efficiency and safer vehicles.

Our amendment calls for the Department of Transportation to increase fuel economy standards based on the following factors:

The need to conserve energy;

Economic practicability;

The effect of other government motor vehicle standards on fuel economy;

The desirability of reducing U.S. dependence on foreign oil;

The effect on motor vehicle safety;

The effects of increased fuel economy on air quality;

The adverse effects of increased fuel economy standards on the relative competitiveness of manufacturers;

The effect on U.S. employment;

The cost and lead-time required for introduction of new technologies;

The potential for advanced technology vehicles (such as hybrid and fuel cell vehicles) to contribute to significant fuel usage savings;

The effect of near-term expenditures required to meet increased fuel economy standards on the resources available to develop advanced technology;

Technological feasibility; and

The report of the National Research Council, entitled ''Effectiveness and Impact of Corporate Average Fuel Economy Standards,'' issued in January 2002.

I believe this is a much more responsible approach than picking a number arbitrarily—literally, it seems, out of thin air.

Our amendment also requires that the Department of Transportation complete the rulemaking process that would increase fuel efficiency standards within 15 months for light trucks, and 24 months for passenger cars. If the Administration doesn't act within the required timeframe, Congress will act, under expedited procedures, to pass legislation mandating an increase in fuel economy standards consistent with the same criteria that the Administration must consider.

The amendment will also increase the market for alternative powered and hybrid vehicles by mandating that the federal government, where feasible, purchase alternative powered and hybrid vehicles.

This mandate is nothing new. The federal government, under the Energy Policy Act of 1992, is already required to maintain a covered fleet of 75 percent of alternative fuel vehicles. This amendment will simply increase the amount to 85 percent for covered fleets and require the purchase of hybrid vehicles for fleets that currently are not covered. There are waivers that allow the federal government to purchase traditional fueled vehicles where necessary.

However, I believe that this guaranteed market will encourage the auto industry to increase their investment in research and development with an eye towards making alternative fuel and hybrid vehicles more affordable, available and commercially appealing to the average consumer.

Additionally, a federal fleet of alternative fuel and hybrid vehicles will result in an improved infrastructure for these vehicles and encourage a commercial growth in such infrastructure as well.

Our amendment will not cause shifting within the auto manufacturing industry. It does not pretend that Congress has the scientific expertise to determine the best mile-per-gallon increase for both light trucks and passenger cars, a number which currently would unfairly punish the auto companies and auto workers who build what consumers want—larger cars and trucks.

I urge my colleagues to support our amendment. It meets our environmental, safety and economic needs in a balanced and responsible way, contributing to the continued and needed harmonization of our energy and environmental policies.

Mr. INHOFE. Mr. President, I want to take some time to explain to my friends the importance of the CAFE debate to the people of Oklahoma.

Today most of the people in Oklahoma buy light trucks, sports utility vehicles, and minivans. They are what you see on the road in Oklahoma. In fact, they are what Americans all over the country are buying.

Last year national sales of light trucks, sports utility vehicles and minivans outpaced cars for the first time, and since 9–11 there has been a

spike in sales of these vehicles. We have hard data showing us that this increase is due to Americans' desire for safety, comfort, and utility.

In the 2001 Customer Satisfaction Study, Maritz Marketing Research, Inc. surveyed 83,196 new vehicle buyers. When asked what vehicle attributes were ''Extremely Important'' in their purchase decision, gas mileage ranked 15th on car buyers' lists, behind such things are reliability, value for the money, durability, and safety features. 43 percent rated gas mileage as ''extremely important'' vs. 70.6 percent for reliability, 59.3 percent of value, 59.2 percent for durability, and 57.3 percent for safety features.

When asked the same question, truck, SUV, and full-size van owners ranked gas mileage 32nd on their list of ''extremely important'' items, below safety features, interior roominess, passenger seating, and cargo space, among others. 29.8 percent rated gas mileage as ''extremely important'' vs. 51.4 percent for safety features, 41.9 percent for interior roominess, 38 percent for passenger seating, and 36.8 percent for cargo space.

A governmental mandate flies in the face of Americans' desire for these very attributes: safety, utility, and comfort. A mandate against the will of the American people is not the way we do things in government of the people, by the people and for the people.

As far as jobs and economics, a typical assessment comes from Dr. Robert W. Crandall, Senior Fellow in the economic study program at the Brookings Institution notes that the current proposal would cost the United States something like $17 or $18 billion a year in lost consumer surplus. This loss of jobs and damage to our economy is unacceptable when this mandate will also cost lives and fly in the face of Americans' free choice of vehicles.

On safety, we have the scientific analyses of our National Academy of Science and our National Highway Traffic Safety Administration, as well as numerous analysts.

For example, in 1972, Ralph Nader and Clarence Ditlow published a book entitled Small on Safety. Page after page has such statements as, ''Small size and light weight impose inherent limitations on the degree of safety that can be built into a vehicle.''

After all is said and done, drivers and passengers are safer and do better in crashes about 98 percent of the time when vehicle weight is greater. A Federal Government mandate to cut the weight of vehicles is going to cost lives. I want safe Oklahomans and therefore oppose CAFE mandates.

The following groups oppose the Kerry/McCain CAFE provisions because they are bad for safety, utility, performance, consumer choice, and jobs:

United Auto Workers; U.S. Chamber of Commerce; National Automobile Dealers Associations; American Iron and Steel Institute; Association of American Railroads; National Association of Manufacturers; American Highway Users Alliance; Alliance of Automobile Manufacturers; American Farm Bureau Federation; Union Pacific.

Competitive Enterprise Institute; American International Automobile Dealers Association; Motor & Equipment Manufacturers Association; Original Equipment Suppliers Association; Delphi Automotive Systems; Automotive Coalition for Traffic Safety; National Marine Manufacturers Association.

Small Business Survival Committee; National Cattlemen's Beef Association; American Horse Council; American Recreation Coalition; Associated General Contractors of America; Automotive Coalition for Traffic Safety; Coalitions for America; Coalition for Vehicle Choice; National Association of Plumbing, Heating and Cooling.

General Motors; Ford Motor Company; Daimler Chrysler; Toyota; Nissan, Volkswagen; BMW; Mazda; Fiat; Isuzu; Mitsubishi Motors; Porsche; Volvo; National Association of RV Parks and Campgrounds.

National Grange; National Truck Equipment Association; Recreation Vehicle Industry Association; Specialty Equipment Market Association; National Four Wheel Drive Association; Business Round Table; AFL/CIO.

Please join me in supporting the compromise crafted by Senators LEVIN and BOND.

Ms. CANTWELL. Mr. President, I rise today to express my disappointment with the Senate's inability to act on the important issue of corporate average fuel economy standards for our Nation's vehicles. Addressing the transportation sector's consumption of fossil fuels is an integral part of any energy policy designed to meet the needs of our 21st century economy.

I continue to believe that raising CAFE standards is absolutely critical in promoting more efficient fuel use—thus weening this nation from its dependence on foreign oil—while continuing to meet our transportation needs. At the same time, CAFE standards promise environmental benefits and savings for consumers. Despite what some in industry might suggest—suggestions that harken back to Congress' first debate on CAFE in 1975, when some claimed the current standards would render this Nation's auto manufacturers extinct—I believe we have the technologies and the American ingenuity necessary to meet the goals set out by tougher CAFE standards.

Transportation accounts for 67 percent of U.S. oil consumption and one-third of U.S. greenhouse gas emissions. Clearly, improving the efficiency of the U.S. vehicle fleet would serve the public interest by reducing individuals' exposure to fluctuations in oil prices and emitting fewer of climate changing greenhouse gases.

To me, the numbers suggest a very clear choice.

If my colleagues truly wanted to take the environmentally and economically responsible vote—to mitigate our exposure to foreign oil and economically devastating price shocks—they would have acted today to increase our fuel efficiency standards.

I believe many in this Chamber agree on the theoretical goals of this bill—increased energy independence, diversification or our energy resources and improving the energy efficiency of our economy. But my colleagues must realize that to meet these goals we must address both supply-side and demand-side of the equation. And we cannot wait to take action.

Simply cranking up oil production and ignoring the efficiencies at our fingertips will ensure that we will be in the same place 20 years from now—or worse yet, even more dependent on foreign sources of oil.

Estimates suggest that if the status quo is maintained, our dependence will grow from 51 percent today, to 64 percent in 2020. If the status quo is maintained, we will be asking ourselves the same questions about economic and energy security as we are asking ourselves today.

I believe that the CAFE provision proposed by Senator KERRY and Senator MCCAIN, like its predecessor in 1975, would have gone a long way toward meeting the multiple goals of the overall energy bill. In addition to the energy security and environmental benefits I've already mentioned, it would have protected consumers against disruptions in oil supplies that increase the cost of a gallon of gasoline.

The current CAFE standard—which has saved 14 percent of fuel consumption from what it would have been without CAFE—has not been updated in 20 years. By increasing fuel economy standards, consumers would travel farther on a gallon of gasoline than ever before. Since the introduction of the first CAFE standards in 1975, vehicle operating expenses have been halved, mostly due to decreased expenditures on gas and oil.

Increasing fuel efficiency has a second impact, which is to help to stimulate the American economy by keeping dollars at home. At present, Americans spend over $300 million dollars per day on foreign oil. By reducing how much of that oil we consume, Americans save billions of dollars a year at the gas pump. This money would be available for reinvestment in our own economy and to help improve the lives of American families.

Opponents of CAFE standards have argued that increased fuel efficiency will result in decreased vehicle safety. To the contrary, provisions to maintain vehicle safety are written directly into the language. Furthermore, by bringing SUVs and light trucks under the rubric of the CAFE standard, CAFE will without question save lives.

Opponents also argued that CAFE standards hurt the American auto industry and American workers.

In reality, a high fuel economy standard would put existing technologies into vehicles and spur technological innovation—something in which American industry is a proud leader. The CAFE proposal provided for gradual improvement in fuel economy over time, allowing manufacturers the opportunity to retool processes and redesign product lines over time. Consumer fuel savings and technological innovation will lead to an infusion of capital in local economies and investments in the auto industry, making U.S. vehicles competitive in a global market and creating—not destroying—jobs.

The first time around, CAFE was created in response to rising oil prices. Today, volatility in the oil market continues to be a concern, along with our energy security and the environmental impact of fossil fuel emissions. We had before us an opportunity to alleviate threats to our national energy and economic security posed by foreign oil dependence, while protecting our environment and taking a positive step in the battle to mitigate greenhouse gas emissions. Now is the time to make these changes.

I thank Senator KERRY and Senator MCCAIN for their leadership on this issue. I want to add that I agree with my colleague from the Energy Committee, Senator CARPER, who has suggested that we should—we must—return to the issue of CAFE standards before we finish our work on this bill. Hopefully, we will all come to our senses.

The PRESIDING OFFICER. Who yields time?

The minority leader.

Mr. LOTT. Mr. President, I know there is a limited amount of time available, and it has been equally divided, so I would like to speak briefly and use leader time so it will not count against the time that has been reserved.

The PRESIDING OFFICER. The Senator is recognized.

Mr. LOTT. Mr. President, I rise in very passionate support of the Levin-Bond amendment. I know very good work has been done on this amendment, and it is based on sound science and solid data. It seems to me that is the way to go instead of just picking a number out of the sky, whether it is 32 or 35 or 37 or moving the years up or down. It seems to me it would be wiser to have decisions about the miles-per-gallon requirements done in a responsible way, having been studied by the proper entity and based on science and solid data.

Of course, the organization to do that is NHTSA. They have the expertise to analyze the numbers and consider all that should be involved here: the jobs that might be affected, technology, how soon this improved fuel efficiency could be obtained, and safety. Safety is a big issue.

I heard Senator MIKULSKI from Maryland on the radio this morning talking about her concerns about the safety issue, and that was the point she emphasized. That is certainly understandable.

The Levin-Bond amendment would be what we would do instead of the Kerry provision which adversely affects employment, safety, and consumer choice. I think the Levin-Bond amendment is a much wiser way to proceed.

The National Academy of Sciences CAFE report declared there will be more deaths and injuries if fuel economy standards are raised too fast without proper consideration given to how that is going to be done and what impact it might cause.

This amendment, the Levin-Bond amendment, is supported by labor, the UAW, the Chamber of Commerce, the AFL–CIO, the National Association of Manufacturers, the Farm Bureau, automobile dealers, and over 40 other organizations, but, more importantly, by real people in the real world, people who do worry about safety, people who do have needs for a van or an SUV or a pickup truck who refuse to be relegated to an automobile such as the one shown in this picture. This type of car may be fine in Boston or Chicago, but it is not fine in Lucedale, MS, or Des Moines, IA, or a lot of other places around this country. People have to drive long distances. They have large families.

In my case, when I move my family around now, I have a choice. I have a bigger automobile, an SUV. I worry about safety. And I worry about strapping in the grandchildren properly, making sure they are going to be safe. And I even worry about making sure that third seat is secured properly.

I have a choice. I either can take two vehicles, the SUV or the van—one of them being a bigger one—or I can take three automobiles. How much gas have you saved?

This whole area astounds me. Let's talk about what real people do when they have a choice. After all, this is still America. We should be able to make our choices. We should not have the Federal Government saying you are going to drive the purple people eater shown here. I am not picking on this manufacturer. In fact, purposely I wanted to have a car that is hard to identify. This is basically in Europe. And when I was over there, I saw these little cars. I saw people pick them up and set them over into parking spaces. I also was trying to figure out how I was going to get my 6 foot 2½ inch frame in this automobile.

So what do real people do when they have a choice in America? Well, the 10 most fuel-efficient cars account for only 1.5 percent of automobiles sales. Americans value fuel economy, but it ranks far behind other very important competing values, such as safety, comfort, utility, and performance.

A recent survey of attributes consumers look for when buying a new automobile found that fuel economy ranks 25th out of the 26 vehicle attributes they were looking for.

Automobile makers produce 50 different automobiles that get 30 miles per gallon or better. Anybody can go to a dealer today if they want to and drive home a very fuel-efficient automobile, but small cars make up only 14 percent of the market.

Today's light truck gets better gas mileage than a subcompact car from the 1970s. Progress is being made. I do pay attention to it. The SUV I own and drive in the Washington, DC, area is the Honda SUV. It is actually my wife's car. I have to confess that because I always insist on still driving an American-made automobile. But a lot of these automobiles now are made by Honda and Nissan and Hyundai and Toyota. They are international companies, as are our domestic companies. So are all these other companies.

I do pay some attention to what I choose to drive and the fuel efficiency that it gets in the District of Columbia.

There also is no magic technology. I think progress is being made. But if you had the technology to go immediately to an automobile that got this fuel efficiency number picked out of the sky without sacrificing a lot of other very important factors, such as safety and comfort and the needs of the consumers, you would do that.

There are those who say technology is going to make it possible for us to have much more fuel efficiency without reducing the waste and size of the automobile. I have faith in American technology. I think we will get there. We are headed there. That option will be there. But I still don't understand why we should be trying to mandate the laws of physics and require that these things happen.

I heard one of the Senators the other day saying that the goal is to use less foreign oil. I agree with that. This is a national security question. That is why this bill is important. I have another alternative. While we do want to encourage conservation and look at alternative fuels, I also don't want us to take actions that basically mandate that in America you have to use less. We have a lot of domestic oil that we can use, natural gas, hydroelectricity, nuclear. We have to have more, not just less.

If we conserve and produce more, America can continue to grow. That is what we want. We want a growing economy. If you don't have the energy supply, you are not going to have the economic development you want.

CAFE standards have not reduced imported oil. We started to put these standards in place back in the 1970s. Yet as the efficiency has gotten better, the use of foreign oil has not gone down. It has been steadily going up. Now we are dependents for 59 percent of our energy needs supplied by foreign oil. That is a dangerous concept. We should produce more here while we are also conserving.

I personally think the CAFE program is a flawed program. I don't think we

ought to be issuing these mandates. I urge my colleagues to vote for the Levin-Bond approach. It is the responsible way. It will be based on something done by an entity in the Government that has the responsibility to get it done. I am not even sure right now what may be offered later on today, perhaps by Senators KERRY or MCCAIN or others. If we don't even know what they are going to offer, what science is it based on?

I conclude by saying this is the responsible way to go. It will not ignore the issue. It sets up a process based on science, capability, technology. It does take into consideration or will allow consideration of safety. And I don't want every American to have to drive this car.

I yield the floor.

Mr. BINGAMAN. Mr. President, I yield 2 minutes to the Senator from Maine, Ms. COLLINS.

Ms. COLLINS. Mr. President, I am pleased to join several of my colleagues in rising in support of increased fuel efficiency standards for cars and trucks. Some people have tried to cast this argument as a choice between trucks and better fuel economy. This is simply a false choice. I am convinced that we can, with America's can-do attitude and technological know-how, provide safer, more efficient cars and trucks that will go further on a gallon of gas and save consumers money at the gas pump. CAFE standards will give us better trucks and more money in our pockets.

OPEC's anticompetitive manipulations have driven the price of oil to a 6-month high. If we don't increase CAFE standards, America will only grow more and more dependent on foreign oil. Already we rely on foreign oil for 60 percent of our supply. That is a dangerous dependency. How much further into OPEC's clutches do we have to let ourselves slide before we decide that there is another way, a better way? CAFE is the American way of sending OPEC a message that we will not stand for their anticompetitive manipulative price increases.

Our proposal will save more than 1 million barrels of oil a day. It will save billions of dollars for consumers. And it will do more to reduce our reliance on foreign oil than any other single measure before us.

I call on my colleagues to join me in supporting the proposal to increase CAFE standards. This proposal is the right thing to do for the environment, for the economy, for consumers, and for America.

I commend Senators KERRY, BINGAMAN, MCCAIN, and my colleague from Maine, Senator SNOWE, for their efforts in coming up with an alternative approach.

Mr. BINGAMAN. Mr. President, I yield myself 2 minutes in opposition to the amendment.

The Republican leader was just urging us to consider sound science and sound data in making judgments on this issue. I recall several years during which we passed in the Congress prohibitions against the administration, through NHTSA, even considering a change in CAFE standards. That doesn't seem particularly consistent to me with a reliance on sound science and sound data. The truth is, the Republican leader has set up a totally false choice. He has indicated the choice is between what we have now and, as he put it, this purple people eater that he has pictured.

The reality is, the technology is there to keep the cars, the SUVs, the vehicles we now drive and shift them to being much more fuel efficient. The real choice is in the SUV that the Senator from Massachusetts has a picture of, which Ford Motor Company indicates they are going to have on the market next year. They say it is the same power as before, the same convenience as before, the same room as before, but it uses half as much gas. That is the option. We just need to step up to giving that challenge to the car dealers.

When you look at why we are continuing to import more and more oil, it is very clear. The main reason is we have stalled out on improving efficiency in the motor vehicle sector.

This chart shows that, since 1989, there has been absolutely no improvement. In fact, there has been a decline in the fuel efficiency of our overall fleet. So this amendment will take the teeth out of our efforts to improve efficiency. It should be rejected. I hope my colleagues will do so.

The PRESIDING OFFICER. Who yields time? If no one yields time, time is charged equally to both sides.

Mr. BINGAMAN. How much time remains, Mr. President?

The PRESIDING OFFICER. There are 5 minutes 20 seconds on the opposition side and 5 minutes 13 seconds on the proponents side.

Who yields time?

Mr. BOND. Mr. President, I yield myself 2 minutes.

I ask unanimous consent that Senators GRASSLEY and HUTCHINSON of Arkansas and ALLEN be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Some people here believe Americans cannot be trusted to make the right choice. In choosing between consumers and Government, I will side with the consumers. I don't pretend to know what is best for the 15 million Americans who are purchasing vehicles each year, but I prefer to listen to those who are actually in the business of selling cars and trucks. They tell me one consistent message: The Kerry amendment is a job killer, a threat to the safety of friends and families, a mandated market that eliminates consumer choice.

Now, 2,000 people a year, according to the National Academy of Sciences, have been killed by lighter cars. I don't want to tell a mom in my State she should not get an SUV because Congress decided that would be a bad choice. I just came from a news conference with Martha Godet, who explained last week that she wanted a minivan to carry her two preteen sons and one baby to various events. Her story in the newspaper was countered by one of my colleagues on the other side of the aisle who said her proposal was ''nonsense.'' She extends an invitation to that Senator to join her in a carpool to see how it would be if they were in a subcompact or a Yugo. She said it would look like a clown car if they were in a Yugo that managed to meet the fuel standards in the Kerry amendment.

I am grateful for the support of the Missouri Soybean Association, Corn Growers, and the Farm Bureau. We appreciate the information on safety from the Insurance Institute for Highway Safety and the National Association of Independent Insurers. The best way to get better mileage is through sound science and NHTSA.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I ask that I may speak for 1 minute.

Mr. BOND. I yield a minute to the Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I rise in support of the Bond-Levin amendment. I believe the automobiles need to become more efficient; it is in our national interest. I think our leader referred to this car pictured on the chart as the ''purple people eater.'' I think that is a pretty good name.

I do not believe the Senate is in the best position to dictate how we do this. When it comes to Congress dictating what kind of fuels we use in our vehicles, we fail miserably. We have about 15 different types of fuels we use in the country. It is at a significant cost. We don't even address it in this bill. We have proven we are not very good chemists in the Congress. We are not very good automotive engineers either.

Congress should not randomly determine vehicle fuel mileage on a whim. We should leave it to the experts who know what they are doing, and we will take into account safety and economic impact. The Bond-Levin amendment does that and leaves the decision to the experts. I urge my colleagues to support this amendment.

Mr. BINGAMAN. Mr. President, how much time remains on both sides?

The PRESIDING OFFICER. There are 5 minutes 12 seconds in opposition, and there are 2 minutes 1 second for the proponents.

Mr. BINGAMAN. I yield the remainder of the time to the Senator from Massachusetts.

Mr. KERRY. Mr. President, I thank my colleague.

Let me share what this vote is now about. This vote is about whether or not we will keep any standard at all with respect to fuel efficiency. If the Bond-Levin amendment passes, there

will be not only no standard whatsoever in place, there will be a process that will allow for delay into the far future. And there is a provision in the Bond-Levin amendment which undoes the current safety standards. There is no safety standard at all. In NHTSA, they ask to look at it, but it undoes the current safety standard.

Mr. President, this is a question of whether or not we are going to do what 88 percent of the people in America want us to do and only 9 percent are opposed to, and that is to save a significant amount of oil that we import from the Persian Gulf, from countries that have the ability to dictate to the United States the price in our future—whether we will save that and simultaneously contribute to global warming problems, as well as health in America.

There are two stories here. There is the lie and there is the truth. To my right, that purple machine in the photograph is the lie. No American will be forced to drive any different automobile. My wife drives an SUV. She supports this effort because she knows she can still drive an SUV that is efficient. Cars such as Suburbans are not even included in this measure.

We have seen advertisements suggesting that people will have to farm with a subcompact car. How insulting is that to the intelligence of Americans, who know they want more efficient cars? This doesn't even cover tractors. It doesn't even cover the basic trucks, the large trucks in the country.

This is the most extraordinary expenditure of money in phony advertisements to scare the American people that I have ever seen here—perhaps since the tobacco debate. Here is the truth. This is Ford Motor Company's own advertisement. They advertise an SUV—a vehicle that gives you all the room and power you want but uses half the gasoline. That is the Ford Motor Company advertisement that stands as a stark contrast to these extraordinary, ridiculous scare tactics.

My colleagues have been told that if we raise the CAFE standards, that will harm safety. Let me read from the Chairman of the National Academy of Sciences, from March 10 of this year. Paul Portney says:

> This proposal of ours is roughly consistent with what the academy identified as being technologically possible, economically affordable, and consistent with the desire of consumers for safety.

What safety organization in America supports the Bond-Levin proposal? Not one. Not the major safety organization, the Public Citizen Center for Auto Safety; they support what we are trying to accomplish. The reason they support it is that there are no safety provisions whatsoever in the Bond-Levin proposal. In our proposal, there is, however, an ability to live up to the safety standards.

You have heard the National Academy of Sciences report distorted again and again. The update of that report, on which NHTSA has signed off, says you can build a car in America that is just as competent as any SUV today and provides safety.

Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has approximately 1 minute.

Mr. KERRY. They try to suggest that this is a jobs problem. The fact is that our workers in Detroit have the ability to build all the cars America can buy that are just as large as the cars we have today but are more efficient. What they need is an auto industry that asks them to do it, that gives them the cars that are so designed. It is extraordinary that my colleagues have so little confidence in the ability of the American worker and American ingenuity to provide cars that are going to be competitive well into the future with the Japanese and Germans.

I think we should celebrate the capacity of the American worker, and that is what we are asking people to do. Every year, there has been an opportunity to delay, to obfuscate. The opponents have chosen to do it. The only people who support Bond-Levin are those who support the specific automobile interests, the Big Three, people who work there—not the safety people, not consumers, not the environmental interests of the country.

Generally speaking, this is a pattern of delay and obfuscation. We will have an opportunity after this vote to vote on the Kerry-McCain alternative that reduces the level even further. I ask my colleagues to remember that there is no CAFE requirement at all in Bond-Levin. We will have no standard whatsoever. We will have years of lawsuits and years of delay. It is one more step in Detroit's effort to prevent us from having an opportunity to have cars that are competitive and meet the needs of the future.

I retain the remainder of the time.

The PRESIDING OFFICER (Mr. REED). Who yields time?

Mr. LEVIN. Mr. President, how much time remains in support of the amendment?

The PRESIDING OFFICER. The Senator from Michigan controls 2 minutes and 1 second, and the time of the Senator from Massachusetts has expired.

Mr. LEVIN. I yield 30 seconds to Senator STABENOW.

The PRESIDING OFFICER. The Senator from Michigan.

Ms. STABENOW. Mr. President, this is not about the Ford Escape. We are pleased the auto industry is moving forward. The CAFE number does not reflect the fuel economy improvements of one particular vehicle. It is a fleet average. GM has from 2000 to 2001 improved fuel efficiency for eight different vehicles, and their CAFE number did not change.

It is a system that does not work. It is crazy. It is discriminatory against the American auto industry. I encourage a vote for this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. LEVIN. I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, the Senator from Massachusetts said the amendment before us would eliminate existing safety standards. That is flat out wrong. He summarized a quote from one member of the National Academy of Sciences. I want to read one line from the National Academy of Sciences on the exact point:

> Equal treatment of equivalent vehicles made by different manufacturers is a requirement of equity. The current CAFE standards fail that test.

I have much more confidence in the workers of this country and their representatives than my friend from Massachusetts. They strongly oppose this amendment. The UAW favored CAFE when it first came into existence. They favored CAFE. They strongly oppose the Kerry language because it discriminates against equally efficient vehicles made in America.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. LEVIN. I yield the remainder of my time to the Senator from Missouri.

The PRESIDING OFFICER. The Senator from Missouri has 10 seconds.

Mr. BOND. Mr. President, I thank the Senator from Michigan. It is not fair to say there are no safety standards. The Levin-Bond amendment requires safety be considered in setting the standards. There will be standards.

I have just come from a press conference with Diane Steed, former NHTSA Director, speaking on behalf of the National Safety Council. The National Safety Council is extremely concerned about the Kerry proposal and its likelihood to kill more people. Therefore, I urge support of the Levin-Bond amendment.

I ask unanimous consent that Senator VOINOVICH be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

All time has expired. The question is on agreeing to amendment No. 2997.

Mr. LEVIN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

Mr. LEVIN. Did the Chair add Senator VOINOVICH as a cosponsor?

The PRESIDING OFFICER. The Chair did.

The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 62, nays 38, as follows:

[Rollcall Vote No. 47 Leg.]

YEAS—62

Allard	Bond	Byrd
Allen	Breaux	Campbell
Baucus	Brownback	Carnahan
Bayh	Bunning	Carper
Bennett	Burns	Cleland

Cochran
Conrad
Craig
Crapo
DeWine
Domenici
Dorgan
Ensign
Enzi
Feingold
Fitzgerald
Frist
Gramm
Grassley
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Johnson
Kohl
Kyl
Landrieu
Levin
Lincoln
Lott
Lugar
McConnell
Mikulski
Miller
Murkowski
Nelson (NE)
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Specter
Stabenow
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NAYS—38

Akaka
Biden
Bingaman
Boxer
Cantwell
Chafee
Clinton
Collins
Corzine
Daschle
Dayton
Dodd
Durbin
Edwards
Feinstein
Graham
Gregg
Harkin
Hollings
Inouye
Jeffords
Kennedy
Kerry
Leahy
Lieberman
McCain
Murray
Nelson (FL)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Smith (OR)
Snowe
Torricelli
Wellstone
Wyden

The amendment (No. 2997) was agreed to.

Mr. REID. Mr. President, I move to reconsider the vote.

Mr. INHOFE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from Georgia is to be recognized to offer an amendment on which there will be 10 minutes of debate.

The Senator from Georgia.

AMENDMENT NO. 2998

Mr. MILLER. Mr. President, I call up an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Georgia [Mr. MILLER], for himself, Mr. GRAMM, and Mr. HUTCHINSON, proposes an amendment numbered 2998.

Mr. MILLER. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To prohibit the increase of the average fuel economy standard for pickup trucks)

On page 177, before line 1, insert the following:

SEC. 811. AVERAGE FUEL ECONOMY STANDARDS FOR PICKUP TRUCKS.

(a) IN GENERAL.—Section 32902(a) of title 49, United States Code, is amended—

(1) by inserting ''(1)'' after the after ''AUTOMOBILES.—''; and

(2) by adding at the end the following new paragraph:

''(2) The average fuel economy standard for pickup trucks manufactured by a manufacturer in a model year after model year 2004 shall be no higher than 20.7 miles per gallon. No average fuel economy standard prescribed under another provision of this section shall apply to pickup trucks.''.

(b) DEFINITION OF PICKUP TRUCK.—Section 32901(a) of such title is amended by adding at the end the following new paragraph:

''(17) 'pickup truck' has the meaning given that term in regulations prescribed by the Secretary for the administration of this chapter, as in effect on January 1, 2002, except that such term shall also include any additional vehicle that the Secretary defines as a pickup truck in regulations prescribed for the administration of this chapter after such date.''.

Mr. MILLER. Mr. President, I rise to urge my colleagues to vote in favor of the Miller-Gramm-Hutchinson of Arkansas amendment to protect pickup trucks.

Our amendment is very simple. In fact, I cannot remember seeing a more simple amendment ever offered on the floor of the Senate. It is easy for all of you to understand. And I will tell you something else that is important, it is easy for the folks back home to understand.

Pickups are now required to meet a standard of 20.7 miles per gallon. This amendment simply says that standard cannot be increased. The only thing greater than its simplicity is its fairness. We absolutely should not impose an undue safety risk and extra cost of higher CAFE standards on our farmers or on our rural families or on our carpenters, plumbers, painters, electricians—those small businesses that rely so heavily on the pickup that keeps our Nation moving.

These are the hard-working people with calloused hands who build our homes and work our farms. They are the forgotten Americans who work from dawn to dark and then turn on the headlights of their pickup so they can see to work another hour.

They never ask us for anything they have not earned. All too often in this great citadel of the people we turn our backs on these folks. They have no lobbyists. They don't have a single one; pickup pops are not organized. No soft money comes from them, and not much hard money. They are too busy working. As the pickup goes, so goes the very heart and muscle of this great country.

If you apply higher CAFE standards to pickups, you will make them unaffordable for some and you will make them unsafe for all. A ''yes'' vote is a vote for the working man. A ''yes'' vote is a vote for rural America. A ''no'' vote is a vote against the working man. A ''no'' vote is a vote against rural America.

In 1 year alone, the year before last, working people in this country bought 3,180,000 pickup trucks in 29 of our States. Pickups account for between 20 percent and 37.4 percent of all registered vehicles. Folks across this country buy pickups, not just because they are affordable and not just because they are safe. They also buy them because they have to have them. They have to have them to do their work. Pickups are as essential to the carpenter as his hammer; as essential to the painter as his paintbrush.

So we must leave this American workhorse, the pickup truck, alone. Don't pick on the pickup.

The PRESIDING OFFICER. Who yields time? The Senator from Nevada.

Mr. REID. Mr. President, under the authority of Senator DASCHLE, I yield 5 additional minutes to Senator BINGAMAN in opposition to this amendment. That will be a total of 6 minutes.

The PRESIDING OFFICER. Is there objection? The Senator from Texas.

Mr. GRAMM. Mr. President, I do not object. I think I have 5 minutes reserved to speak on the amendment.

The PRESIDING OFFICER. The Senator has 5 minutes. Is there objection to the unanimous consent request? Without objection, it is so ordered.

The Senator from Texas.

Mr. GRAMM. Mr. President, first of all, I congratulate my dear colleague from Georgia. I thank him for his leadership on this issue. I say to him I am very happy again to be married up together, promoting the interests of the people who do the work and pay the taxes and pull the wagon in America.

If you want to know how far out of touch with reality this Congress is, all you have to do is look at this CAFE standard debate. The American people want to be safe in their cars and trucks, and they have work to do. It is not uncommon in my State for people to get up in Corsicana at 4:30 in the morning, get in their pickup, drive to Dallas, work all day and work that pickup all day until 6 or 7 o'clock at night and then drive that pickup back to Corsicana. Every morning in small towns all over this country, people who work for a living and get their hands dirty in the process use their pickups for transportation and to make a living. There are not good substitutes.

Our colleagues tell us: Oh, there are substitutes. We can have a substitute for the pickup. You don't need that big Dodge. You don't need that Chevrolet. You don't need that Ford. You don't need that Toyota pickup. They have an alternative. But they don't live in Mexia. They don't carry around tools. They are not hauling lumber. They are not getting their hands dirty working for a living, and they are totally and absolutely out of touch with the people who do the work in this country. Our amendment simply says: Leave pickup trucks alone.

Try as I may to understand people who have a different mindset than I do—and I know many of my views are hopelessly out of fashion—but try as I do to understand it, sometimes I cannot. We will impose billions of dollars of cost on little towns to try to change arsenic standards for drinking water based on a projection of a very small effect on the health and lives of Americans. But, yet, when the National Academy of Sciences, the most prestigious scientific body on the face of the Earth, concludes that the existing CAFE standards may be costing as many as 3,600 lives a year—we are not talking about the new standards, we are talking about the old standards—the people who go absolutely ballistic over these little towns are nowhere to be seen. If Fallon, NV, has arsenic in its drinking water, and if the mayor

and his children and grandchildren have been drinking it for years with no appreciable effect or no effect, we have no doubt in our mind about imposing those costs because we are so concerned about an effect on people. Yet, when hundreds of times as many people are killed by these CAFE standards, we act as if that is all right because fuel efficiency is a good goal.

I don't know a better goal than to have people drive pickups. I don't know any more reliable Americans than those who drive pickups. I don't know people who more deserve good government than people who drive pickups. So this amendment is critically important.

Finally, if anybody cares about the automobile industry, let me remind my colleagues that we are trying to get out of a slowdown, a minor recession. We have just had the administration impose tariffs up to 30 percent on steel and while many Members of Congress support that, I do not. This action means money will be taken right out of the profit margin of American automobile producers because the Germans and the Japanese are not going to pay these higher prices for steel.

If we come in now with these new CAFE standards on big-selling items such as pickups, this will further hurt automobile manufacturers and their workers. In my State, pickups are the largest selling vehicles. If you take trucks in general, trucks in general outsell cars in Texas. My guess is that is true in most of your States.

I urge my colleagues to vote for this bipartisan effort on behalf of people who drive and use pickups—people who do the work and make America work, and who deserve to be represented on the floor of the Senate. I am proud that Senator MILLER has seen the day that they are represented.

Mr. MURKOWSKI. Mr. President, how much time remains for the proponents?

The PRESIDING OFFICER. There is no additional time except for the time remaining to the Senator from Georgia, who has 41 seconds remaining.

Who yields time?

Mr. MILLER. Mr. President, I yield 41 seconds to the Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I thank my good friend from Georgia.

For those of you who have ever driven a pickup and gotten stuck in the snow, you need a four-wheel-drive pickup to get out. We would not have been able to develop the Trans-Alaska Pipeline without the U.S.-made pickup. It has the heavy undercarriage that can stand the gravel roads. The Senator from Texas is quite correct. The rest of the country lives on the pickup, and the transportation is used as part of your toolbag. You get your tools in it, you go out to work, and you get a job done. There is simply no other way you are going to accomplish this.

I think the Senator from Georgia in his reference to what is in this amendment—automakers make more fuel-efficient pickups—there is nothing in this amendment that would prevent that. The reality is a pickup is a heavy piece of equipment that is designed to do a job. We should support the amendment of the Senator from Georgia.

The PRESIDING OFFICER. Who yields time?

Mr. BINGAMAN. Mr. President, how much time do we have in opposition?

The PRESIDING OFFICER. The Senator from New Mexico has 6 minutes.

Mr. BINGAMAN. Mr. President, I yield myself 3 minutes, and then I will yield 3 minutes to the Senator from Illinois.

Let me put this in perspective. We just had an amendment agreed to on the Senate floor which essentially says that we in the Congress are not going to specify what the corporate average fuel efficiency or economy number ought to be; that it ought to be left up to NHTSA, the National Highway Traffic Safety Administration, to make those decisions.

The Republican leader came to the floor and said we should do this because clearly we need to be sure that the decision is made on the basis of sound science and solid data. Those were the two phrases he kept using—sound science and solid data.

The Senator from Michigan continually referred to the fact that we should not adopt some arbitrary number; that is totally contrary to common sense. Now we have an amendment by my good friend the Senator from Georgia which says let us make it permanent law—that beginning 2 years from now with model year 2004 and after, for all pickups, it is prohibited for NHTSA or anyone else to impose a fuel efficiency standard in excess of what has been the standard for many years, 20.7 miles per gallon.

The last amendment said that NHTSA would make the decision. This amendment takes that away and says we are making the decision. It will be 20.7 miles per gallon on pickups starting in 2004, and from then on it is permanent law. I don't think we can have it both ways. If we know best, then fine, we shouldn't have adopted the last amendment. If NHTSA knows best, then we shouldn't adopt this amendment.

I understand where the votes are. I understand that everyone wants to wrap themselves in the flag of the pickup pops and indicate that they don't want to pick on pickups. I understand all that rhetoric.

I have a lot of pickups in my State. But I don't see why people who drive pickups should be required to be buying vehicles that are less fuel efficient than the rest of the population. The truth is these people who work so hard and have callused hands and are driving pickups don't want to have to pay more at the gas pump than anyone else. And this amendment essentially will ensure that they have to pay more from now on. They may get a very fuel-inefficient pickup, but every time they go in to fill up, they are going to be paying more because of this amendment, if it is agreed to.

I urge my colleagues to oppose the amendment.

I yield the remainder of our time to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I ask to be recognized for 2 minutes, and then yield 1 minute to Senator LEVIN from Michigan.

Mr. President, I rise in opposition to this amendment. With the last vote, we threw in the towel on fuel efficiency. We said this Congress is incapable of requiring the automobile manufacturers to make a more fuel-efficient car so that America could have energy security and energy independence. We gave up on it. We turned it over to NHTSA and said: Study it, look at it, and we will get back to you.

Now, with this amendment, we are saying we are going to exempt pickup trucks forever and that 20.7 miles a gallon is all we will ever ask of them. We will not ask Detroit to make a pickup truck that is more fuel efficient. And the argument has been made that it is unfair, that it is unpatriotic, that it is impossible to ask the drivers of pickup trucks across America to ask for a more fuel-efficient vehicle—even 1 more mile per gallon.

Let me tell you what is also unfair. It is unfair to ask the men and women in uniform in the United States to risk their lives in a war in the Middle East to fight to preserve more imported fuel to fuel these vehicles on the highways. These hard-working farmers and ranchers and blue-collar men and women who drive these pickup trucks have kids who may be forced to serve in the military to fight a war because of our dependence on Middle East oil.

With the last vote, we bowed down to the special interests on fuel efficiency. And I want to tell you that as a result of it, we are going to continue to bow down to OPEC for decades to come. That is not in the best interests of people who drive cars and pickup trucks in America.

The PRESIDING OFFICER. Who yields time?

Mr. BINGAMAN. Mr. President, I yield the remainder of our time to the Senator from Michigan.

Mr. LEVIN. Mr. President, how much time remains?

The PRESIDING OFFICER. One minute fifteen seconds.

Mr. LEVIN. I will split that time evenly with my colleague from Michigan.

Mr. President, we have decided to refer to NHTSA for the next 15 months the complicated question of whether or not we ought to increase CAFE on what vehicles and by what amounts. This amendment runs contrary to what we just agreed to.

I could not disagree more with our friend from Illinois when he says we threw in the towel in terms of increasing CAFE with this last amendment.

That was my amendment. We specifically said we are going to increase it, but we are going to do it in a rational and responsible way, considering all the criteria which should be considered. We should not adopt the standard on this floor. The Miller amendment, I am afraid, does that for one particular type of vehicle.

The PRESIDING OFFICER. The Senator from Michigan.

Ms. STABENOW. Mr. President, I rise to oppose this amendment.

CAFE relates to fleet-wide averages. If we take out pickup trucks, we put more pressure on fuel efficiency standards for SUVs and minivans. I hope we will instead use the last amendment as the way that we will approach vehicle fuel efficiency and that we will not pit our farmers against our soccer moms.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I ask unanimous consent that I be made a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. All time has expired.

The question is on agreeing to the Miller amendment, No. 2998.

Mr. MILLER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 56, nays 44, as follows:

[Rollcall Vote No. 48 Leg.]

YEAS—56

Allard	Dorgan	McConnell
Allen	Edwards	Miller
Baucus	Enzi	Murkowski
Bennett	Frist	Nelson (NE)
Breaux	Gramm	Nickles
Brownback	Grassley	Roberts
Bunning	Hagel	Rockefeller
Burns	Harkin	Santorum
Byrd	Hatch	Sessions
Campbell	Helms	Shelby
Carnahan	Hutchinson	Smith (NH)
Cleland	Hutchison	Smith (OR)
Cochran	Inhofe	Stevens
Conrad	Johnson	Thomas
Craig	Kyl	Thompson
Crapo	Landrieu	Thurmond
Daschle	Lincoln	Voinovich
DeWine	Lott	Warner
Domenici	Lugar	

NAYS—44

Akaka	Ensign	McCain
Bayh	Feingold	Mikulski
Biden	Feinstein	Murray
Bingaman	Fitzgerald	Nelson (FL)
Bond	Graham	Reed
Boxer	Gregg	Reid
Cantwell	Hollings	Sarbanes
Carper	Inouye	Schumer
Chafee	Jeffords	Snowe
Clinton	Kennedy	Specter
Collins	Kerry	Stabenow
Corzine	Kohl	Torricelli
Dayton	Leahy	Wellstone
Dodd	Levin	Wyden
Durbin	Lieberman	

The amendment (No. 2998) was agreed to.

Mr. REID. Mr. President, I move to reconsider the vote.

Mr. BINGAMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

AMENDMENT NO. 2999

Mr. KERRY. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KERRY], for himself and Mr. MCCAIN, proposes an amendment numbered 2999.

Mr. KERRY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. KERRY. On behalf of Senator MCCAIN and myself, I ask unanimous consent that the amendment be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERRY. Mr. President, I want to speak for a few moments about where we now find ourselves. I was talking with the distinguished Senator from Michigan, who won a significant vote by the Senate a little while ago with respect to, instead of having the Senate set a standard, sending the CAFE standard to NHTSA and asking NHTSA to do so within a specified period of time. I understand the dynamics, but may I say there is an incredible schizophrenia in what the Senate has done in these two votes, because on the one hand the minority leader and many of our colleagues came to the floor to argue that the Senate doesn't have the ability—we don't have the science, the information, and we don't have enough capacity to make a determination about how the overall fleet ought to be determined. Then, of course, with the amendment of the occupant of the chair, the Senate decided all of that goes out the window; we do that by exempting pickup trucks.

I sympathize with the occupant of the chair that pickup trucks ought to be treated differently. I am not arguing about that. Clearly, they are a mainstay to a huge amount of economic activity and people who contribute very significantly to the fabric of this country. But it is completely contrarian to say we are going to have NHTSA try to evaluate this and, on the next vote, we have exempted 20 percent of the available fleet, so that now, whatever fuel savings we have left to gain have to come out of the rest of the fleet—either passenger cars, SUVs, or others—if it is decided that any savings are going to come at all.

Now, just today, some polls were released that showed that 88.9 percent of Americans believe we are better off trying to raise the fuel efficiency of our automobiles, and they would like to see CAFE standards be at a level where America is saving oil, where we are not importing oil from abroad to a greater degree.

Senator MCCAIN has worked diligently with a group of Senators on both sides of the aisle—Senator SNOWE, Senator COLLINS, Senator GORDON SMITH, and Senator CHAFEE, and Senators on our side, such as Senators HOLLINGS and FEINSTEIN—to come up with an agreement on a different approach on CAFE. It is an approach that embraces the concept of credit trading, so that you soften, reduce significantly, the pressure on an automobile company to meet the higher standard of, say, the 36 miles or 35 miles—or whatever it might be—by allowing that company to purchase credits from a greenhouse-gas-producing entity of some kind in the United States.

What you get from this is a two-fer: You get the reduction in greenhouse gases, and you also get the incentive for companies to move forward, meeting a higher standard of fuel efficiency. I hope NHTSA—now that the Senate has voted, it is my hope; and I am sure Senator MCCAIN joins me—that this will be a concept maybe they will embrace as they consider how we might come back to more effectively implement the standard.

What has happened here in the Senate is the result, to a large degree, of an extraordinary process of distortion over the course of the last days, where huge sums of money have been spent by an industry that has a lot of money, and rather than putting the money into fuel efficiency, they put it into advertising to maintain the status quo. It is ironic.

Mr. MCCAIN. If the Senator will yield on that point, isn't it particularly entertaining to hear the comments about the drivers of pickup trucks and how important it is for those good citizens—hard-working, poor citizens who drive the pickup trucks, not a penny of theirs pays for these advertisements that have distorted this issue so badly.

Wouldn't it have been more fair in the debate to talk about who is paying for all the advertising attacking you and me and anybody who wanted to increase CAFE standards? I don't think a single pickup truck owner paid for those ads. We know who it is. It is the automobile manufacturers. Isn't it the automobile manufacturers who have resisted every single change in safety or efficiency over the last 40 years in the United States of America? Isn't it true that to drag out a picture of an automobile called the ''purple people eater'' and somehow infer that that would be an automobile that the American people would be forced to drive, if we increased CAFE standards, has trivialized this entire debate?

I have to tell my friend from Massachusetts that I have been engaged in debates on the floor of the Senate now for quite a few years, as has the Senator from Massachusetts. I haven't quite seen the trivialization of a debate

in the manner with which this one was when they dragged out pictures of little European cars. Frankly, the Europeans buy those cars because they don't have parking spaces in the major cities in Europe. I suggest that perhaps the occupant of the chair might go to Germany and get on the autobahn sometime. He will see some pretty big automobiles traveling at very high rates of speed. If we had the little ''purple people eater,'' maybe we ought to have shown the Porsches and the Mercedes Benz, which are extremely popular in Europe, as well.

The other thing I ask of my colleague that is a bit disturbing about this debate is this: All these comments about the health of our citizens and the risks to their lives and how this could be so dangerous because we would have more accidents, which by the way have been refuted by recent studies——

Mr. KERRY. Mr. President, if I could interrupt, I need to go into the cloakroom for a moment. I will yield the floor and let my colleague continue to speak.

Mr. McCAIN. I thank my colleague. I am sure he will be responding to the questions.

Here we have a study from my home State of Arizona, the ''Governor's Brown Cloud Summit,'' a study released January 16, 2002, concerning the very serious problem we have in the valley, where the city of Phoenix and surrounding cities are located. I hope colleagues will keep in mind that this is the same valley where, many years ago, doctors recommended people to go and live if they had respiratory problems. Part of the conclusions here are that:

> Microns, often referred to as PM 2.5, is a significant cause of haze. Each particle, about the size of a single grain of flour, can float in the atmosphere for days, behaving much like a gas. Over half of the PM 2.5 is caused by the burning of gasoline and diesel fuel in vehicles, which are sometimes referred to as on-road mobile vehicles.

Then it says:

> PM 2.5, the prime cause of poor visibility in the valley, also exacerbates health effects, such as asthma attacks and other heart and lung problems that cause people the need to go to the hospitals and is consistently associated with higher-than-average death rates. Reducing the amount of PM 2.5 will make the view of more distant landmarks clearer and reduce health effects. Improvements in visibility and health will be directly proportional to the amount of the emissions eliminated.

Recently there was an editorial in the Arizona Republic on March 9, 2002—''New study reveals wider health risks.'' The title is ''Legislature Must Attack Brown Cloud'':

> We have always known the valley's brown cloud is ugly and unhealthy. Now we know it can be deadly. A new study indicates years of breathing that haze of particulate pollution will significantly raise a person's risk of dying of lung cancer and heart attack. For lung cancer, the risk is the same as living with a cigarette smoker, according to a report published this week in the Journal of the American Medical Association. The study, funded by the National Institute of Environmental Health Sciences—

Not an automobile manufacturer—

> is compelling because of its breadth. Researchers followed half a million people across the country for over two decades. No, it is not just desert dust. The most dangerous particles are much smaller, 2.5 microns or less, so tiny that it takes at least 28 to equal the diameter of a human hair. These ultrasmall particles which wreak havoc by penetrating deep into the lungs come from combustion.
>
> Here in the valley, as elsewhere in the West, a big part of our particulate pollution spews out of tailpipes.

Long-term exposure to pollution increases risk of lung cancer, according to this study, by 8 percent.

The study concludes air pollution puts individuals at greater risk for heart attacks and lung cancer. Pollution has been correlated to reproductive, musculoskeletal, respiratory, and gastrointestinal problems. It is of particular concern to children and older people as their immune responses are less capable of dealing with the stresses caused by pollutants.

Arizona has the second highest rate of asthma sufferers in the Nation. Approximately 300,000 Arizonans have asthma. The 2002 report by the Journal of the American Medical Association, says:

> Six hundred sixty-six premature deaths in Arizona are from exposure to particulate matter.

This is serious business. This is not pictures of little European cars. This is not comments about the great individuality of the pickup truck driver. This is about life and death of children and older people. That is what this argument is about and, unfortunately, that has not been part of this debate. It certainly could not have been part of this debate that I know of.

It is calculated that brown cloud material would be reduced by 1.8 metric tons per day in 2010, if the use of clean burning fuel was implemented.

My State, Arizona, got an F, the worst rating on air quality, in 2001 from the American Lung Association. Ninety percent of the workforce in my State drives to work. One in every 4.5 cars is an SUV; 54 percent of the passenger vehicles sold in Arizona qualify as light-duty trucks. I would be the last representative to try to take away an SUV from my family, my neighbors, or my constituents.

Phoenix received a D rating for the amount of smog from cars and trucks per person and an F for the amount spent on public transit versus highways per person. In Phoenix, we have 70 pounds of smog per person per year. In Pima County, vehicle emissions are responsible for up to 70 percent of area air pollution, making them a prime candidate for reduced emissions and cleaner burning cars.

An increase in CAFE would reduce my State's pollution by about 2.3 million metric tons per year. The California Air Resources Board established a zero emission vehicle program in 1990 to meet health-based air quality goals. Ten percent of new vehicles produced in 2003 have to be zero emission vehicles. As of 1990, other States may adopt the California program as their own but are otherwise prohibited from setting their own emissions standards.

The State of California has listed over 40 chemicals in diesel exhaust as toxic air contaminants. Numerous studies have linked diesel exhaust with cancer, bronchitis, asthma, and other respiratory illnesses.

It is very unfortunate that we are failing to address the severe health care problems and direct threat to the health of our citizens as we blithely believe the same old rhetoric from the automobile manufacturers of America which were wrong in 1974, they were wrong in 1976, and they are wrong today. At one time, they were against seatbelts. At one time, they were against airbags. At one time, they said the CAFE standards increase that Congress had the courage to pass years ago would drive them out of business. The last time I checked, they were doing pretty well.

I regret this action on the part of the Senate because I believe people will die unnecessarily over time as a result of the action we have taken today. We will revisit this issue because the problem in my State and America is getting worse rather than better.

I thank my colleague from Massachusetts. I know he has been made famous in newspaper and television advertisements all over America as being the one who is bent on destroying Western civilization as we know it. I do extend to him some sympathy. Some day we will have a rational debate on this issue, and we will bring the scientific facts forward, as I tried to do through different studies conducted by the Journal of the American Medical Association and the National Academy of Sciences, as to the threats to the health of Americans that our failure to address this issue presents.

Some day I am sure we will revisit this issue, and I hope the debate is devoid of pictures of small cars that are used in Europe as a threat to the American way of life, in which I know the Senator from Massachusetts and I would never engage.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I thank the Senator from Arizona for his comments. I know he has been the recipient of those kinds of comments previously. He and I seem to find ourselves together on that occasionally.

I came to the Senate hoping I would always find that this institution debated facts and truth. Obviously, I am not naive. I know there are some politics; we all understand that. I am not trying to suggest that is not part of it. But the level of Harry and Louise-ing of this issue that we saw in the last days is a commentary on money in American politics and how the agenda

of the country gets distorted and the ways in which special interests and big money can mold an issue into a certain perspective completely devoid of some of the reality.

We saw a National Academy of Sciences study used again and again in the most obviously distorted way. People would read from the study which referenced a 1993 analysis. Despite the fact that analysis has been redone since then, despite the fact there is a 2002 current year analysis, everybody kept going back.

Let us go back to 1993 because that is much more effective, even though it is not true. Across America, people were told they might have to farm with a compact car. I know the Chair does not believe that. People are not going to be farming with compact cars. Tractors are not even under CAFE standards. As to the level of reasonableness of the standard that could have been found with respect to light trucks or pickups, it is beyond imagination we would not be willing to come to grips with what I think is a greater truth.

Those most concerned with safety in America, those entities that consistently earn a reputation coming to the Senate with studies and analyses upon which all of our colleagues depend—the Center for Auto Safety, Public Citizen, people who have a reputation of representing the consumer—were against what the Senate did. Not one safety organization in America supported what was adopted.

I have learned to take my losses, and we are all going to live to fight another day. This issue is going to come back, I am absolutely convinced about that. We are going to face it.

I saw that the price of gas went up about 5 or 6 cents at the pump in the Washington area in the last couple of days. I remember when I was going to law school what it was like to study my torts and contracts sitting for an hour and a half in a line waiting to get gasoline, and I wished I had a car that did not require me to go into that line as frequently as it did so I could get to school and back on one tank of gas more frequently.

In Europe, people are driving cars that get 60 and 70 miles per gallon, and the question is pregnant here in America: Why aren't we?

There is a new poll that came out yesterday. It shows 88 percent of Americans want cars that are more efficient. I believe even those who drive pickups and light trucks all across America would like a truck that is more efficient. They pay their gas bill. They have to pay for the same costs as everybody else. It would be a lot more efficient if they could have some of that new technology.

In my judgment, we missed—it is my judgment, and I could be wrong, as everybody knows—an opportunity to help make America more competitive, to help save money for our consumers, and to beat back what has been a proven reluctance by an industry for years. This is not a matter of conjecture.

I know the Presiding Officer, the Senator from Georgia, knows Stuart Eizenstat. I know the Presiding Officer knows President Jimmy Carter very well. President Jimmy Carter sat in front of the Big Three, and they came to him and said:

Mr. President, we cannot do this. You are going to put us out of business. Stuart Eizenstat testified to our committee that he sat in that meeting and listened to the president of General Motors tell him it was impossible to meet the standards, but President Carter himself, somebody who understood technology, an engineer by training, made a courageous decision that we had to move forward. That courageous decision to move forward saved millions of barrels of oil—billions by now. It saved, many would say, the American industry because it made them competitive with the German and Japanese car that was increasingly gaining market share because Americans wanted cars that were more efficient.

I believe in the capacity of every UAW worker and every car manufacturer in America to build a car that is competitive with any car in the world. I believe in the capacity of American ingenuity and technology. I believe in our entrepreneurial spirit.

Today, we turned our backs on something President Kennedy did in the 1960s when he said we could go to the moon in 10 years. He did not know for certain we could get there, but he set a goal, and America met the goal.

We could have, today, set a goal for America. We could have said we are going to reduce the threat that our kids may have to go to another country to defend our gluttony on oil by becoming more efficient. We could have, today, had an opportunity to set a standard that would have pushed the technology curve so America could be the country that sells the cars of the future, all over the world, that are more efficient, more effective, and safer.

I misspoke earlier when I said something about the Senator from Michigan. I want to clarify it. I told him about it, and it was purely misspeaking. I said his bill would wipe out the safety standards. I did not mean the safety standards of CAFE that are in existence today. I meant it would wipe out the underlying safety standards in our bill. That, it did.

We had a safety standard that would have provided a rollover standard for SUVs. Every year we lose 10,000 Americans who are killed in rollover accidents in SUVs. SUVs are built with a very fragile roof. I think the roof weighs about 75 pounds, something in that vicinity. When the heavy SUV rolls over, people are crushed and killed. That could be prevented.

The safety people who supported our bill suggested we should have had that standard in this legislation. That has now been wiped out.

The reason this is so important is that there is a history. People know NHTSA has not been a fighting agency for change or for standards. That is why when Ronald Reagan came in and Congress was going to do standards, everybody said: Oh, NHTSA ought to do it. Do not let Congress do it.

When Bush 41 was President, they said: Oh, Congress should not do this. NHTSA ought to do this. Then all of a sudden when President Clinton was in office, and Congress was in the hands of the Republicans, the whole argument flipped: Oh, we should not have NHTSA do this. We ought to have Congress do this.

Lo and behold, in 1995, the Congress prohibited the EPA from even evaluating what the impact might be of raising the CAFE standards.

There is a history, a history of delay, a history of resistance, a history of can't-do, a history of we do not want to do, a history of this is going to kill us. But when Congress had the courage to stand up and raise the aspirations of Americans, guess what. The industry met the standard and exceeded it. And guess what. We raised the numbers of workers in Detroit up to about 1 million in the year 1999, the highest level it had been for a number of years.

When I hear my colleagues say, ''What about jobs,'' I do not think it is Toyota and Honda that moved to Mexico. The last measurement I had, it was the Big Three that had moved some plants to Mexico. Honda and Toyota are building plants in the United States of America, and they are increasingly building engines and automobiles in our country and grabbing market share.

Maybe the competition of the marketplace will spur some of these entities on but history has shown—look at Enron. There is an example. If ever we have learned in recent days what President Teddy Roosevelt taught us when he had the courage, coming from his party, to stand up against trusts in America, we learned of the unfettered, completely unrestrained, absolutely unregulated appetite of most businesses. We have found countless examples of abuses where sometimes someone is needed to act as a referee, to act as a standard bearer. I believe that someone should have been the Congress. It has not been, and it obviously will not be. So my hope is that as we go down the road, people will think hard about the gains that were lost today.

This is not the long-term solution for our country. I understand that. The long-term solution for our country is to be independent of oil, but 70 percent of the oil we consume in America is consumed in transportation. If we are going to reduce foreign dependence, we have only two choices: We either produce it in America or we reduce our dependency abroad. Since oil is the principal dependency, we cannot solve the problem when we only have 3 percent of the world's oil reserves but we use 25 percent of those reserves every year. The math is simple. Every child

in school can do the math. If the United States is using 25 percent of the oil, and we only own 3 percent of the oil reserves, either find the oil somewhere else or find an alternative to oil.

We cannot drill out of this predicament; we have to invent our way out. One of the ways to have invented our way out of it would have been to have adopted a standard that pushed the technology curve so our industry would suddenly become the world's leader, as we were in alternatives and renewables and photovoltaics in the late 1970s, when we made a similar effort to adopt those technologies.

I am proud we were fighting for this. I will stand up anywhere in this country and defend the rectitude of what we attempted to do and decry the lies that suggest everybody in America has to get into some little purple people eater, when Ford Motor Company itself is promoting an SUV with all the power you want, and all the room you want, and it uses half the gasoline.

There it is, the car of the future, from Ford Motor Company. There is not a pickup truck, there is not an SUV, there is not a vehicle in America that cannot be driven this size. Look at our buses; look at our fleets. In America today we are driving huge numbers of people in buses that are driven on compressed natural gas. We have alternative vehicles. Fleets are being purchased that way.

The Government has the opportunity to set the standard, requiring that no automobile is going to be bought for fleet use of the Government unless we are using hybrids and alternatives. We could begin to create the demand for the marketplace. There are all kinds of ways to try this, but it takes leadership.

Today I regret to say I don't think the Senate offered that. I hope it will in the future.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. CARPER. Mr. President, for 2 weeks we have debated the comprehensive energy policy we should have for this country. Most Members and most Americans agree we need to do two basic things: One, we need to create more energy; two, we need to conserve more energy.

Throughout the legislation we are debating, there are a variety of ways we will create more energy: make natural gas more readily accessible from northern Alaska; create renewable energy; more solar, wind, geothermal; interesting exploitation of biomass, biofuels, soy diesel, among others.

On the conservation side, we are not doing so well. On the conservation side, we need to do a whole lot better. The Senator from Massachusetts has alluded to how much oil we consume. We consume a whole lot, given the size and population of our country, compared to the rest of the world. Our oil imports account for roughly 60 percent of the oil we consume. That is up from 30 percent when I came back to the United States at the end of the Vietnam war.

By the mid-1970s, we did not have much of a trade deficit. Today we have a trade deficit of $300 billion a year. A good deal of that is oil. Roughly a little more than half of the oil we consume, we consume with cars, trucks, and vans we drive. To pass from the Senate and send to conference with the House energy legislation that does not make meaningful, measurable steps toward reducing the amount of oil we use for our cars, trucks, and vans is shortsighted and a mistake.

A month ago I had an opportunity to participate in a meeting convened by our majority leader, Senator DASCHLE. At that meeting were Senator LEVIN, Senator STABENOW, Senator KERRY, Senator CARNAHAN, myself, and others. We were at the behest of our majority leader to see if we might try to find middle ground between the approach Senator KERRY wanted to take on CAFE standards and the approach of Senator LEVIN.

I thought on that day and today I still believe there is a compromise, and a good compromise, between what each proposed then and what each proposes to do today. At that early meeting I laid out what I thought were five principles that should underlie any changes we make with respect to the fuel efficiency of our cars, trucks, and vans. I mention those again. Senator MIKULSKI alluded to them yesterday. No. 1, we need to reduce oil imports. That should be an embodied principle. No. 2, we should set clear, measurable objectives. No. 3, we should do our deadlevel best to preserve American jobs. No. 4, we should provide reasonable leadtime to the auto industry for any changes that are going to be coming. No. 5, we need to think out the box. We need to be innovative.

I have never been a big one for micromanaging. I urged Senator KERRY in his legislation to move away from the idea that the Congress would set these interim goals for fuel efficiency. It is appropriate for Congress and the Senate to set longtime goals for fuel efficiency, be it CAFE or a reduction, a measurable, tangible reduction in oil imports. I am not as comfortable for the Congress setting interim goals. I would have that delegated to an appropriate entity.

Earlier today we debated the Levin amendment, for which I voted. I would like to be able to vote for the Kerry amendment not because I thought Levin was perfect, but there are a lot of elements that are good. Not because I think Kerry-McCain is perfect, but there is a lot that is good. If you put it together, we would have a good package.

I mention a couple aspects of the Levin amendment that I think are helpful and ought to be in the final package that hopefully will go to the President for his signature. The Levin amendment focuses on three or four major things that the Government ought to do and can do well. One is significant investments of Federal dollars in research and development, for fuel cells, for hybrid technology, including diesel hybrid technology.

The Levin amendment acknowledges there is a responsibility, and a good opportunity, a responsibility for the Federal Government to help commercialize the new technologies in fuel efficiency, vehicle efficiency that are coming along. The Federal Government has the opportunity to use its purchasing power to buy large numbers of cars, trucks, vans, jeeps, SUVs, trucks, semitrucks, others that are more fuel efficient. We should do that in the military and on the civilian side and use our purchasing power to help commercialize the new technologies.

Another role for the Federal Government is with respect to tax policy. If we want producers of vehicles to produce more fuel-efficient vehicles, we need to include a tax incentive. The Levin approach provides that.

Similarly, if we want to make sure the vehicles that are energy efficient are purchased by consumers, we need to provide incentives for consumers to buy. We do that under the Levin approach.

The one element that is missing in the approach of Senators LEVIN and BOND is the biggest hole in the amendment: We do not set a clear, measurable objective. We can argue until the cows come home about whether or not we need to change CAFE, concerns of foreign and domestic production, are we fearful of exporting the building of small cars to other countries if we approach this the wrong way.

Maybe the debate should not be about CAFE at all. Maybe the clear, measurable objective we ought to debate is an objective that reduces oil imports, reduces the consumption of oil by our cars, trucks, and vans.

The House of Representatives has passed by a very narrow margin a flawed energy bill, flawed with respect to the measurable objective they set in reducing consumption of oil. But at least they have a measurable objective. And their measurable objective, as I recall, is over roughly another 5 or 6 years to reduce by, I think, 5 billion gallons the amount of oil that we consume. That is in their bill, with respect to our light trucks, vans, SUVs.

If we actually consider how many miles per gallon that equates to, it says we are going to improve our fuel efficiency by maybe a mile or mile and a half per gallon over roughly the next half dozen years. That is not much. That is far too modest a goal and certainly far too modest a goal for the next dozen years.

We are going to stay on this bill for a while longer. I wish very much we could vote for the Kerry-McCain amendment because it has changed a whole lot from what was originally envisioned and, frankly, what has been originally put in this bill, and it has been changed in ways that I think

make sense. I thank them for the changes, including ones I proposed, that they have been willing to accept.

Before we move off this bill, I hope we will come back to this thought; that while it is important that we preserve jobs and while it is important that we provide reasonable lead time for the auto industry, and while it is important that we think outside the box and invest in R&D and tax credits and commercialize the technologies that are coming along—those are all things that are important to do—it is also important for us to reduce our reliance on foreign oil.

For us, today, to think we are going to have to cram into these tiny little cars like the purple people eater that was put on display by Senator LOTT earlier is just not the case.

We build Dodge Durangos in my State. They get about 17 miles per gallon. If they introduce a gas hybrid engine, they will increase their fuel efficiency next year by about 30 percent. That is just next year, by 30 percent. There are ways we can use diesel hybrids to increase that 30 percent to something like 60 percent, if the diesel hybrid is able to meet our requirements for tier 2 clean air standards, particularly for nitrogen oxide and particulates. We can do these things and we don't have to sacrifice comfort, we don't have to sacrifice space, we don't have to sacrifice safety in order to have the kind of vehicles people want to buy and want to drive and to be able to remove our country's future from the hands of the folks who control so much of the oil in the world.

My wife has a Ford Explorer. She likes it a lot. It doesn't get very good gas mileage, but she likes it a lot. She likes the size and a lot of things about it. Probably the next car she buys will be a similar vehicle. I drive a Chrysler Town and Country minivan. I like it a lot, and with a young family, it meets our needs. I sure wish it got better gas mileage. I wish it got a lot better gas mileage. We can do those things.

Senator KERRY mentioned—I will just close with this—when John Kennedy was running for President in 1960, he talked about a goal of putting a man on the Moon, an American on the Moon by the end of that decade. Today, that may not seem to be a very big undertaking, but in 1960 it sure was. The idea we could take a man and put him in a space suit, put him in a missile and send him up to the Moon and let him walk on the Moon and turn around and fly back safely, the idea somebody at the time could was almost incomprehensible. But he said we could do this as a nation; that we ought to do it before the end of the 1960s. And we did.

If we could do that as a nation four decades ago, we can build cars, trucks, and vans that people want to buy and want to use in this country and at the same time reduce our reliance on foreign oil.

When I filled up the tank of my Chrysler Town and Country minivan in Dover earlier this week, I know some of the $20 I charged on my credit card to fill that tank is going to people around the world, or will end up in the pockets of people in nations that do not like us very much anymore. They don't have our best interests in mind, necessarily. In some cases, they will use the resources we continue to ship overseas when we purchase the oil—some of them are committed to using the resources we give them against us, to hurt us and hurt our people here and in other places around the world. We should not continue to be so foolish as to do that.

Before we leave this bill and vote on final passage next week, I believe we need to come back and address the issue of clear, measurable objectives and make sure as we go to conference with the House with respect to the use of oil, consumption of oil in our cars, trucks, and vans, that we have put in place some clear, measurable objectives that will reduce our reliance on that foreign oil.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. CARNAHAN). The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. MCCAIN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF TRANSPORTATION NOMINATIONS

Mr. MCCAIN. Madam President, I come to the floor to discuss briefly the qualifications of two individuals who have been nominated for essential positions within the Department of Transportation.

Mr. Jeffrey Shane has been nominated to be the Associate Deputy Secretary for the Department of Transportation, and Emil Frankel has been nominated to be Assistant Secretary of Transportation Policy.

Last December, the Commerce Committee held a hearing to consider both these nominees and reported them out unanimously on December 19, 2001. We are approaching 3 months since they received committee approval. I think it is time for this Chamber to act on these two qualified nominees.

These are very important positions. One is Associate Deputy Secretary for the Department of Transportation and the other is the Assistant Secretary for Transportation Policy.

There is very little doubt, with all of the issues surrounding post-September 11 and our transportation security requirements, the situations at our airports, et cetera, that we should be putting qualified men and women who have been nominated without objection into those offices. They are important positions. The confirmations of Mr. Shane and Mr. Frankel have been placed in limbo due to an unrelated legislative matter.

As Associate Deputy Secretary, Mr. Shane would be in charge of the Office of Intermodalism at DOT. Secretary Mineta proposed a reorganization plan concerning DOT's policy functions. It would ultimately broaden Mr. Shane's responsibilities.

Under the proposal, the Deputy Secretary positions would be retitled ''Undersecretary of Policy'' and would manage all aspects of transportation policy development within the Department of Transportation. In addition, the Office of Intermodalism, the Office of Aviation and International Affairs, and the Office of Transportation Policy would report to the Under Secretary under this reorganization.

While this reorganization plan must be considered separately from the nomination, at this point it is important that Mr. Shane be permitted to carry out his duties as soon as possible. He has extensive experience and expertise that would be invaluable to the Department. He has also served in several prominent positions at DOT and the State Department and has been confirmed on several occasions by the Senate.

I believe Mr. Shane is one of the most widely respected individuals in the transportation community, particularly with respect to aviation issues. I have not always agreed with Mr. Shane in the past, but I have always respected his capability and his judgment. We should consider ourselves fortunate that such a qualified and distinguished individual wants to return to public service when he could continue a much more financially rewarding life in the private sector. It is inexcusable that his and Mr. Frankel's nominations have languished for nearly 3 months.

As Assistant Secretary for Transportation Policy, Mr. Frankel would be the chief domestic policy officer at the Department of Transportation. In that position, he would be responsible for the analysis, development, communication, and review of policies and plans for domestic transportation issues.

If there is anyone in this body who has not been to an airport recently, I have to tell them, we certainly need all the help we can get right now. On my last trip back from Phoenix, I spent an hour and a half standing in line in order to get through security, which is warranted, certainly, in these times. But we also need to modernize that system as soon as possible.

Since September 11, the Department of Transportation has been under tremendous strain dealing with critical aspects of interstate transportation as it relates to national security. The Department needs all the help it can get as it struggles with the new wartime reality. It is our obligation to give the Department of Transportation every reasonable resource at this time.

I am dismayed we continue to deny the Department the benefit of these nominees' public service. Our inaction sets a miserable example for others who might consider devoting part of their lives to public service.

If someone has a substantive problem with either of these nominees, I want to hear about it. But as far as I am aware, their nominations are not controversial in any substantive way. I am unaware of any legitimate reason for not acting on these nominations today.

I am informed that at least one Member of this body is holding these nominees because that Member believes he can best advance the cause of one mode of transportation security—in this case, Amtrak—by holding up their confirmations. I believe this is most unfortunate and, in fact, a big mistake.

I support Senate passage of rail security legislation. In fact, I introduced the first rail security measure last year that would help address Amtrak safety and security funding needs. On October 10, I introduced S. 1528, the Rail Transportation Safety and Security Act, along with Senator GORDON SMITH. I am also lead cosponsor of S. 1550, the Rail Security Act of 2001, introduced by Senator HOLLINGS and myself on October 15, 2001.

S. 1550 would authorize $515 million for security and $989 million for addressing the tunnel life safety needs in the Northeast. It was reported unanimously by the Commerce Committee on October 17 and is awaiting full action by the Senate.

I urge the majority leader to schedule floor time for us to consider S. 1550. I understand a number of Members are interested in offering additional security-related amendments to that measure. I would also support allowing it to pass by unanimous consent if such agreement could be reached. It is an important bill not just for Amtrak but for addressing all rail security, both passenger and freight.

But to hold these two nominees hostage to somehow better position the passage of Amtrak security legislation is not the best approach. After all, these positions are largely about security. We are holding up nominees who are good and qualified people because they are being held hostage to some other piece of legislation. That is wrong.

What is going to happen if we do not move with these nominees? They will withdraw their candidacy. And this also sends a very disturbing message to others who are willing to serve this country. Usually when we find people who are willing to serve in positions of responsibility, they make a financial sacrifice. It is just because we do not compete salary-wise with the private sector. And that is entirely appropriate.

But if these men and women are presented with situations like this, where two perfectly qualified nominees are prevented from being confirmed by the Senate and have to wait months after being unanimously reported out by the committee of oversight, and not even given a hearing on the floor of the Senate on their nomination, then, obviously, we are going to have more and more difficulty in getting qualified men and women to serve.

I have been around here since 1987. I have never put a hold on a nomination. I have opposed nominees, and I have opposed them on the floor and forced votes on their nomination, but it is not correct to hold these two good and decent Americans hostage for some other agenda item.

So, Madam President, I intend to come back to the floor later this afternoon, since there are those who have put a hold on it, and ask unanimous consent that these nominees be confirmed or, if need be, have a rollcall vote.

I think it is time we move forward with these nominations, as I have discussed at some length.

Let's not do this to these people. They are not responsible for any failure or perceived lack of consideration of any Senator. They are not even in the job. Let's give them a chance to serve the country.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

NATIONAL LABORATORIES PARTNERSHIP IMPROVEMENT ACT OF 2001—Continued

Mr. BINGAMAN. Madam President, let me take a moment while there is a lull in the proceedings to reiterate a request that I believe has been made by both Democratic and Republican cloakrooms last night, to Senators on both sides of the aisle, and it is my hope, as floor manager, along with Senator MURKOWSKI, that we can, at some stage later this week, seek a finite list of amendments that would be in order on the bill.

As all Members know, we have been on this bill now for all of last week; and so far this week, we have addressed some significant issues. There are some other amendments that are being negotiated and finalized, and we have been working with some Members on those. There are others that we just hear about. There are rumors of amendments which we hear about.

I think the majority leader is trying to get as much done as possible before we move to the issue of campaign finance reform, which he is committed to move to later.

I think our chances of completing action on this energy bill would be dramatically improved if we could get a finite list of amendments to work through.

So I once again encourage all Members to cooperate with the two cloakrooms and give copies of their amendments to those cloakrooms so that we can see them and can talk to Senators about how to move ahead with those amendments or with votes on those amendments, if those are necessary.

I know there will be an amendment at some stage fairly soon by my friend Senator THOMAS. If he is ready, I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

AMENDMENTS NOS. 3000 THROUGH 3006, EN BLOC, TO AMENDMENT NO. 2917

Mr. THOMAS. Madam President, I rise to send a series of amendments to the desk and ask for their immediate consideration en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Wyoming [Mr. THOMAS] for himself and others, proposes amendments numbered 3000 through 3006, en bloc.

Mr. THOMAS. Madam President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 3000

(Purpose: To clarify FERC merger, market-based rate, and refund authority, and to strike the transmission interconnection provision)

On page 14, strike line 3 and all that follows through page 21, line 15, and insert the following:

SEC. 202. ELECTRIC UTILITY MERGERS.

Section 203(a) of the Federal Power Act (16 U.S.C. 824b) is amended to read as follows:

''(a)(1) No public utility shall, without first having secured an order of the Commission authorizing it to do so—

''(A) sell, lease, or otherwise dispose of the whole of its facilities subject to the jurisdiction of the Commission, or any part thereof of a value in excess of $10,000,000,

''(B) merge or consolidate, directly or indirectly, such facilities or any part thereof with the facilities of any other person, by any means whatsoever,

''(C) purchase, acquire, or take any security of any other public utility, or

''(D) purchase, lease, or otherwise acquire existing facilities for the generation of electric energy unless such facilities will be used exclusively for the sale of electric energy at retail.

''(2) No holding company in a holding company system that includes a transmitting utility or an electric utility company shall purchase, acquire, or take any security of, or, by any means whatsoever, directly or indirectly, merge or consolidate with a transmitting utility, an electric utility company, a gas utility company, or a holding company in a holding company system that includes a transmitting utility, an electric utility company, or a gas utility company, without first having secured an order of the Commission authorizing it to do so.

''(3) Upon application for such approval the Commission shall give reasonable notice in writing to the Governor and State commission of each of the States in which the physical property affected, or any part thereof, is situated, and to such other persons as it may deem advisable.

''(4) After notice and opportunity for hearing, the Commission shall approve the proposed disposition, consolidation, acquisition, or control, if it finds that the proposed transaction—

''(A) will be consistent with the public interest;

''(B) will not adversely affect the interests of consumers of electric energy of any public utility that is a party to the transaction or is an associate company of any part to the transaction;

''(C) will not impair the ability of the Commission or any State commission having jurisdiction over any public utility that is a party to the transaction or an associate

company of any party to the transaction to protect the interests of consumers or the public; and

''(D) will not lead to cross-subsidization of associate companies or encumber any utility assets for the benefit of an associate company.

''(5) The Commission shall, by rule, adopt procedures for the expeditious consideration of applications for the approval of dispositions, consolidations, or acquisitions under this section. Such rules shall identify classes of transactions, or specify criteria for transactions, that normally meet the standards established in paragraph (4), and shall require the Commission to grant or deny an application for approval of a transaction of such type within 90 days after the conclusion of the hearing or opportunity to comment under paragraph (4). If the Commission does not act within 90 days, such application shall be deemed granted unless the Commission finds that further consideration is required to determine whether the proposed transaction meets the standards of paragraph (4) and issues one or more orders tolling the time for acting on the application for an additional 90 days.

''(6) For purposes of this subsection, the terms 'associate company', 'electric utility company', 'gas utility company', 'holding company', and 'holding company system' have the meaning given those terms in the Public Utility Holding Company Act of 2002.''.

SEC. 203. MARKET-BASED RATES.

(a) APPROVAL OF MARKET-BASED RATES.—Section 205 of the Federal Power Act (16 U.S.C. 824d) is amended by adding at the end of the following:

''(h) The Commission may determine whether a market-based rate for the sale of electric energy subject to the jurisdiction of the Commission is just and reasonable and not unduly discriminatory or preferential. In making such determination, the Commission shall consider such factors as the Commission may deem to be appropriate and in the public interest, including to the extent the Commission considers relevant to the wholesale power market—

''(1) market power;

''(2) the nature of the market and its response mechanisms; and

''(3) reserve margins.''.

(b) REVOCATION OF MARKET-BASED RATES.—Section 206 of the Federal Power Act (16 U.S.C. 824e) is amended by adding at the end the following:

''(f) Whenever the Commission, after a hearing had upon its own motion or upon complaint, finds that a rate charged by a public utility authorized to charge a market-based rate under section 205 is unjust, unreasonable, unduly discriminatory or preferential, the Commission shall determine the just and reasonable rate and fix the same by order.''.

SEC. 204. REFUND EFFECTIVE DATE.

Section 206(b) of the Federal Power Act (16 U.S.C. 824e(b)) is amended by—

(1) striking ''the date 60 days after the filing of such complaint nor later than 5 months after the expiration of such 60-day period'' in the second sentence and inserting ''the date of the filing of such complaint nor later than 5 months after the filing of such complaint'';

(2) striking ''60 days after'' in the third sentence and inserting ''of''; and

(3) striking ''expiration of such 60-day period'' in the third sentence and inserting ''publication date''.

SEC. 205. OPEN ACCESS TRANSMISSION BY CERTAIN UTILITIES.

Part II of the Federal Power Act is further amended by inserting after section 211 the following:

''OPEN ACCESS BY UNREGULATED TRANSMITTING UTILITIES

''SEC. 211A. (1) Subject to section 212(h), the Commission may, by rule or order, require an unregulated transmitting utility to provide transmission services—

''(A) at rates that are comparable to those that the unregulated transmitting utility charges itself, and

''(B) on terms and conditions (not relating to rates) that are comparable to those under Commission rules that require public utilities to offer open access transmission services and that are not unduly discriminatory or preferential.

''(2) The Commission shall exempt from any rule or order under this subsection any unregulated transmitting utility that—

''(A) sells no more than 4,000,000 megawatt hours of electricity per year;

''(B) does not own or operate any transmission facilities that are necessary for operating an interconnected transmission system (or any portion thereof), or

''(C) meets other criteria the Commission determines to be in the public interest.

''(3) The rate changing procedures applicable to public utilities under subsections (c) and (d) of section 205 are applicable to unregulated transmitting utilities for purposes of this section.

''(4) In exercising its authority under paragraph (1), the Commission may remand transmission rates to an unregulated transmitting utility for review and revision where necessary to meet the requirements of paragraph (1).

''(5) The provision of transmission services under paragraph (1) does not preclude a request for transmission services under section 211.

''(6) The Commission may not require a State or municipality to take action under this section that constitutes a private business use for purposes of section 141 of the Internal Revenue Code of 1986 (26 U.S.C. 141).

''(7) For purposes of this subsection, the term 'unregulated transmitting utility' means an entity that—

''(A) owns or operates facilities used for the transmission of electric energy in interstate commerce, and

''(B) is either an entity described in section 201(f) or a rural electric cooperative.''.

SEC. 206. ELECTRIC RELIABILITY STANDARDS.

AMENDMENT NO. 3001

(Purpose: To clarify provisions on access to transmission by intermittent generators and make conforming changes)

On page 24, strike line 1 and all that follows through page 27, line 20 and insert the following:

SEC. 207. MARKET TRANSPARENCY RULES.

Part II of the Federal Power Act is further amended by adding at the end the following:

''SEC. 216. MARKET TRANSPARENCY RULES.

''(a) COMMISSION RULES.—Not later than 180 days after the date of enactment of this section, the Commission shall issue rules establishing an electronic information system to provide information about the availability and price of wholesale electric energy and transmission services to the Commission, state commissions, buyers and sellers of wholesale electric energy, users of transmission services, and the public on a timely basis.

''(b) INFORMATION REQUIRED.—The Commission shall require—

''(1) each regional transmission organization to provide statistical information about the available capacity and capacity of transmission facilities operated by the organization; and

''(2) each broker, exchange, or other market-making entity that matches offers to sell and offers to buy wholesale electric energy in interstate commerce to provide statistical information about the amount and sale price of sales of electric energy at wholesale in interstate commerce it transacts.

''(c) TIMELY BASIS.—The Commission shall require the information required under subsection (b) to be posted on the Internet as soon as practicable and updated as frequently as practicable.

''(d) PROTECTION OF SENSITIVE INFORMATION.—The Commission shall exempt from disclosure commercial or financial information that the Commission, by rule or order, determines to be privileged, confidential, or otherwise sensitive.''.

SEC. 208. ACCESS TO TRANSMISSION BY INTERMITTENT GENERATORS.

Part II of the Federal Power Act is further amended by adding at the end the following:

''SEC. 217. ACCESS TO TRANSMISSION BY INTERMITTENT GENERATORS.

''(a) FAIR TREATMENT OF INTERMITTENT GENERATORS.—The Commission shall ensure that all transmitting utilities provide transmission service to intermittent generators in a manner that does not unduly prejudice or disadvantage such generators for characteristics that are—

''(1) inherent to intermittent energy resources; and

''(2) are beyond the control of such generators.

''(b) POLICIES.—The Commission shall ensure that the requirement in subsection (a) is met by adopting such policies as it deems appropriate which shall include the following:

''(1) Subject to the sole exception set forth in paragraph (2), the Commission shall ensure that the rates transmitting utilities charge intermittent generator customers for transmission services do not unduly prejudice or disadvantage intermittent generator customers for scheduling deviations.

''(2) The Commission may exempt a transmitting utility from the requirement set forth in paragraph (1) if the transmitting utility demonstrates that scheduling deviations by its intermittent generator customers are likely to have an adverse impact on the reliability of the transmitting utility's system.

''(3) The Commission shall ensure that to the extent any transmission charges recovering the transmitting utility's embedded costs are assessed to such intermittent generators, they are assessed to such generators on the basis of kilowatt-hours generated or some other method to ensure that they are fully recovered by the transmitting utility.

''(4) The Commission shall require transmitting utilities to offer to intermittent generators, and may require transmitting utilities to offer to all transmission customers, access to nonfirm transmission service.

''(c) DEFINITIONS.—As used in this section:

''(1) The term 'intermittent generator' means a facility that generates electricity using wind or solar energy and no other energy source.

''(2) The term 'nonfirm transmission service' means transmission service provided on an 'as available' basis.

''(3) The term 'scheduling deviation' means delivery of more or less energy than has previously been forecast in a schedule submitted by an intermittent generator to a control area operator or transmitting utility.''.

SEC. 209. ENFORCEMENT.

AMENDMENT NO. 3002

(Purpose: To require states to consider requiring time-of-use metering)

On page 44, strike line 3 and all that follows through page 45, line 12 and insert the following:

SEC. 241. REAL-TIME PRICING AND TIME-OF-USE METERING STANDARDS.

(a) ADOPTION OF STANDARDS.—Section 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)) is amended by adding at the end the following:

''(11) REAL-TIME PRICING.—(A) Each electric utility shall, at the request of an electric consumer, provide electric service under a real-time schedule, under which the rate charged by the electric utility varies by the hour (or smaller time interval) according to changes in the electric utility's wholesale power cost. The real-time pricing service shall enable the electric consumer to manage energy use and cost through real-time metering and communications technology.

''(B) For purposes of implementing this paragraph, any reference contained in this section to the date of enactment of the Public Utility Regulatory Policies Act of 1978 shall be deemed to be a reference to the date of enactment of this paragraph.

''(C) Notwithstanding subsections (b) and (c) of section 112, each State regulatory authority shall consider and make a determination concerning whether it is appropriate to implement the standard set out in subparagraph (A) not later than one year after the date of enactment of this paragraph.

''(12) TIME-OF-USE.—(A) Each electric utility shall, at the request of an electric consumer, provide electric service under a time-of-use rate schedule which enables the electric consumer to manage every use and cost through time-of-use metering and technology.

''(B) For purposes of implementing this paragraph, any reference contained in this section to the date of enactment of the Public Utility Regulatory Policies Act of 1978 shall be deemed to be a reference to the date of enactment of this paragraph.

''(C) Notwithstanding subsections (b) and (c) of section 112, each State regulatory authority shall consider and make a determination concerning whether it is appropriate to implement the standards set out in subparagraph (A) not later than one year after the date of enactment of this paragraph.''.

(b) SPECIAL RULES.—Section 115 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2625) is amended by adding at the end the following:

''(i) REAL-TIME PRICING.—In a state that permits third-party marketers to sell electric energy to retail electric consumers, the electric consumer shall be entitled to receive the same real-time metering and communication service as a direct retail electric consumer of the electric utility.

''(j) TIME-OF-USE METERING.—In a state that permits third-party marketers to sell electric energy to retail electric consumers, the electric consumer shall be entitled to receive the same time-of-use metering and communication service as a direct retail electric consumer of the electric utility.''.

AMENDMENT NO. 3003

(Purpose: To require states to consider adopting federal net metering standard)

On page 50, strike line 10 and all that follows through page 54, line 10, and insert the following:

SEC. 245. NET METERING.

(a) ADOPTION OF STANDARD.—Section 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)) is further amended by adding at the end the following:

''(13) NET METERING.—(A) Each electric utility shall make available upon request net metering service to any electric consumer that the electric utility serves.

''(B) For purposes of implementing this paragraph, any reference contained in this section to the date of enactment of the Public Utility Regulatory Policies Act of 1978 shall be deemed to be a reference to the date of enactment of this paragraph.

''(C) Notwithstanding subsections (b) and (c) of section 112, each State regulatory authority shall consider and make a determination concerning whether it is appropriate to implement the standard set out in subparagraph (A) not later than one year after the date of enactment of this paragraph.

(b) SPECIAL RULES FOR NET METERING.—Section 115 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2625) is further amended by adding at the end the following:

''(k) NET METERING.—

''(1) RATES AND CHARGES.—An electric utility—

''(A) shall charge the owner or operator of an on-site generating facility rates and charges that are identical to those that would be charged other electric consumers of the electric utility in the same rate class; and

''(B) shall not charge the owner or operator of an on-site generating facility any additional standby, capacity, interconnection, or other rate or charge.

''(2) MEASUREMENT.—An electric utility that sells electric energy to the owner or operator of an on-site generating facility shall measure the quantity of electric energy produced by the on-site facility and the quantity of electric energy consumed by the owner or operator of an on-site generating facility during a billing period in accordance with normal metering practices.

''(3) ELECTRIC ENERGY SUPPLIED EXCEEDING ELECTRIC ENERGY GENERATED.—If the quantity of electric energy sold by the electric utility to an on-site generating facility exceeds the quantity of electric energy supplied by the on-site generating facility to the electric utility during the billing period, the electric utility may bill the owner or operator for the net quantity of electric energy sold, in accordance with normal metering practices.

''(4) ELECTRIC ENERGY GENERATED EXCEEDING ELECTRIC ENERGY SUPPLIED.—If the quantity of electric energy supplied by the on-site generating facility to the electric utility exceeds the quantity of electric energy sold by the electric utility to the on-site generating facility during the billing period—

''(A) the electric utility may bill the owner or operator of the on-site generating facility for the appropriate charges for the billing period in accordance with paragraph (2); and

''(B) the owner or operator of the on-site generating facility shall be credited for the excess kilowatt-hours generated during the billing period, with the kilowatt-hour credit appearing on the bill for the following billing period.

''(5) SAFETY AND PERFORMANCE STANDARDS.—An eligible on-site generating facility and net metering system used by an electric consumer shall meet all applicable safety, performance, reliability, and interconnection standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories.

''(6) ADDITIONAL CONTROL AND TESTING REQUIREMENTS.—The Commission, after consultation with State regulatory authorities and nonregulated electric utilities and after notice and opportunity for comment, may adopt, by rule, additional control and testing requirements for on-site generating facilities and net metering systems that the Commission determines are necessary to protect public safety and system reliability.

''(7) DEFINITIONS.—For purposes of this subsection:

''(1) The term 'eligible on-site generating facility' means—

''(A) a facility on the site of a residential electric consumer with a maximum generating capacity of 10 kilowatts or less that is fueled by solar energy, or fuel cells; or

''(B) a facility on the site of a commercial electric consumer with a maximum generating capacity of 500 kilowatts or less that is fueled solely by a renewable energy resource, landfill gas, or a high efficiency system.

''(2) The term 'renewable energy resource' means solar, wind, biomass, or geothermal energy.

''(3) The term 'high efficiency system' means fuel cells or combined heat and power.

''(4) The term 'net metering service' means service to an electric consumer under which electric energy generated by that electric consumer from an eligible on-site generating facility and delivered to the local distribution facilities may be used to offset electric energy provided by the electric utility to the electric consumer during the applicable billing period.''.

AMENDMENT NO. 3004

(Purpose: To clarify state authority to protect electric consumers)

On page 58, strike line 16 and all that follows through line 23 and insert the following:

SEC. 256. STATE AUTHORITY.

Nothing in this subtitle shall be construed to preclude a State or State regulatory authority from prescribing and enforcing laws, rules, or procedures regarding the practices which are the subject of this section.

AMENDMENT NO. 3005

(Purpose: To clarify the requirement for the federal government to purchase renewable fuels)

On page 64, strike line 8 and all that follows through page 65, line 17, and insert the following:

SEC. 263. FEDERAL PURCHASE REQUIREMENT.

(a) REQUIREMENT.—the President shall seek to ensure that, to the extent economically feasible and technically practicable, of the total amount of electric energy the federal government consumes during any fiscal year—

(1) not less than 3 percent in fiscal years 2003 through 2004,

(2) not less than 5 percent in fiscal years 2005 through 2009, and

(3) not less than 7.5 percent in fiscal year 2010 and each fiscal year thereafter—

shall be renewable energy. The President shall encourage the use of innovative purchasing practices by federal agencies.

(2) DEFINITION.—For purposes of this section, the term ''renewable energy'' means electric energy generated from solar, wind, biomass, geothermal, fuel cells, municipal solid waste, or additional hydroelectric generation capacity achieved from increased efficiency or additions of new capacity.

(c) TRIBAL POWER GENERATION.—The President shall seek to ensure that, to the extent economically feasible and technically practicable, not less than one-tenth of the amount specified in subsection (a) shall be renewable energy that is generated by an Indian tribe or by a corporation, partnership, or business association which is wholly or majority owned, directly or indirectly, by an Indian tribe. For purposes of this subsection, the term ''Indian tribe'' means any Indian

tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(d) BIENNIAL REPORT.—In 2004 and every 2 years thereafter, the Secretary of Energy shall report to the Committee on Energy and Natural Resources of the Senate and the appropriate committees of the House of Representatives on the progress of the federal government in meeting the goals established by this section.

AMENDMENT NO. 3006

(Purpose: To make conforming changes in the table of contents)

On page 2, strike the items relating to sections 205 through 210 and insert the following:

Sec. 205. Open access transmission by certain utilities.
Sec. 206. Electric reliability standards.
Sec. 207. Market transparency rules.
Sec. 208. Access to transmission by intermittent generators.
Sec. 209. Enforcement.

Mr. THOMAS. Madam President, these amendments are from Senator THOMAS of Wyoming and Senator BINGAMAN of New Mexico. They have been cleared on both sides.

Mr. BINGAMAN. Madam President, I do support the amendments. We have worked jointly with Senator THOMAS and his staff to perfect these amendments. I think they are acceptable on this side. As far as I know, there is no objection to their adoption.

The PRESIDING OFFICER. Is there further debate?

If not, without objection, the amendments are agreed to en bloc.

The amendments (Nos. 3000 through 3006) were agreed to en bloc.

Mr. THOMAS. Madam President, I move to reconsider the vote.

Mr. BINGAMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. THOMAS. Madam President, I thank the chairman for his cooperation in finding some areas on which we are in agreement and on which we can move forward. This electric title of the energy bill is a very important one. Probably nothing affects more people than the electric aspect of energy. We are very pleased.

We do have several more amendments in this area, some of which will come up for a vote. Certainly being able to agree on these and move them forward is a great advantage. I appreciate the cooperation of the Senator from New Mexico.

Mr. BINGAMAN. Madam President, I thank the Senator from Wyoming for his leadership on this issue. He has been very focused on trying to get these provisions right. We have worked hard with him and his staff to be sure that that is what has happened. This package of amendments we have now adopted moves us substantially toward a consensus on what ought to be included in this bill in the way of electricity restructuring.

There are going to be a couple of issues that probably will require individual votes. We are still in the process of defining the areas of disagreement that exist there. I see this as a substantial step forward. I thank the Senator from Wyoming.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CAMPBELL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. Madam President, I ask unanimous consent that the pending amendment be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3007 TO AMENDMENT NO. 2917

Mr. CAMPBELL. Madam President, I send an amendment to the desk on behalf of myself, Senator GRAMM of Texas, Senator ENZI of Wyoming, and Senator BROWNBACK of Kansas, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follow:

The Senator from Colorado [Mr. CAMPBELL], for himself, Mr. GRAMM, Mr. ENZI, and Mr. BROWNBACK, proposes an amendment numbered 3007.

Mr. CAMPBELL. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To strike the section establishing a program to provide assistance for State programs to retire fuel-inefficient motor vehicles)

Strike section 822.

Mr. CAMPBELL. Madam President, the bill we are considering is an extremely large and expansive bill dealing with many important and controversial topics. Although the bill was stripped from its committee of jurisdiction pretty much completely behind closed doors, we have an idea of the issues with which we have been dealing. CAFE, ANWR, and renewables are all topics we are familiar with and which have been debated for some days now.

I am here to discuss a very small provision that many of my friends may not have noticed because it is buried pretty deeply. That provision, unlike several others that have been discussed and studied, will be discussed for the first time, I believe, now.

Before getting into my comments, I wish to state that a comprehensive energy bill is no place to put this new and untested idea; such an action is, at best, poor policy. In particular, I wish to discuss section 822 of the current bill.

Section 822 sounds as if it is not very offensive in a big bill such as this, but it lies within the CAFE title. In short, section 822 provides grants for States to establish scrappage programs for cars that are 15 years old or older. Car owners who choose to turn in their car for scrap receive a ''minimum payment.'' Section 822 does not tell us what the ''minimum payment'' might be, but they pay now about $1,000 to $1,200 for scrapping cars.

Further, section 822 would have the Department of Energy pay the former car owner a ''credit'' toward the purchase of a new vehicle. Like the ''minimum payment'' language failing to state how much that would be, this provision fails to tell us the value of the taxpayer-subsidized ''credit.'' However, unlike the minimum payment, we have no guidance what that ''credit'' might be because, as with so much of this little section, this is the first time we have heard of it.

Since no hearings were held on section 822, we don't know how much it would cost U.S. taxpayers. We do know, however, that the cost would be enormous since there are approximately 38 million cars at least 15 years old or older currently on the roads. If we estimate that just one-quarter of those car owners choose to scrap their automobile and receive the $1,000 and get another $1,000 to purchase a DOE-approved vehicle, the cost to the U.S. taxpayer would be about $19 billion—deficit dollars that could go to much better uses as we approach deficits next year.

When I first heard of section 822, I wondered: Why should we do this? Why should States be burdened with establishing a voluntary program to scrap old cars? Why should U.S. taxpayers be subsidizing some people to buy new cars? I am a big supporter of the auto industry, but I don't support Government subsidizing their sales.

Section 822 simply states its purpose: To retire fuel-inefficient vehicles, the assumption being that any car 15 years old or older would be inefficient.

This is a brandnew approach to address fuel efficiency and gasoline consumption, an approach that has not been discussed at any level and that has not been studied. In principle, I oppose the making of rash decisions without adequate knowledge or public hearings, or input from the public at large, particularly when the results could hurt the American people, since section 822 was included in this bill without any study whatsoever.

Beyond principle, I also oppose section 822 on its merits as it is fundamentally flawed, expensive, and potentially a harmful policy. Some States have elected to establish scrappage programs to get vehicles with poor emissions off the road. Again, section 822's purpose is to get fuel-inefficient cars off the road—the first of its kind.

States that choose to enact scrappage programs are not in compliance with clean air regulations. Those States choose scrappage programs as a tool, among others, because they believe they are effective in meeting health concerns.

Section 822 creates incentives not to further public health but to further unfounded prejudices against older vehicles.

Under State scrappage programs, the State is able to means-test a polluting vehicle so that only those affecting public health would be scrapped. Yet this federally promoted, State-run scrappage program does not provide any means testing to ensure that only fuel-inefficient vehicles are scrapped. Therefore, a 1986 Ford Escort getting 41 miles to the gallon would be treated the same as a Cadillac Seville of the same year that only gets 17 miles per gallon.

The only criteria would be that they are both 1986 automobiles. I give that example to show simply that section 822 is fundamentally flawed: that older cars are all inefficient and, therefore, should be treated the same.

Since this is the first time the Senate has heard about this provision, we should review who is benefited and who is injured and what are the costs and benefits of section 822.

First of all, section 822 would have a disproportionate impact on low- and fixed-income individuals. It is more cost effective for people of low means to maintain older vehicles than to buy new ones. However, the scrappage program in section 822 would reduce the supply of car parts, thereby increasing the cost to citizens with lower incomes.

The reduction of car parts would detrimentally affect the aftermarket parts industry, 98 percent of which are made up of registered small businesses.

I think it is safe to assume the authors did not intend to hurt low-income individuals and small businesses during a recession. Yet that is the unintended consequence that most surely would happen.

Who would benefit? Just as this provision hurts the most vulnerable, section 822 unjustly enriches people of better wealth. In short, section 822 is tantamount to corporate welfare for automotive companies and upper classes.

I submit the Federal Government should not be in the advertising business to sell cars. The Department of Energy credit to purchase new cars is akin to a mail-in rebate as advertised on television, a wasteful expense that cheapens important energy issues and the work of this body.

Further, I do not believe the Federal Government should have any role in pushing certain vehicles on consumers. The private market is described as an ''invisible hand.'' However, section 822 would certainly strengthen that hand. By paying people to choose certain cars over others, the Federal Government would inappropriately insert itself into private decisions.

I mentioned this provision would reward those people who do not want to put money out for repairs. In addition to establishing a scrappage program, section 822 also requires States to establish repair programs. As provided in that section, a car owner paying 20 percent of the cost would have the State fix his vehicle, normally through a tuneup, to increase fuel efficiency.

The Federal Government and States should not be turned into tuneup stations to have people properly maintain their vehicles, something which they should do out of their own pockets.

The majority correctly states that section 822 is a voluntary program, but it is not voluntary for the Federal Government which is compelled to establish a carrot-and-stick approach to entice States to engage in potentially disastrous and certainly burdensome actions.

The participating State must create two new programs just in case someone might decide to volunteer to scrap their car or have the Federal Government pay 80 percent of their repair costs. The burden on States could be enormous.

My friends, the authors, might say the State would not be hurt because the Federal Government provides funds through grants for those programs, but we have no idea how much that will cost. We do not know because we have had no hearings and no studies on this section.

We all know the Federal Government never provides enough money to States to enact programs and, in uncertain times such as these, I do not think we should approve ill-conceived and uncertain measures when we do not know the bottom line pricetag.

How is the State going to administer the public notification and salvage of parts? Who may participate in the parts salvage? Will that be open to individuals or restricted to businesses? And how will a State value and sell the parts of the cars? We simply do not know.

In closing, those of us who are cosponsoring this amendment have had only a brief time to look at this section. We believe it is the wrong approach. Our amendment will strike section 822 from the bill.

Madam President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Madam President, first, I am disappointed that the Senator from Colorado has chosen to propose striking this provision entirely. The provision is clearly written in a way that provides absolute maximum flexibility to States to participate or not participate.

The Senator starts out with the argument that we do not know how much this will cost. That is right because this is strictly an authorization. It will cost whatever we decide to appropriate for this program. Congress will still have to make a judgment as to whether to appropriate anything for this program.

This is a grant program to States that want to participate. We will either put some money in to fund this grant program or we will not, and we will specify each year the amount of funds we think should be made available to the Department of Transportation to fund this program.

It is clear it is a purely voluntary program on the part of States. There are some States that have vehicle scrappage programs in place today. There may be other States that would want to consider that. The purpose of the provision is obvious. The purpose of the provision is to try to assist with getting extremely fuel-inefficient vehicles, high-emission vehicles off the road where there is a desire on the part of the owner of the vehicle to either improve the efficiency of that vehicle or to trade that vehicle in and get something else. That is the clear intent of these programs that some States have adopted.

What we are saying is that the Federal Government would be authorized through the Department of Transportation to assist States in these programs to the extent that we appropriate money to support them.

The argument by the Senator from Colorado is that this is a terrible burden on people with low incomes. There is obviously a misunderstanding about what this provision says. This is purely a voluntary provision. Nobody is required to do anything under the language of this section 822. If an individual wants to continue driving a 30-year-old vehicle, that is their option. There is no penalty; there is no requirement they do anything. They clearly would not even have the opportunity to do anything if they were in a State that did not have one of these vehicle scrappage programs.

If they were in a State that did have a vehicle scrappage program, then at least if that program was receiving Federal funds, the State could use some of those Federal funds under the program that is designed by the State. The individual could use some of those funds to compensate for having the vehicle scrapped or to repair the vehicle so that it is more efficient, so that it has fewer emissions. That is clearly the purpose of it.

As to the argument that this will cause a problem with the salvage of valuable parts for vehicles, there is a specific provision in the bill that the Secretary cannot provide any funds to a State under this program. The Secretary could not provide funds unless the State's plan allows for giving public notification before any parts are scrapped so that those parts could be purchased or auctioned or otherwise salvaged.

And as to the objections that the Senator has cited, we heard similar objections to an earlier version of this section. Frankly, we thought we had accommodated the concerns that were brought to us and modified the amendment in order to do that.

Now, of course, after making the modifications, we are faced with an amendment to strike the section entirely. I think it is good public policy for the Federal Government to assist States that want to have these programs. I do not see why it is in the public interest to strike a provision that enables the Secretary of Transportation to pursue this, to the extent the Appropriations Committee puts in funds to support the program.

So I very much hope we will not adopt the Senator's amendment and have this provision stricken from the bill. To my mind, it is a good provision. It provides an opportunity for States to move ahead with these programs where they would like to do that and where Federal funds are made available.

As I see it, it is not onerous in any respect as to either what States are required to do or what individuals are required to do. The entire effort is purely voluntary.

I yield the floor.

The PRESIDING OFFICER. The majority leader.

BIPARTISAN CAMPAIGN REFORM ACT OF 2002—MOTION TO PROCEED

CLOTURE MOTION

Mr. DASCHLE. Madam President, I move to proceed to H.R. 2356, and I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on the motion to proceed to Calendar No. 318, H.R. 2356, a bill to provide bipartisan campaign reform:

Russell D. Feingold, Tom Daschle, Tim Johnson, Byron Dorgan, Bob Graham, Daniel Inouye, Joe Biden, Patty Murray, Jim Jeffords, Jeff Bingaman, Debbie Stabenow, Max Baucus, Ben Nelson of Nebraska, Harry Reid, Richard J. Durbin, Jon Corzine, Tom Carper.

Mr. DASCHLE. Madam President, I withdraw the motion to proceed.

The PRESIDING OFFICER. The motion to proceed is withdrawn.

Mr. DASCHLE. Madam President, as I indicated to Senator LOTT and as I indicated yesterday to a joint leader meeting, we would be required to file cloture on the motion to proceed to the campaign finance reform bill today, this afternoon. We have been working patiently with our colleagues who have opposed campaign reform now for some time. I am still hopeful that perhaps we can reach an agreement which will allow us to vitiate this cloture motion, and if that can be done, we will vitiate the vote on cloture on Friday and we will move forward, but time has run out.

It is essential we at least file cloture today on the motion to proceed in order to accommodate a worst case scenario on campaign finance reform. I have put all of our colleagues on notice that this is one piece of legislation that must be completed prior to the time we leave for the Easter recess. So we will have the cloture vote on Friday, if it is required. We will then be on the bill on Monday. I will notify our colleagues that we will file cloture on Monday for a Wednesday cloture vote, and assuming we get cloture on Wednesday, we will be in session all night Wednesday night, all night Thursday night, and we will then have our vote on Friday.

So Senators should be aware, it may be unusual but we will be involved in an all-night session Wednesday and Thursday night in order to complete our work on the bill by Friday.

Now again, it is my hope that perhaps we can reach some agreement with regard to the package of technical amendments. We have not been able to do it to date. I am concerned that time is quickly running out, but we are certainly more than willing to continue our discussions. I have run out of time in terms of our ability to assure we can have the cloture votes at a time that will accommodate completing our work by the end of next week.

So I thank my colleagues. I especially thank the distinguished Senators MCCAIN and FEINGOLD for their extraordinary work and effort in getting us to this point.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Madam President, I thank the majority leader for his steadfastness in this effort. It has been a long odyssey, and as we have reached crucial points he has been extremely helpful in moving this process along. It has been pretty clear in the last few weeks that the opposition has chosen to delay consideration of the bill. So I thank him and look forward to trying to reach an agreement with the opponents of the bill so we are not required to follow the scenario as outlined by the majority leader. I am not sure we can get an agreement without that scenario being presented. So I thank him for that.

For the benefit of my colleagues, Senator MCCONNELL approached me a short time ago. He said he wanted to continue negotiations on a so-called package of technical amendments and that he would not insist that a substantive amendment be considered on it. I will be glad to, along with my colleague Senator FEINGOLD, consider any technical changes that are purely technical in nature, but we have found out in the course of this long odyssey we have been involved in that words do have meaning and some people view words that are technical as not technical.

We require the agreement of all of our colleagues who have been involved in this issue, including Members of the House, and we have to be sure of a certain methodology that would be taken up in the other body. So we will be glad to continue to negotiate. I hope we can reach agreement, but under no circumstances would our failure to reach an agreement on a technical package of amendments impede the process we are now embarked on of reaching final resolution on Shays-Meehan/McCain-Feingold before we leave for the next break.

I wish to make it clear, I am willing, along with my colleagues, to work on so-called technical amendments, but in no way would they impact the final passage of the bill because they are technical in nature. That is the name of them. So I, again, thank the majority leader. I thank my friend Senator FEINGOLD, and perhaps—and I emphasize ''perhaps''—we can reach some amicable agreements to get this thing done without causing discomfort to the schedules and lives of our colleagues.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I know the Senator from Wisconsin wishes to say a few words, but before these two men leave, I wanted to be able to say to them it is not often in this body that one can make such a significant difference as they have done with campaign finance.

I can remember in 1986, I woke up one morning and the State of Nevada was covered with signs of my opponent. I thought to myself, what a tremendous waste of money. Why would he be wasting money on signs? They cost so much. So I filed a complaint with the Federal Election Commission. Two years later I get a response that they have done something technically in violation.

The fact is, the signs were paid for by the State party. That was the beginning of this rush of corporate money. From that time, 1986 to 1998, 12 years, it changed dramatically. Between JOHN ENSIGN and HARRY REID, from signs paid for by the State party, there was $20 million spent in the State of Nevada, not counting independent expenditures. The vast majority of that was corporate money. That is not going to happen when this legislation takes effect.

I am so grateful to these two men for what they have done to make my life more understandable. I will still have to work hard to raise money, but I will not have to go to people and ask for large sums of money for the State party, or for myself for the State party, however it worked, however one had to do it just right.

I know the Senator from Arizona has indicated he appreciated Shays-Meehan. Well, I appreciate the work they have done, also. I admire those two

men a great deal. These two gentlemen have to understand that the House legislation would never have passed without their travels around the country daring people not to do something about this. It was because of these two that a cloture motion was signed and filed in the House forcing the House leadership to take up this legislation.

Now there is going to be a lot written about this. There will never be enough positive written about the work you two have done. If you never do another thing legislatively—which you both do a great deal—you have done so much. There are very few people in the history of this country, in my opinion, legislatively, that have done as much as you are about to accomplish when this legislation passes.

I wanted you to be here to tell you how much people will appreciate the fact, even though they may not feel the benefit as some Members here, with the work you have done. It will improve our system of government, and it will put it back, in my opinion, the way it used to be, when people campaigned—instead of going out seeing how much money they could raise.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. We thank the Senator from Nevada for his extremely kind words and we thank the majority leader for his firm resolve in a very reasonable timeframe to bring this matter to a conclusion. I also thank the Senator from Nevada for the many hours he has been here with us on this issue. He has been extremely helpful. I look forward to the final stages with the Senator from Nevada and my colleague.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Madam President, I thank the Senator from Nevada not only for his kind remarks, which may be to some degree undeserved, but his continuous help as we have gone through every conceivable parliamentary obstacle as we moved forward. I am very appreciative of his patience, as well as his kind words.

Perhaps we are entering the last phase. Perhaps not. As the famous philosopher Yogi Berra said: It ain't over until it's over.

I think we have established a scenario which could lead us to a conclusion. I believe, for a period of time, this result may have the beneficial effect that Senator REID predicts.

I yield the floor.

NATIONAL LABORATORIES PARTNERSHIP IMPROVEMENT ACT OF 2001—Continued

Mr. REID. For the information of all Senators, Senator DASCHLE has indicated he would like a vote about 4:30 this afternoon. So everyone should arrange their schedules accordingly. This vote is on the Campbell amendment. Senator CAMPBELL has asked for the yeas and nays. They have been ordered. Unless there is a change by the two managers of the bill, we will have that vote about 4:30 this afternoon. We will have announcements at a later time.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. What is the pending business?

AMENDMENT NO. 3007

The PRESIDING OFFICER. The amendment is No. 3007, offered by the Senator from Colorado.

Mr. BROWNBACK. I rise to speak in favor of the amendment of my colleague from Colorado.

Is there a time agreement or allocations on the amendment?

The PRESIDING OFFICER. There is none.

Mr. BROWNBACK. I rise to speak in favor of the amendment put forward by my colleague from Colorado, Senator BEN NIGHTHORSE CAMPBELL, on the vehicle scrap provision that is in the underlying energy bill.

The Senator from Colorado has hit it right. This program is not a good idea. It is not a good idea to put forward Federal funds to purchase used cars as a way of trying to improve fuel efficiency. This is unproven, not wise, and expensive in the process. Plus, by the number of calls and letters we have been getting in my office, a lot of people do not think it is a very bright idea to go with this program. They do not see the benefits. A number of car enthusiasts think this is a program aimed at getting at them.

This provision creates a federally funded program giving grants to States to establish scrappage programs for vehicles 15 years or older or pursue repairs to improve fuel economy. Owners who turn in such vehicles receive a minimum payment and future credit toward purchasing a new vehicle, meeting certain DOE guidelines.

The stated intent is to retire fuel-inefficient vehicles, the first program of its kind. All prior State scrappage programs sought to address poor emissions. The provision requires a vehicle to be scrapped, not stripped for parts.

To make a couple of points, this provision has no guaranteed environmental benefit. Vehicle scrapping requires States neither to determine the fuel efficiency of vehicles being scrapped nor to certify that scrapped vehicles are replaced by more fuel-efficient vehicles. A carowner could scrap an older but more fuel-efficient compact car and replace it with a newer but less fuel-efficient vehicle. While revisions have been made to address this problem, the fundamental issue remains: There is no guarantee that the scrapped car is actually replaced by a more efficient one. That is point one.

Under this provision, cars rarely or never driven, vehicles that have minimal or no impact on overall fuel economy, may be turned into scrap. DOE would be required to pay and give credit to carowners for these cars, although they are just sitting there.

This provision could possibly hurt low- and fixed-income families and individuals. Even if, as proponents claim, section 822 did improve emissions somewhat, the program will definitely create a burden on the used car market and the low- to middle-income families who buy them.

If the vehicles are scrapped, then their parts are destroyed. A reduced supply of older auto parts translates into an increased demand for these parts, raising the cost for anyone who desires to responsibly maintain his or her older vehicle. Low- and fixed-income car occupiers who cannot afford to purchase a new DOE-approved vehicle are affected. I don't think the authors of this provision desire that sort of feature. That is the likely impact.

If the Department of Energy gets into a State grant program and buys up a bunch of older used cars, it will drive up the market price for the cars. That is not an impact we want on lower or moderate-income families, or families seeking to buy a first-time car for a younger member of the family. They should not be competing against the Government for that car, nor should they compete against the Government for replacement parts for that car because the older vehicles are being scrapped.

Vehicle scrappage hurts small business by encouraging the destruction of older, and in some cases vintage, cars and the parts necessary for maintenance. This provision would have a detrimental effect on the automotive industry on aftersales. After the new car is sold, there is a huge industry that supports the auto industry in the automotive sales after the original sale; 98 percent of that business is comprised of small businesses.

The potential cost of the program to taxpayers is unclear. Certainly the benefits are unclear, but the costs are unclear. This provision states neither how much DOE will pay for each scrapped vehicle nor the value of the credit toward a new vehicle purchase. The State programs do not offer a clear precedent. The State of California Bureau of Automotive Repair pays $1,000 for each donated car. However, this program addresses the State's poor air quality, not fuel efficiency. Moreover, no State provides interested car donators with credits toward the purchase of new cars. This vehicle scrap program does not meet its own intended goals. It hurts low- and middle-income families who are the predominant buyers of used cars or families buying for first-time car users.

It is the wrong way to dedicate our Federal resources. We all want a better environment, but this is not the way to achieve it. I urge my colleagues to vote in favor of the Campbell amendment to take out this provision.

This impacts a lot more people than what might appear on the surface. It has broad impact for the public. It is not being well-received by the public. We are getting a number of calls and letters in our office saying this is a bad idea for a program. It seems highly

controversial and questionable in its ability to impact in a positive way fuel efficiency. With the lack of support from the public, this provision should be scrapped—not the vehicles.

For that reason, I call on my colleagues to vote for the Campbell amendment.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER (Mr. JOHNSON). Without objection, it is so ordered.

Mr. REID. Mr. President, I have spoken to the managers of this legislation and, as a result of that, I ask unanimous consent that at 4:20 p.m. this afternoon there be 10 minutes of debate in relation to Campbell amendment No. 3007, equally divided between Senators CAMPBELL and BINGAMAN prior to the 4:30 vote in relation to the amendment, with no second-degree amendments in order prior to that vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, I rise to join Senator CAMPBELL in opposing section 822 of S. 517, which is pending. I support the amendment by Senator CAMPBELL to strike that. The section creates a federally funded program requiring States to establish scrappage programs for vehicles 15 years and older, or pays such car owners to improve the fuel economy. Owners who turn in such vehicles receive the minimum payment and a future credit towards purchasing a new vehicle that meets certain DOE guidelines.

The section's stated intent is to retire inefficient vehicles. This is really the first of its kind. All prior State scrappage programs sought to address primarily poor emissions standards.

Who is affected by this? Although section 822 is a voluntary program, everyone who opts in is penalized. A reduced supply of auto parts translates to increased costs to everyone who wants to responsibly maintain their older vehicles. Since section 822 disproportionately impacts or penalizes low-income and fixed-income vehicle owners, car owners who cannot afford to purchase a new Department-of-Energy-approved vehicle are particularly affected by the increased costs of parts as they translate to increased maintenance as the car grows older.

Section 822 would have a detrimental impact on small businesses. Mr. President, 98 percent of the aftermarket parts industry are really small businesses. Some people would refer to them as car yards, yards and so forth. But particularly for young people growing up and people on modest income, that is where they get their parts.

Section 822 does not require States to determine the fuel efficiency of vehicles being scrapped, where scrapped vehicles are being replaced by more fuel-efficient vehicles. A car owner could scrap an older but more fuel-efficient compact car and replace it with a newer but less fuel-efficient vehicle.

Section 822 would require the Department of Energy to give credit to car owners who turn in cars that are rarely or never driven—vehicles that have minimal or no impact on overall fuel economy.

Further, this section requires the States to create a program that provides public notification of the intent to scrap and allow the salvage of ''valuable parts'' from the vehicle without providing for the costs or the regulation of this operation; determines the registration, operational status, and repair needs of vehicles as well as the dissemination of funds for these procedures; and provides reports on the program's fuel efficiency to the DOE.

Since we have spent a good deal of time here on safety and costs, what about the cost? We don't know what the cost to the taxpayer will be.

Section 822 requires all U.S. taxpayers to pay for some to purchase new cars. It does not state how much the DOE will pay for the vehicle or the value of the credit towards the purchase of the new vehicle.

No State currently provides new car buyers with ''credits'' towards the purchase of new cars. Since there is no precedent concerning ''credits'' and section 822 provides no guidance, no one knows the total cost to the U.S. taxpayers.

Section 822 would establish the voluntary repair programs for vehicles without detailing guidelines or costs of those repairs.

I am told there are over 38 million cars 15 years old or older on the roads right now. Current State programs currently pay $1,000 for each donated car. This translates into at least $38 billion in potential Department of Energy costs for scrappage payments alone and does not include repair or purchase incentive costs included in the provisions of this section.

As Citizens Against Government Waste states:

> This provision has all the symptoms of developing into a costly government program that can be handled far more efficiently and inexpensively by the private sector.

What we have here is an effort to take the older cars that are paid for off the road—not because of concern over emissions but rather a concern over taking away parts availability of these cars as a consequence of removing them from the highways.

A lot of collectors and others who want to have good used cars clearly look upon this as an intrusion of the Federal Government into their own privacy which they treasure.

I support the amendment by Senator CAMPBELL, which is section 822 of the bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I think this energy bill is critically important. The whole question of how we consume and produce energy in relationship to the environment is critically important, especially in my State of Minnesota at the other end of the pipeline where we import our oil in barrels and natural gas, and we export our dollars.

I will be in the Chamber talking about energy policy a lot, especially as we focus on renewables and clean fuel.

I ask unanimous consent to speak in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. WELLSTONE are printed in today's RECORD under ''Morning Business.'')

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Parliamentary inquiry: Mr. President, are we still on the bill and on an amendment?

The PRESIDING OFFICER. The Senate is on the energy bill and on amendment No. 3007 by Senator CAMPBELL.

Mr. DOMENICI. Mr. President, I have no amendment to offer at this time, but I ask unanimous consent that I be given up to 7 minutes as in morning business for some comments on the economy, which is indirectly related to the energy bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. I thank the Chair and thank the Senate.

(The remarks of Mr. DOMENICI are printed in today's RECORD under ''Morning Business.'')

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I was in the office when the electricity portion was discussed. First, I compliment the staffs who worked so hard to reach an accord, Senator BINGAMAN and his staff, our staff. The adoption of the bipartisan package of amendments was a good, encouraging start in this long process to resolve the electricity issue. I have long advocated moving forward to promote competition in the electric power industry. Competition certainly benefits consumers, increases supply, helps reduce the cost of power.

I have long promoted the three guiding principles for good electric legislation: To deregulate where we can, streamline where we can, and not interfere with the States protecting retail customers.

It would be appropriate to basically underline what we have been able to accomplish. I also thank a number of my colleagues. Senator CRAIG THOMAS, particularly, had the initiative under the leadership's guidance to coordinate this for the minority. I want to take a few minutes to recognize what we were able to do from what the underlying bill addressed.

Under section 202, mergers, there was a concern. The concern was that it would be a major expansion of FERC

authority over traditional State matters with no time limit on FERC review and action. By this bipartisan effort, we were able to come up with a solution. The solution reduces the expansion of FERC authority, raises the threshold for FERC review of asset sales from $1 million to $10 million, excludes from FERC review acquisition of generation that is under State jurisdiction, and establishes procedures for expedited action on merger applications.

Secondly, under section 203, the market-based rates, there was a concern that it gave FERC broad authority to take ''any action''—that startled a lot of people—any action to initiate unjust rates, including divestiture and mandatory RTO participation. It specified six specific factors FERC must use when granting/revoking market-based rates which possibly intrude on State ratemaking.

Again, the question was the broad authority to take any action. What we did in the solution was FERC can only fix the rate itself, if found to be unjust. And the six specific criteria modified to be three general criteria that FERC can use if FERC considers them to be relevant. So we took the authority from any action and conditioned it. If they found it to be unjust, then they have the authority to fix it.

The other one in section 204, refund effective date: The concern was the provision created an open-ended period for FERC to act to establish a ''refund effective date.'' Refunds, of course, might never go into effect. The solution was: Restore existing law which provides a 5-month window for FERC to establish the refund effective date.

Section 205, transmission interconnections: The concern there was whether it gave FERC authority on own motion to order construction of transmission and sale of electricity. It didn't have to be requested by a third party.

Eliminated protections in existing law—Bonneville, for example—and their retail wheeling issue: A solution to that was to strike section 205 entirely. We eliminated that concern.

Section 209, access to transmission by intermittent generators: The concern there was: Gave transmission subsidies to ''intermittent'' generators; created a presumption that intermittent generators do not create any reliability problem; did not allow utilities to recover all costs of transmitting electricity for intermittent generators. The solution: Eliminate transmission subsidies; eliminate presumption on reliability; ensure that utilities recover all transmission costs.

The next section was 241, real-time pricing: The concerns: Did not include time of use metering. The solution was: Add time of use metering.

Section 245, net metering: The concern there was: Establishing a Federal net metering program that preempted 35 existing State net metering programs. The solution was: Convert PURPA section 111(d) requirement that State PUCs and nonregulated utilities consider the Federal standard.

Section 256, State authority: The concerns there were: Preempted State consumer protection laws and regulations to the extent they are inconsistent with FTC regulations. The solution was: Eliminate preemption.

Section 263: The concern is: Required the Federal Government to purchase renewable power—regardless of the cost. That was somewhat contentious. The DOD needs to spend money on the war—not renewables. The solution was: ''Best efforts'' only to purchase renewable power.

So we went from a mandate requiring the Federal Government to purchase renewable power, regardless of the cost, to a solution that was to use the best efforts only to purchase renewable power.

I thought that explanation was in order because there are a lot of terms and technology involved here. I think it is meaningful that we have a solution and we have a bipartisan agreement.

I thank my colleague, the Senator from New Mexico, and others who were active in this, including the professional staff who worked so hard to achieve it.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Ms. LANDRIEU. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CORZINE). Without objection, it is so ordered.

AMENDMENT NO. 2995

Ms. LANDRIEU. Mr. President, I thought I would take a moment to speak about an amendment that has already been accepted. I was very proud to offer this amendment along with Senator DOMENICI and Senator CRAIG yesterday. I thank the chairman for his leadership in this effort. Because the time was short yesterday and we really did not get to present the amendment, I thought I would say a few words about it while we have time pending a vote.

This amendment by Senator DOMENICI, Senator CRAIG, and myself says will contribute to the strengthening of this bill.

It says that as we develop our nuclear reactors in the future, they will be designed with new technologies that look very promising, not only to make our nuclear industry more powerful and more effective, but also to create the opportunity to produce hydrogen which can help us in meeting our energy needs.

I will explain for the record why this is so important.

As most Members know, nuclear energy now provides one-fifth of all the electric power used in this country. I do not think that is clear to everyone in the United States. Some people think we have shut our nuclear industry down or that we have shut our nuclear powerplants down. That is not true. The truth is, 20 percent of the power we use in this Nation is generated by nuclear energy.

Nuclear power produces energy without compromising air quality and without dangerous reliance on fuel exports from politically unstable regions of the world.

When we look a few years into the future, the projected demand for increased electric power is staggering. That is one of the reasons we are considering this legislation: because the demand for power and the demand for energy is far outpacing our ability to produce it. Because we have different views about production, we have conflicting views about conservation; that does not mean the demand, or the challenge, is going to go away.

It means we have to work harder to find solutions, and this is one solution. According to the Energy Information Administration, by the year 2020 the U.S. will need, under current trends, 400,000 megawatts of additional electric power capacity. That is the equivalent of 400 new coal plants or gas-fired plants to be built in this country before the year 2020.

I am in no way opposed to burning coal. We are doing it in a much cleaner and better way for our environment. I am obviously not opposed to domestic natural gas production or imported natural gas. That also meets our new environmental standards. We have to meet some of this demand, but for environmental and energy security reasons we cannot completely rely on these sources.

Just to maintain the existing proportion of nonemitting nuclear power in our energy mix, we will have to construct 50 nuclear plants. So we have to build more nuclear powerplants, and our amendment helps to build them in the right ways.

It is clear to this Senator that the environmental and energy security benefits of nuclear power are so compelling that not only must we ensure the continued operation of our existing plants, but we must also encourage the construction of new plants in this country to help meet this extraordinary demand.

Let me be very clear, when push comes to shove, we have a very short list of energy options for the foreseeable future: oil, natural gas, coal, nuclear, hydropower, conservation, and renewables such as solar and wind. All of these have substantial roles to play in our future energy mix, but none of these by themselves is enough to address the huge demand that is facing us.

Again, that is one of the compelling reasons, if not the principal reason, that we are fighting to shape an energy bill that will meet this demand. Why? Because it is important our economy continue to grow so we can be not only

the great military power we are, but the greatest economic power as well.

Nuclear power is perhaps unique in this list in that there is a large potential for expansion in the relatively near term with little downside in terms of environmental damage or an increase in our reliance on foreign sources. Furthermore, as many Members are aware, there is an exciting next generation of nuclear reactors being developed which take a good product and make it even better.

These reactors, which should be available by the end of this decade, are meltdown proof, substantially more efficient than the old generation, produce less high-level waste, and are more proliferation resistant than existing reactors. That, in this post-September 11 day and age, is a goal we need to be mindful of. We need to be mindful that this material in the wrong hands could cause a lot of trouble, a lot of destruction, and that is why this new design is exciting.

Indeed, one of these designs, the gas turbine modular helium reactor, is even designed to be built underground and therefore better suited to the threats that now present themselves post-September 11.

The Federal Government should work closely with the nuclear industry and with our utilities to see that these new reactors live up to the claims being made about them and that they are brought to market as soon as possible.

Let me turn now to another aspect with which our amendment attempts to address. We have spent a great deal of time this morning speaking about the transportation sector, CAFE standards, and what can we do to make our transportation sector more efficient. All of those are very important issues. But one of the most interesting solutions that might be found as we develop a new generation of nuclear powerplants is the byproduct of these new plants—hydrogen.

The administration recently announced some interesting facts regarding the development of a new generation of hydrogen-powered car. They call it the freedom car. But we should be mindful that we could call it the freedom truck, the freedom bus. This is not only about cars.

Every Member probably realizes the importance of ultimately changing the coinage of the energy and transportation sector from oil to something else. Although we are an oil- and gas-producing State, and I am proud of the oil and gas that we produce, we know even in Louisiana that the future calls for a greater mix, and the new nuclear reactors could really be what we need in terms of freeing ourselves from imported oil.

Our recent engagement in the Middle East and the festering instabilities there, make it very clear the sooner we wean ourselves from imported oil the better. Hydrogen, either through direct combustion or through fuel cells, seems to have all the hallmarks of an ideal, non-polluting fuel for transportation that might ultimately supplant imported oil. However, the President's announcement and much of the subsequent excitement seems to miss one very important question: Where are we going to get the hydrogen in the quantities necessary to fuel the cars or trucks or buses on our Nation's highways in the future?

Please remember that hydrogen is not an energy source. Hydrogen is an energy carrier. It must be produced by either splitting water or reforming fossil fuels. Right now, industrial scale quantities of hydrogen are produced from natural gas or other fossil fuels, but it does not make sense from an environmental or energy security point of view to produce hydrogen from fossil fuels. What progress would we be making if we go down that road?

So what is the alternative? Fortunately, nuclear power is offering to us an alternative, a very promising way to produce large amounts of hydrogen required to move towards a hydrogen economy in the relatively near term.

The more promising way to produce hydrogen is to utilize the next generation of nuclear reactors that operate at much higher temperatures. The higher temperatures of these reactors make possible a process called thermochemical water splitting. The process has received only minor research dollars in this country but has received substantial research dollars in funding from other parts of the world, including Japan.

Thermochemical water splitting is very promising as it is environmentally benign and has a very high rate of efficiency. Indeed, it is up to 50 percent more efficient in converting the heat of a reactor into hydrogen energy.

The amendment we have offered and that has been accepted recognizes the importance of developing a next generation of reactors that is safer, more economical, more proliferation resistant, and creates less waste. It also recognizes the importance of developing hydrogen production capabilities with the next generation of nuclear reactors.

The promise of a hydrogen-based transportation sector is indeed very exciting. As the chairman has pointed out on numerous occasions, it is the transportation sector demand that is driving our dangerous and unwise, in my opinion, reliance on foreign oil imports. We must begin to free ourselves from that relationship, and this amendment, with the underlying technology, gives us a real opportunity, not in 50 years, not in 20 years, but within the next few years, in this decade, to begin exploring new technologies that keep our environment clean, that give us the freedom we deserve and we expect, and also is well within our economic means of achieving.

It is very exciting, but unless we plant the seeds of a realistic means of producing the large scale amounts of hydrogen required, this dream will never be realized. Based on the acceptance of this amendment, I think the Senate has decided that the next generation of nuclear powerplants we are going to have to build in this Nation anyway could provide that answer.

It has been a great pleasure working on this amendment with my colleagues and being part of this energy debate.

I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, let me congratulate my colleague, the junior Senator from Louisiana, on her amendment. I think the realization of what the advanced technology would mean, particularly on high-level nuclear waste in recovery of hydrogen for a number of purposes, including fuel cells and others, is something that would tend to focus in on high-level waste, and would have a potential value there that may lead us to recognize it is not sufficient to just concentrate on burying this waste.

The PRESIDING OFFICER. Under the previous order, there is 10 minutes of debate on the amendment of the Senator from Colorado. Who yields time?

Mr. MURKOWSKI. If I may have 1 minute to compliment the Senator from Louisiana.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. I will take it off of our time.

I commend the Senator for her recognition of the value of high-level nuclear waste and the utilization of it.

I also commend the Senator from Louisiana on her bioenergy amendment, which we have accepted. This amendment expands the authorization for bioenergy research to include biochemical processes that can create certain replacements. There is promising research in these areas. It is wise to continue to work on this. We support the amendment.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I congratulate the Senator from Louisiana for these two amendments. I am a cosponsor of both. On a bigger scale than that, we are both from oil and gas States. Yet the Senator has taken a position that it is not just oil and gas that make up the future for the United States. We have to look at a variety of alternatives.

The Senator has done a superb job working on nuclear issues. The two proposed amendments on nuclear are clearly relevant. We are moving ahead in those areas in the appropriations process. The Senator will have the assurance that both are covered by appropriations if, indeed, Senator BINGAMAN and the others bring it back from conference with the amendments.

Ms. LANDRIEU. Will the Senator yield?

Mr. DOMENICI. I yield.

Ms. LANDRIEU. I appreciate those remarks. The Senator from New Mexico has been an extraordinary leader in this field of nuclear energy.

I compliment the industry. The Senator from New Mexico understands that the oil and gas industry has been, in the last couple of years, broadening its horizons and outlook in welcoming these new sources of energy. They are turning themselves from oil companies to energy companies, from gas companies to energy companies, opening up possibilities for new sources of energy.

I commend the industry and hope this bill that Senator DOMENICI has worked on so hard will compliment the work in the private sector to help this country get to the freedom we need from imported sources so we can set our own destiny.

I am proud to be a sponsor of this amendment and others like it.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. I compliment the Senator from Louisiana also for her amendment earlier agreed to. We worked hard with her and her staff to be sure this amendment could be included in the bill. I am glad it is in the bill.

What is the regular order?

AMENDMENT NO. 3007

The PRESIDING OFFICER. There is a vote at 4:30 with respect to the Campbell amendment.

Mr. BINGAMAN. How much time remains on both sides?

The PRESIDING OFFICER. Four minutes thirty seconds on the Senator's time and 2 minutes for the Senator from Colorado.

Mr. BINGAMAN. I yield the floor.

Mr. CAMPBELL. Mr. President, I ask unanimous consent to have Senator SMITH of New Hampshire added as a cosponsor of this amendment, and I yield myself the remainder of the time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. Colleagues, section 822 is a bad idea. Under section 822, we are going to allow the DOE to give grants to take 15-year-old, and possibly more, fuel-efficient cars, which would rarely be driven, off the highways and then turn around and offer another grant of taxpayer-funded money to people who want to purchase a new car which may be less fuel efficient than the ones to be taken off the highway and will probably be driven more because they are newer.

How do we sell that under the guise of fuel efficiency? States have the ability to have scrappage programs—many do. Some offer between $1,000 and $2,000 per car to be scrapped. In the suggested grant to take older cars out of circulation, if one-fourth of the 38 million cars 15 years or older were funded, it would cost taxpayers $19 billion. Maybe I am missing something, but I did hear we have lost our huge surplus of last year and may, in fact, be in deficit this year. It seems to me we have a better place to use our money. This is not the time to spend $19 billion.

The authors of the section 822 say it is voluntary, but who will turn down a potential $1,000 to turn in an old car and another $1,000 of taxpayer money to buy a new one when someone else is paying?

I ask my colleagues to vote down section 822 at 4:30.

As Senators, we have an obligation to make decisions based on information. Here, the authors of section 822 are asking you to make a decision based on no information because no studies or hearings were ever held that would legitimize the Federal subsidization of car scrappage programs.

Again, the authors of 822 argue that compelling states to establish scrappage and repair programs to get older cars off the road is a voluntary program. Further, they argue that some states already have scrappage programs.

Well, if States want scrappage programs then they should be able to establish their own—why should the Federal Government have any role in that which States can do already do?

Furthermore, the authors of section 822's reliance on some states choosing to establish scrappage program is misleading. Current state programs seek to address poor emissions quality, a serious health concern.

Section 822 assumes that older cars have poor fuel efficiency and creates an expensive carrot and stick approach to compel states and individuals to participate in a completely new and untested program.

In any event section 822 does not provide any means testing ensuring that only fuel inefficient vehicles are scrapped. Therefore, a 1986 Ford Escort getting 41 city miles per gallon would be treated the same as a Cadillac Seville of the same year that gets a mere 17 miles per gallon. The only qualifying criteria would be that they are both 1986 automobiles.

The authors of section 822 state that no one is penalized, that only individuals choosing to participate would be affected. Yet, the truth is that everyone is captured by this program.

The reduced supply of car parts translates to increased costs for low and fixed income people who cannot afford to buy a federal government subsidized, DOE approved vehicle.

Further, there are 38 million cars that could be affected. If just one quarter of those owners chose to get $1,000 for scrapping their car, and then another tax payer subsidized $1,000 credit to buy a new DOE approved vehicle, the total cost to all U.S. taxpayers, whether they ''volunteer'' to participate or not, would be $19 billion.

Well, that seems to be a lot of money—that's because it is. I would have my friends note that at no time did the authors of section 822 state that this provision would not be terribly expensive. They didn't defend their measure as fiscally responsible because they don't know if it is or not.

The authors argue that they ''fixed'' their provision by requiring the states to hold a public notification of the intent to scrap vehicles and then provide for parts salvage. How will a state possibly manage that, and what will it cost the federal government? Again, we don't know.

A few short hours ago, my friend Senator BINGAMAN stated, ''I don't see why it is in the public interest to strike a provision that enables the Secretary of Transportation to pursue this to the extent that the Appropriations Committee puts funds in to support the program.'' Normally, we know how much money something costs before we buy it.

I ask you not to buy this ill conceived Federal subsidization scrappage program of old cars and welfare for the wealthy. Section 822 will hurt the most vulnerable of our citizens, hurt small businesses, and hurt U.S. taxpayers.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, first, as I indicated, I am disappointed the Senator from Colorado felt obligated to offer this amendment. Having heard his concerns and the concerns of others, I urge all Senators to support his amendment. My view is this is not an amendment that justifies having a vote on the Senate floor, but he is insisting on one, so evidently we will go through it and have a rollcall vote and bring all Senators to the floor to vote for the amendment.

Mr. CAMPBELL. Will the Senator yield?

Mr. BINGAMAN. I yield the floor.

Mr. CAMPBELL. If our colleagues on the other side of the aisle do not need a recorded vote, we do not, either. If he is willing to accept this amendment, I am sure the minority would, too, and I ask unanimous consent to vitiate the recorded vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, before we do the voice vote, which I gather is what the Senator from Colorado would like on his amendment, let me read some provisions or sections of a letter we received from the Automotive Service Association.

This is a letter to Senator DASCHLE, dated February 25, an organization with 15,000 members nationwide. It has 300 members in Colorado, my colleague's home State. It says:

DEAR SENATOR DASCHLE: I want to thank you for your efforts on behalf of the automotive aftermarket in the development of Senate Bill 517, the energy policies act of 2002.

The Automotive Service Association is the largest and the oldest trade association representing independent automotive repair facilities in the United States. . . .

Your revised Section 832, Assistance for State Programs to Retire Fuel-Inefficient Motor Vehicles, includes both a repair and recycling facilities. This assists mechanical and coalition repair facilities. Quite frankly, many of these older vehicles would not receive fuel-efficiency related repairs without

some incentive. This legislation will provide the opportunity for these vehicles to receive the necessary maintenance.

Allowing the salvage of valuable parts enhances competition in the parts marketplaces as well as makes sense for the environment.

We appreciate the efforts that you and Chairman Jeff Bingaman have made to alleviate many of the concerns our industry has had with this legislation. We support the bill and look forward to a continued working relationship with you and your staff.

ASA is contacting automotive repairers in South Dakota and New Mexico to inform them of your efforts.

Signed by Robert Redding, Jr., on behalf of the Automotive Service Association.

Mr. President, I ask unanimous consent this entire letter be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BINGAMAN. Mr. President, I believe this is good public policy to enact, along the lines we have talked about here. But since my colleague and others have indicated concern about including it in the energy bill, I have no problem with it being deleted.

I urge all Senators to support the amendment of the Senator from Colorado.

I yield the floor.

EXHIBIT 1

AUTOMOTIVE SERVICE ASSOCIATION,
Bedford, TX, February 25, 2002.

Hon. TOM DASCHLE,
Majority Leader, U.S. Senate,
Washington, DC.

DEAR SENATOR DASCHLE: I want to thank you for your efforts on behalf of the automotive aftermarket in the development of Senate Bill 517, the Energy Policy Act of 2002.

The Automotive Service Association is the largest and oldest trade association representing independent automotive repair facilities in the United States. These collision, mechanical and transmission small business members are located in all fifty states and several foreign countries.

Your revised Section 832, Assistance for State Programs to Retire Fuel-Inefficient Motor Vehicles, includes both a repair and recycling option. This assists mechanical and collision repair facilities. Quite frankly, many of these older vehicles would not receive fuel-efficiency related repairs without some incentive. This legislation will provide the opportunity for these vehicles to receive the necessary maintenance.

Allowing the salvage of valuable parts enhances competition in the parts marketplace as well as makes sense for the environment.

We appreciate the efforts you and Chairman Jeff Bingaman have made to alleviate many of the concerns our industry has had with this legislation. We support the bill and look forward to a continued working relationship with you and your staff.

ASA is contacting automotive repairers in South Dakota and New Mexico to inform them of your efforts.

Sincerely,

ROBERT L. REDDING, Jr.

Mr. CAMPBELL. Mr. President, I yield the remainder of my time and urge the adoption of the amendment.

The PRESIDING OFFICER. Does the Senator from New Mexico yield back his time?

Mr. BINGAMAN. I yield all time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3007) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. CAMPBELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3009

Mr. DOMENICI. Mr. President, I have an amendment with reference to an Office of Spent Nuclear Fuel Research. I send it to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendments are set aside. The clerk will report.

The bill clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI) proposes an amendment numbered 3009.

Mr. DOMENICI. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To establish an Office within the Department of Energy to explore alternative management strategies for spent nuclear fuel)

On page 123, after line 17, insert the following:

SEC. 514. OFFICE OF SPENT NUCLEAR FUEL RESEARCH.

(a) FINDINGS.—Congress finds that—

(1) before the Federal Government takes any irreversible action relating to the disposal of spent nuclear fuel, Congress must determine whether the spent fuel in the repository should be treated as waste subject to permanent burial or should be considered an energy resource that is needed to meet future energy requirements; and

(2) national policy on spent nuclear fuel may evolve with time as improved technologies for spent fuel are developed or as national energy needs evolve.

(b) DEFINITIONS.—In this section:

(1) ASSOCIATE DIRECTOR.—The term ''Associate Director'' means the Associate Director of the Office.

(2) OFFICE.—The term ''Office'' means the Office of Spent Nuclear Fuel Research within the Office of Nuclear Energy Science and Technology of the Department of Energy.

(c) ESTABLISHMENT.—There is established an Office of Spent Nuclear Fuel Research within the Office of Nuclear Energy Science and Technology of the Department of Energy.

(d) HEAD OF OFFICE.—The Office shall be headed by the Associate Director, who shall be a member of the Senior Executive Service appointed by the Director of the Office of Nuclear Energy Science and Technology, and compensated at a rate determined by applicable law.

(e) DUTIES OF THE ASSOCIATE DIRECTOR.—

(1) IN GENERAL.—The Associate Director shall be responsible for carrying out an integrated research, development, and demonstration program on technologies for treatment, recycling, and disposal of high-level nuclear radioactive waste and spent nuclear fuel, subject to the general supervision of the Secretary.

(2) PARTICIPATION.—The Associate Director shall coordinate the participation of national laboratories, universities, the commercial nuclear industry, and other organizations in the investigation of technologies for the treatment, recycling, and disposal of spent nuclear fuel and high-level radioactive waste.

(3) ACTIVITIES.—The Associate Director shall—

(A) develop a research plan to provide recommendations by 2015;

(B) identify promising technologies for the treatment, recycling, and disposal of spent nuclear fuel and high-level radioactive waste;

(C) conduct research and development activities for promising technologies;

(D) ensure that all activities include as key objectives minimization of proliferation concerns and risk to the health of the general public or site workers, as well as development of cost-effective technologies;

(E) require research on both reactor- and accelerator-based transmutation systems;

(F) require research on advanced processing and separations;

(G) include participation of international collaborators in research efforts, and provide funding to a collaborator that brings unique capabilities not available in the United States if the country in which the collaborator is located is unable to provide for their support; and

(H) ensure that research efforts are coordinated with research on advanced fuel cycles and reactors conducted by the Office of Nuclear Energy Science and Technology.

(f) GRANT AND CONTRACT AUTHORITY.—The Secretary may make grants, or enter into contracts, for the purposes of the research projects and activities described in this section.

(g) REPORT.—The Associate Director shall annually submit to Congress a report on the activities and expenditures of the Office that describes the progress being made in achieving the objectives of this section.

Mr. DOMENICI. Mr. President, I introduce an amendment creating a new DOE Office of Spent Nuclear Fuel Research. This new Office would organize a research program to explore new, improved national strategies for spent nuclear fuel.

Spent fuel has immense energy potential—that we are simply tossing away with our focus only on a permanent repository. We could be recycling that spent fuel back into civilian fuel and extracting additional energy. We could follow the examples of France, the U.K., and Japan in reprocessing the fuel to not only extract more energy, but also to reduce the volume and toxicity of the final waste forms.

It is too bad we did not start with this emphasis and organization within the last 15 or 20 years. But we were on a path that said under no conditions would we do this. We thought it would add to the nonproliferation potential. We thought we would set an example and nobody would do it, so we would not produce any additional plutonium.

What happened is we stayed in our rut, thinking it was going to be worldwide, while other countries decided ours was a rather imprudent policy and they have proceeded. I just enumerated the countries that have done that.

I support continued progress at Yucca Mountain and appreciate the President's decision to move ahead toward licensing of it as our Nation's first permanent repository for high

level waste. But, I have frequently suggested that our single-minded focus on this ''solution'' for spent fuel does not serve our Nation well. It is simply not obvious that permanent disposal of spent fuel is in the best interests of all our citizens. It's even less obvious to me that we should equate the terms ''spent fuel'' and ''waste.''

Since Yucca Mountain can't accommodate all the spent fuel from our current generation of nuclear plants, we clearly either need a better solution or more repositories. Given the level of local public support enjoyed by Yucca Mountain, I don't think any of us should relish the prospect of creating more Yucca Mountains.

Depending on our future demands and options for electricity, we may need to recover the tremendous energy that remains in spent fuel. And strong public opposition to disposal of spent fuel, with its long-term radio toxicity, may preclude use of repositories that simply accept and permanently store spent fuel.

If the research program led by this new office is successful, we can recover the residual energy in spent fuel. And we could produce a final waste form that is no more toxic, after a few hundred years, than the original uranium ore. I was very pleased that the President specifically endorsed these studies of reprocessing and transmutation in the national energy policy.

I am well aware that reprocessing is not viewed as economically practical now, because of today's very low uranium prices. Furthermore, I fully recognize that it must only be done with careful attention to proliferation issues. But I submit that the U.S. should be prepared for a future evaluation that may determine that we are too hasty today to treat spent fuel as waste, and that instead we should have been viewing it as an energy resource for future generations.

We do not have the knowledge today to make this decision. This amendment establishes a research program to evaluate options to provide real data for such a future decision.

This research program would have other benefits. We may want to reduce the toxicity of materials in any repository to address public concerns. Or we may find we need another repository in the future, and want to incorporate advanced technologies into the final waste products at that time. We could, for example, decide that we want to maximize the storage potential of a future repository, and that would require some treatment of the spent fuel before final disposition.

This amendment requires that a range of advanced approaches for spent fuel be studied with the new Office of Spent Nuclear Fuel Research. It encourages the Department to seek international cooperation. I know, based on personal contacts, that France, Russia, and Japan are eager to join with us in an international study of spent fuel options.

It requires that we focus on research programs that minimize proliferation and health risks from the spent fuel. And it requires that we study the economic implications of each technology.

With this new Office and its research program, the United States will be prepared, some years in the future, to make the most intelligent decision regarding the future of nuclear energy as one of our major power sources. Maybe at that time, we'll have other better energy alternatives and decide that we can move away from nuclear power. Or we may find that we need nuclear energy to continue and even expand its current contribution to our nation's power grid. In any case, this research will provide the framework to guide Congress in these future decisions.

Mr. President, while I have the floor, I also want to speak briefly to three other amendments on nuclear energy issues, presented by my colleagues, Ms. LANDRIEU and Mr. CRAIG. I greatly appreciate their interest in this important technology. I strongly support these additional amendments and am a cosponsor of each one.

Ms. LANDRIEU has two amendments. One notes the important role that hydrogen may play in future transportation strategies for the nation, either directly as a fuel or in fuel cells. Either of these approaches could lead to a transportation sector that is virtually emission free. This is a great vision, but it depends on, among several challenges, identification of a cheap reliable supply of hydrogen.

Hydrogen can either be made from water using electricity, or from several chemical processes involving heat. Senator LANDRIEU's amendment asks that the Nuclear Energy Research Initiative specifically explore the use of nuclear reactors for hydrogen production.

Reactors are well suited to such a challenge. They could supply electricity in off-peak hours. Or, some types of advanced reactors would provide an ample heat resource. In fact, in Japan, their research on one form of advanced reactor is focused on hydrogen production.

Her second amendment encourages the Nuclear Regulatory Commission to explore licensing issues, which may arise with advanced reactor designs. Her legislation would allow the NRC to pursue this research without tapping income collected from licensees, through use of appropriated funds. This is a good idea, and one that is already encouraged in the appropriations process.

Mr. CRAIG's nuclear energy amendment authorizes the Nuclear Power 2010 program, as proposed by the Administration to begin in fiscal year 2003. This builds on and expands the work pursued in the Nuclear Energy Technology Program that has been funded for the last two years.

Under this new program the DOE would seek industrial proposals for joint venture teams to participate, including development of business arrangements for building and operating new plants in the United States. I appreciate that it would pursue development of the two most promising classes of advanced reactors, either water- or gas-cooled systems.

Mr. CRAIG's inclusion of international collaboration is also critical, just as I want to encourage such participation in development of improved strategies for spent fuel. Many countries have strong nuclear energy programs, we can achieve mutual goals faster and cheaper if we work together, just as is now happening with the ten-nation effort toward the Generation IV reactor.

I share the vision of Mr. CRAIG that the Nuclear Power 2010 program will result in a new reactor in this country in the next decade. That will be an important step in demonstrating to our citizens and to the world that the United States is not going to be left by the wayside while other countries pursue this vital energy source.

Tomorrow or next week, whichever is most accommodating, I will take the floor and tell the American people what is in this bill regarding the future for nuclear energy. Many things have already been adopted and put in the bill by the sponsors, but we now have, with this amendment before the Senate or put in the bill, all of the amendments that Senators who have been following and working in this area thought were important to its future. They will now be encapsulated in this with the adoption of this, which is our last one.

NUCLEAR WASTE

Mr. REID. I want to confirm that acceptance of this amendment does not create any opportunity to discuss nuclear waste issues in conference.

Mr. DOMENICI. I agree with the Senator's view. I will be a conferee on this bill. I assure the Senator that I will resist any attempt to open the conference to discussion of waste issues. I would also like to note that, as stated in the amendment, the national laboratories will play strong roles in this work. In fact, from our positions on the Energy and Water Development Subcommittee on Appropriations, let's work together to ensure their participation.

I thank Senator BINGAMAN in advance of agreeing to this for his help on it, for what he has done in the bill with reference to not only the Price-Anderson, which he took the lead on even though it was not his amendment, but all the other provisions he has put in that will create a level playing field and modernize Americans' ability to utilize nuclear power if they choose, since it will not pollute the environment and can be part of a national program to do that.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, let me say with the colloquy my colleague from New Mexico has entered into the

RECORD between himself and Senator REID, I think all concerns that have been raised on our side are resolved. There is no objection to the adoption of the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3009) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. MURKOWSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MURKOWSKI. Mr. President, I rise in support of the amendment by the senior Senator from New Mexico. I appreciate the junior Senator's acceptance of it.

The amendment, as noted, establishes an Office of Spent Fuel within the Department of Energy. It is important that Congress address the range of alternatives to deal with spent fuel from nuclear reactors. This amendment goes a long way to accomplish that.

I have served here 21 years with Senator DOMENICI. He has been a tireless advocate of pursuing the advancement of nuclear energy. Last year he introduced S. 472, which is a comprehensive energy bill and nuclear bill, and the committee held several hearings. He understands we must have a diverse and responsible energy mix if we ever hope to reduce our dependence significantly on Saddam Hussein and his oil.

Currently, nuclear energy provides 20 percent of the electricity in this country. It is taken for granted by many. It is a clean, nonemitting generation and produces no greenhouse gases, no SO_x, no NO_x. There are 103 operating reactors in 31 States.

Senator DOMENICI's Office of Spent Fuel is an important part of the future of nuclear energy in this country, and we must deal with the issue of spent fuel. This will require research on all fronts.

The language of the amendment was part of S. 1287, the Nuclear Waste Act amendments that passed the Senate in the last Congress. The office would examine the treatment, recycling, and disposal of high-level reactive wastes and spent fuel, and consequently I strongly urge its support. I thank the Members for the adoption of this amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MCCAIN. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF TRANSPORTATION NOMINATIONS

Mr. MCCAIN. Mr. President, I come to the floor to talk again about two nominees, Mr. Emil Frankel, to be Assistant Secretary of Transportation, and Jeffrey Shane, to be Associate Deputy Secretary of Transportation.

I, again, urge the holds that are being placed on these nominations to move forward. It is been 3 months since they were reported unanimously out of the Commerce Committee.

I know both individuals and they are highly qualified. Both of them are nominated for very important jobs in the Department of Transportation. All of us know, in light of the events of September 11, that these jobs are vital to America's security.

I said earlier in my remarks that I had not put a hold on a nominee. What I meant to say—and I would like to correct the record at this time—is that I have put holds on nominees, but I have never done so anonymously. I have stood up and said that I had holds on nominees. On the holds I have put on over the years, I have been here and stated my reasons why. I have not done so anonymously.

I hope the unnamed Member or Members who have a hold on Mr. Shane and Mr. Frankel will come forward. So, I hope, again, that the Senate will consider these two highly qualified nominees. If there are areas that are not related to these nominees, as far as transportation is concerned, I will be pleased to work with any Member to try to get those concerns satisfied.

Again, I would like to correct the record when I stated earlier that I had never put a hold on a nominee. I have never anonymously put a hold on a nominee. And I have forced votes on other nominees as well.

I hope the holds on Mr. Frankel and Mr. Shane will be removed soon. We are in danger of losing those individuals because, understandably, after a period of 3 months, they have to get on with their lives. And that certainly is understandable.

So I hope we will move forward with their nominations soon and the holds will be lifted. Again, I stand ready to work with any Member who has a hold on their nominations if there is any way we can resolve any problems that they might have.

I also state that I never put a hold on a nominee because there was some unrelated issue. I put holds on nominees in the past because I did not think they were qualified, and I stated so.

So I hope that clarifies the record on that. But that does not detract from the fact—whether I ever did or did not—that these are two qualified nominees. It has now been over 3 months since they were reported out of the Commerce Committee and they deserve to have the opportunity to serve.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

NATIONAL LABORATORIES PARTNERSHIP IMPROVEMENT ACT OF 2001—Continued

AMENDMENTS NOS. 3010 AND 3011, EN BLOC, TO AMENDMENT NO. 2917

Mr. BINGAMAN. Mr. President, I send two amendments to the desk and ask that they be considered en bloc and adopted en bloc. I believe they have been cleared on both sides.

The PRESIDING OFFICER. Without objection, the pending amendments are set aside.

The clerk will report the amendments.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] proposes amendments numbered 3010 and 3011 en bloc to amendment No. 2917.

Mr. BINGAMAN. Mr. President, I ask unanimous consent reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments, en bloc, are as follows:

AMENDMENT NO. 3010

(Purpose: To include biobased polymers and chemicals in the biofuels program)

On page 405, strike line 16 and all that follows through line 23, and insert the following:

(6) BIOFUELS.—The goal of the biofuels program shall be to develop, in partnership with industry—

(A) advanced biochemical and thermochemical conversion technologies capable of making liquid and gaseous fuels from cellulosic feedstocks that are price-competitive with gasoline or diesel in either internal combustion engines or fuel cell vehicles by 2010; and

(B) advanced biotechnology processes capable of making biofuels, biobased polymers, and chemicals, with particular emphasis on the development of biorefineries that use enzyme based processing systems.

For purposes of this paragraph, the term ''cellulosic feedstock'' means any portion of a food crop not normally used in food production or any non-food crop grown for the purpose of producing biomass feedstock.

AMENDMENT NO. 3011

(Purpose: To direct the Secretary of Energy to study designs for high temperature hydrogen-producing nuclear reactors)

On page 443, strike lines 21 through page 444, line 2 and insert the following:

(2) examine—

(A) advanced proliferation-resistant and passively safe reactor designs;

(B) new reactor designs with higher efficiency, lower cost, and improved safety;

(C) in coordination with activities carried out under the amendments made by section 1223, designs for a high temperature reactor capable of producing large-scale quantities of hydrogen using thermo-chemical processes;

(D) proliferation-resistant and high-burn-up nuclear fuels;

(E) minimization of generation of radio-active materials;

(F) improved nuclear waste management technologies; and

(G) improved instrumentation science;

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, the amendments have been cleared on this

side, and we are in total agreement with the majority and recommend acceptance.

The PRESIDING OFFICER. Without objection, the amendments are agreed to.

The amendments (Nos. 3010 and 3011), en bloc, were agreed to.

Mr. MURKOWSKI. I move to reconsider the vote.

Mr. BINGAMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, as we come close to the hour of 5 o'clock, I am not sure just what the remainder of the schedule is. I think we anticipate tomorrow morning starting on renewables.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, my understanding is that we will spend several hours tomorrow, at least, dealing with a couple of issues related to electricity restructuring. One is a reliability amendment that we expect to have offered. I believe Senator THOMAS is planning to offer that amendment. We will have debate and a vote.

Then I intend to offer an amendment on a renewable portfolio standard, which will then be followed by a proposal by Senator JEFFORDS. And then probably also there will be a proposal by Senator KYL. We will deal with, hopefully, those three proposals, including the issue of a renewable portfolio standard. After that, I don't know what the business will be.

Mr. REID. If my friend will yield?

Mr. MURKOWSKI. Yes.

Mr. REID. If I could just make this comment, I think the two managers have a great plan: in the morning come in and work on the Thomas legislation. It is my understanding that he does not want a time set. I think that is appropriate because there may be other issues that come up.

But I would hope that we could—if we come in, say, at 9:30—complete action on that by 12:15 or thereabouts, because every Thursday we have the policy luncheons, so we do not have votes from 12:30 to 2.

We could do that and then move to the Bingaman amendment. Senator JEFFORDS said he would agree to an hour and 15 minutes. So that would be 2½ hours, if all that time were used.

I would hope, I say to the manager, my friend from Alaska, that we could get Senator KYL to agree on a time for his amendment tonight, so when we do the wrap-up we could have it set that whenever we finish the reliability amendment—that is the Thomas amendment—we could immediately go into the mechanics set up for the Bingaman amendment, the Jeffords amendment, and the Kyl amendment, and have an end for that.

It seems it should not be difficult for people to agree for times on that because, if Senator KYL's amendment is adopted, then it wipes out everything in front of it anyway. So I hope Senator KYL can give us some time tonight so we can complete action on this matter tomorrow.

Mr. MURKOWSKI. If I may respond to the majority whip, I am in complete agreement. We do not have a time agreement yet among ourselves. I assume the leadership will set the time for us to come in. But I encourage Senators on our side to be prepared on reliability, which, as the majority whip indicated, will be offered by Senator THOMAS in the morning.

I also encourage all Members on our side, if they have other amendments they intend to offer, I would like to get the amendments in so we can anticipate what we will have before us. I would be willing at some point in time to agree to a list of amendments that have been brought in by a certain time, let's say, prior to the end of this week, something of that nature. But we can pursue that.

But I do agree with the majority whip that we should move along. The renewable portfolio, as the Senator indicated, probably will take some time. So I would be happy to work towards some time agreements as we proceed tomorrow.

Mr. REID. If I could propound a unanimous consent request, I ask unanimous consent that tomorrow, when we resume consideration of the energy bill, at approximately 9:30 a.m., immediately following the prayer and the Pledge of Allegiance, Senator THOMAS be recognized to offer his reliability amendment.

The PRESIDING OFFICER. Is there objection?

Mr. MURKOWSKI. Reserving the right to object, in fairness to Senator THOMAS, we have not had a chance to contact him as to whether it would be 9:30 or 10 o'clock, but I am not going to object.

Mr. REID. We will protect him until he gets here.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. We will attempt to work with the managers to see if we can work out something for this evening on time for renewability. If we can, it is the plan of the two managers that after completing the Thomas amendment we will move to Bingaman, Jeffords, and then Kyl.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, it would be inappropriate if I let a day go by when I did not remind my colleagues that there was some significance as to what we did during the day.

Today, there has been a good deal of conversation that, indeed, we could make up by CAFE savings what we would generate by opening ANWR. The Senate, in its action—you notice I did not reflect on wisdom—basically precluded that, at least for the time being until we go to conference.

Also, the issue of the pickup truck, I think, spoke for a majority concerning safety issues.

I wouldn't be surprised before we are out of here if we also have an amendment that addresses the Suburbans and SUVs relative to safety.

The point I would like to leave with Members today is that we are rapidly diminishing excuses for not opening up ANWR and recognizing that, indeed, the argument that previously prevailed that we can simply make this up on CAFE standards is clearly not in the interest of a majority of the Senate, primarily for the reason of safety associated with Americans, and children in particular, and the advantages of a heavier car moving our children around.

As we look at alternatives, I remind my colleagues who are in objection to opening ANWR that they do bear responsibility for coming up with alternatives that are realistic. Certainly from our side, ANWR is realistic. And the probability of a major discovery is second to none from the standpoint of the geology of North America.

I think I have said enough for today. Anything I would say further would be repetition of what I have said time and time again. In an effort to relieve my colleague from New Mexico and the staff and the Presiding Officer, I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, just to indicate to my colleague from Alaska, my interpretation of what occurred today is perhaps somewhat different than his. My own view is we made some substantial progress in getting agreement on provisions related to electricity restructuring; that is, the package of amendments Senator THOMAS proposed and that we agreed to was a very good effort on the part of our staff, the Republican staff, Senator THOMAS's staff, various people who have been working very hard on that set of issues.

My own view is, the bill was substantially weakened by the two votes we had related to CAFE standards in particular. Clearly, the Senate was not willing to step up and ensure any kind of significant increased efficiency in the transportation sector in the coming years. That, to me, is a disappointment, a weakening of the bill.

I don't see the logic that my colleague from Alaska seems to read into everything: The lack of wisdom of the Senate in the area of CAFE standards should justify additional lack of wisdom in the area of opening ANWR to drilling. But that is a debate for another time.

I do hope my colleague from Alaska will offer his ANWR amendment at the earliest possible date. Clearly, we cannot move to complete action on this bill until that much awaited event occurs. We have been hearing about his proposal on ANWR for many months. We have had the opportunity now to

have it offered for the last week and a half. We hope very much soon that will happen.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I would certainly concur with my colleague that we have made significant progress, particularly on that portion covering electricity. I remind my colleague that the transit of people, goods, and services utilizes not electricity but oil. We are somewhat extraordinary in this country inasmuch as we are about 3 percent of the population, and we use about 25 percent of the energy and contribute about a third of the gross world product. We are pretty efficient, but nevertheless, we don't move in and out of Washington, DC, by hot air. Somebody has to take the oil, whether it be oil coming from Saddam Hussein, refine it, put it in the airplanes.

Until we find another alternative, we are going to either have to make a choice of increasing our dependence on imported sources such as Iraq or have the alternative of developing resources here at home and preserving U.S. jobs and the U.S. economy rather than exporting our dollars overseas. I hope the wisdom of the Senate will prevail when we get to the ANWR amendment.

Mr. BINGAMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BINGAMAN. Madam President, I ask unanimous consent that there now be a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER (Ms. LANDRIEU). Without objection, it is so ordered.

THE MIDDLE EAST

Mr. WELLSTONE. Madam President, I wish to speak about the Middle East because the news from the Israeli and the Palestinian territory grows dimmer and deadlier by the day.

Terrorist attacks and reprisal raids have now merged into continuous carnage that looks increasingly indistinguishable from all-out war. The Israelis and the Palestinians are being drawn into a horrific cycle of revenge.

Frankly, I think an eye for an eye and pain inflicted upon pain extended into the future will be an ever-wider river of blood that will be spilled. I wonder how wide the river of blood has to be before we get back to some kind of political settlement—some kind of political process. There is no future as I look at the status quo extended into the future—not for the people of Israel and not for the Palestinians.

Let me start out on a personal note. I have used this example several times while talking to other Minnesotans and people I met with here in DC as well.

I was at a gathering where I was in a fairly sharp debate with some citizens who were talking to me about what they consider to be the unfairness and the wrongness of Israeli policies towards the Palestinian people. In this discussion, I turned to them and said: Listen, you have a right to make the critique you are making. But I have not heard you express any indignation whatsoever about the Palestinian suicide bombers going to an Israeli teenager pizza parlor with fragmentation bombs and cluster bombs trying to basically murder as many Israeli teenagers as possible. I don't mind your critique of some of Sharon's policies. I have questions about some of them. But where is your indignation and your anger about the murder of Israeli teenagers? I condemn that. I condemn the deliberate targeting of innocent people and the murder of innocent people. As Camus said, murder is never legitimate.

Frankly, some of Arafat's comments have become increasingly militant in the last several days. I certainly question some of his leadership. His statements in the last several days—and, maybe even more importantly, some of the actions taken by Arafat's people—give me pause.

But, by the same token, I want to be really clear about this. I think it is really important that we have Tony Zinni in the Middle East. I think it is critically important that our country play a positive role. I think it is critically important, as the administration has made clear—I said this to Secretary Bill Burton as well—that we make it clear to the extremists that Zinni is not leaving on the basis of a terrorist act here, there, or somewhere else. We are engaged.

Frankly, the only future is a political settlement. Senator Mitchell was right. The Mitchell report I think lays out a brilliant framework—if we can just somehow get there again.

I don't come to the floor with clear answers as to what to do, but I do know that an eye for an eye and the increasing cycle of violence takes us nowhere good—not for the Israelis, not for the Palestinians, not for our country, and not for the world in which we live.

I do not know. I think there are many questions that can be raised about Crown Prince Abdullah's proposal and where Saudi Arabia is going. I myself have questions about some of the proposals. But, by the same token, at least there is some hope here. We shall see what happens at this Arab summit conference.

We really need to be talking—on the part of Saudi Arabia and other countries—about the full normalization of relations with Israel. They cannot back down from that. That is the very essence of where we have to go. I am concerned that some of the Arab countries seem to be backing down from that.

But I do not believe this proposal should be ruled out. I do not believe a proposal that at least attempts to move us towards some kind of negotiation and some kind of a peace process should be ruled out. Not all of it will be acceptable. I can tell you that right now. But I certainly would like to see the American Government in particular somehow play a role in moving from what has become an ever-growing cycle of violence and loss of life of innocent people to some kind of framework for negotiation and a political settlement.

Ultimately, the truth of the matter is that I am an American Jew. I am the son of a Jewish immigrant who fled from persecution in Ukraine. And then his family moved to Russia. At the age of 17, he fled to our country. I will be clear. I speak out of love for Israel. And Israel as a country will exist. The security of Israel and the need of Israel have to be met.

It is also true that the Palestinian people will have their own nation. Palestinians and Israelis have to live next to one another, and they will have to respect one another. That will happen. My only question is, How much wider a river of blood has to be spilled before we get back to where we all know we need to go? So I want to, I guess in a way, applaud the administration, applaud Secretary Powell for sending Tony Zinni there.

I simply say that we need to be engaged. Our Government can play a decisive, critical, and positive role. And we must do so.

HELPING THE HELPLESS

Mr. WELLSTONE. Madam President, I rise to express my puzzlement, my dismay, as to why, as soon as possible, we can't do a better job of helping people who are faced with some very compelling problems, very compelling needs.

What I am getting at is very simple. And maybe this all becomes part of the budget resolution. I know the ranking member of the Budget Committee is in the Chamber.

I was on the Iron Range in Minnesota. These are people who have been spat out of the economy. They are taconite workers. Royal TV has pulled the plug. Others are going into bankruptcy. But I thought the discussion would be about pensions, and that is part of what people are worried about. It is not just Enron.

But I met more workers who were in their late fifties—57, 58 years old—mainly men, some women; and they were all saying the same thing: ''I had a bout with cancer,'' or, ''I had a heart attack and I can't get any coverage anywhere.'' They are terrified. They have no health care coverage. The

COBRA plan is $1,000 a month. They can't afford it. They are out of work, and they have these preexisting conditions, and the premiums are so high.

What are these people going to do? They are asking me for help. They are asking all of us for help.

I have to figure out a way—I guess we can have a vote on it—as to how we can help people who are out of work through no fault of their own. People have no coverage. They are terrified. We would be terrified.

So I keep thinking—my head spins—there is education, special education, and States saying: Please live up to your commitment. In Minnesota, some of our school districts are letting off 20, 25 percent of the teachers. The class size is going up. The prekindergarten programs are being cut. But then we say we don't have enough money.

Other people are talking to me about affordable prescription drugs—a huge issue—but we say we really do not have enough money to make sure the premiums are down and the copays aren't too high and the deductibles aren't too high, and having catastrophic coverage that will work for people. We say we do not have money for that.

Then on the whole question of what I just talked about, expanding health care coverage for people, we do not have the money for that. I just think it is unacceptable. I think we have to make some decisions about choices, about how much money goes to the tax cuts scheduled over X number of years, benefiting whom, and whether or not we are going to be able to do anything when it comes to other really critically important issues in our communities having to do with education, health care, job training, and affordable prescription drugs, to mention just three or four. I put affordable housing right up there as well.

I am convinced affordable housing is becoming the second most important education program. It breaks my heart: I don't know how these 8- and 9- and 10-year-olds can do well in school when their families move two or three times a year because they do not have affordable housing.

I do not know. I think soon we will get to this debate. I, for myself, have made it really clear. Listen, the Senator from New Mexico, he is one of my favorite Senators. The work we do on mental health is so important to me. I know he would not agree with what I am about to say, but I will say it in the Chamber. I say it in Minnesota all the time. Other people can have better alternatives.

I am saying, forgo the tax cut for the top 1 percent of the population—families who earn around $297,000 a year—forgo it. And don't eliminate the alternative minimum tax. Don't do it. That alone is $130 billion. That would fund special education. That would put the Federal Government on a glidepath, within 5 years, to reach our full funding, and in another 5 years to have full funding. That would make all the difference in the world, just to educate our children.

To me, it is a choice. I make that choice. I will probably have an amendment to give Senators a chance to decide. There is an old Yiddish proverb that says: You can't dance at two weddings at the same time. We either go forward with all these scheduled tax cuts the way we want to do it—in which case we will not have the money for all of these other things, and we will cut the Community Policing Program by 80 percent, cut the 7(a) Small Business Program by 50 percent, cut the Job Training Program, and cut the low-income energy assistance program by $300,000 and we will tell people we have no money to do any of these other things or we will not go forward with all these scheduled tax cuts. It is that simple.

I yield the floor.

THANK GOODNESS FOR ALAN GREENSPAN AND THE TAX CUTS

Mr. DOMENICI. Madam President, in my view, the recession that started last March is over and the economy is in recovery.

The unemployment rate has dropped 2 straight months and is now at 5.5 percent. Clearly, it was thought that the last unemployment report would show that unemployment went up. That is what all the experts thought, even if we were beginning a recovery. So for it to belie that and come down is a very powerful indicator that, indeed, the recovery has started.

New orders and production are expanding the manufacturing sector. Excluding automobiles, retail sales have increased for 5 straight months. Good news.

We ought to be thankful that the recession was not deeper or longer than it was. It now appears that the peak in the unemployment rate was 5.8 percent in December. The peak was 5.8 percent, and that was a lot higher than anyone would like. No one likes to watch the unemployment rate go up. But we ought to recognize that 5.8 percent is the lowest peak for any recession since 1945. Indeed, we have grown accustomed to having extremely high unemployment; and it is good that it did not go as high as it has in the past, as we went through this set of impacts that I believe are behind us.

Why was the recession so shallow? Why didn't it linger on, as many thought it would? In my view, a number of factors played a role.

First, there was a very high rate of productivity growth. Usually during a recession, productivity growth is about zero.

During this recession, productivity growth was 2.7 percent, which is faster than we usually get during economic expansion. And, indeed, the last quarter of reporting would say that the productivity growth was 5 percent. It is so high and so robust that it permits a Senator such as this one to even question whether that could be right. But it seems to be the right number based on the same information that we have been gathering before, that we have been using before, and that is rather incredible from the standpoint of the positive.

In a typical recession, real compensation tends to stagnate along with productivity. Businesses do not increase compensation when workers are not getting more productive. But in this high productivity recession, real compensation, believe it or not, has been relatively strong, not adversely affected by the recession. In other words, if you did not lose your job, you were much better off during this recession than during previous ones. In turn, increases in compensation helped support the consumer demand which, in a very real sense, fueled the fires in opposition to the recession and the factors that were feeding it.

The second factor that made it milder than expected was monetary policy. The Fed started cutting interest rates 2 months before the recession began and reduced rates to 1.75, the lowest since 1961. In total, the Fed reduced rates 11 times last year.

By contrast, during the last recession, the Federal Reserve reacted more slowly and much less forcefully. Short-term rates were still 6 percent when the recession ended the last time we had a recession.

The third factor was fiscal policy. The tax cut enacted last year could not have come at a better time. No one knows exactly how much it contributed to what I have just described, but obviously it had some positive impact. It was there at the right time, under the right circumstances, and it is one of the few times in modern history that a Congress has enacted a piece of legislation on time, in a timely manner, rather than too late and too little.

There are those who would argue that the last tax incentive to help with the recession bill was too late. I believe that is the case. Nonetheless, those changes are all good changes that will perhaps help the economy stay in this upward moving direction in which we find ourselves.

By using tax rebates as downpayments on marginal tax rate cuts, we put money in the pockets of people and convinced them that there were more tax cuts to come. I believe just doing the rate cuts alone would not have helped the economy as much as they did in that format with those understandings possible by our people.

The fourth factor is financial flexibility. Unlike the situation 10 years ago or the situation in Japan today, our banking system is very sound, and so are our credit markets. Firms have a wide variety of options when they want to raise funds, and households have been able to refinance their homes at lower interest rates. That has put many billions of dollars in the pockets of our people, when the refinancing occurred. Some of that money

went into purchases and acquisitions that our people made by using some or all of the refinance bonus they received because their equity was long.

Lower energy prices contributed to this occurring. Now we are noticing that they are beginning to go up again, rather dramatically—in fact, too much. We must send a signal to those who would arbitrarily do that—and they are—that we are busy producing an energy bill in both the House and Senate that will have an impact on that kind of capriciousness they exercise against our people through the economy they adversely affect.

Does this mean we have nothing to worry about regarding the economy? I don't think so. Another strike by terrorists could again do a great deal of harm both to investors and to consumers and, in particular, to confidence. Probably it would be even a little more lasting than the last one because the strike on September 11 was obviously a total surprise. Another strike of that magnitude or bigger would prove we are vulnerable even when we are more vigilant.

We also have to be concerned about the flow of oil from the Middle East. There are those who would like to see a much wider area of conflagration in that region, if for no other reason than to hurt the United States. We have to apply our best efforts to ensure that this does not happen. But apart from these potential negative shocks, the economy seems to be recovering and looks poised to enter a period of quite respectable economic growth—not a boom, but that is all right.

Now it is our job to make sure we continue to focus on policies that will maximize the long-term growth potential of our economy, including strong national defense, homeland security, energy independence, as much as we can do, and free trade. We also need to start paying attention to simplifying and streamlining our Tax Code. It will not wait forever.

Together these policies will put us in the best position to face the challenges ahead and improve the living standards of the American people.

HISTORICAL PUBLICATION AWARD

Mr. DASCHLE. Madam President, I am very pleased to note that a recent Senate publication has won a prestigious award. At its forthcoming annual meeting, the Society for History in the Federal Government will present its George Pendleton Award to Senate Historical Editor Wendy Wolff and the Senate Historical Office for the book entitled Capitol Builder: The Shorthand Journals of Montgomery C. Meigs, 1853–1861. The Pendleton Award is given annually for ''an outstanding major publication on the Federal Government's history produced by or for a Federal history program.'' It commemorates former U.S. Senator George Pendleton, who sponsored the 1883 civil service reform act that bears his name.

As an officer in the U.S. Army Corps of Engineers, Montgomery Meigs supervised construction of the current Senate and House wings and the Capitol dome. During this project, Meigs kept a detailed journal of his activities, written in an obscure shorthand and only recently transcribed. This publication provides rich new information on construction of the Capitol extension, and on politics and life in mid-nineteenth-century Washington.

The Meigs transcription and publication project has been a collaborative effort among a number of congressional offices over the past decade, including the Secretary of the Senate, the Clerk of the House, the Architect of the Capitol, and the Library of Congress. William Mohr, a retired Senate Official Reporter of Debates, translated the shorthand, with financial support provided by the Senate Bicentennial Commission and the U.S. Capitol Historical Society.

This project has been guided through to completion by the Senate's very able historian, Dr. Richard Baker, and his dedicated staff. The idea originated in 1991 when Joe Stewart was Secretary of the Senate. It was Joe Stewart who ensured that the resources were made available to bring this fascinating history to the American public. It should be noted that Dr. Baker is the first Senate historian and he has set a high standard indeed for every Senate historian who will follow in his footsteps. We in the Democratic Caucus have been pleased to listen to Dr. Baker's ''history minutes'' each Tuesday at the start of our regular weekly conferences. He has given us a deeper appreciation of the challenges previous Senators faced, the rich traditions of the Senate, and also the humor exhibited in past times. His stewardship of this project has been justly rewarded by the awarding of the George Pendleton Award to the Montgomery Meigs Journals.

Copies of this 900-page book are available from the Government Printing Office and the Senate Gift Shop. I highly recommend it to my colleagues and to anyone else who treasures the Capitol.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Madam President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred June 21, 1997 in Lansing, MI. Two gay men were attacked with blow darts. The assailants, who targeted the victims because of their sexual orientation, were arrested in connection with the incident.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

RECOGNITION OF THE 90TH ANNIVERSARY OF THE GIRL SCOUTS

Mr. LEVIN. Madam President, I would like to congratulate the Girl Scouts of America on their 90th anniversary. The Girl Scouts began on March 12, 1912, when founder Juliette Gordon Low assembled 18 girls in Savannah, GA, for the first ever Girl Scout meeting. She believed that all girls should be given the opportunity to develop physically, mentally, and spiritually.

Girl Scouts of America has a current membership of more than three million girls and adults, 150,000 of whom live in Michigan. There are also more than 50 million Girl Scout alumnae throughout our nation. Girl Scouts serve their communities, developing skills in a diverse array of activities including sports, media relations, education and science while growing into the leaders of tomorrow.

One of this year's Young Women of Distinction is Ms. Noorain Khan from Grand Rapids, MI. To earn this distinction she worked on many projects including one with the Islamic Center of Grand Rapids which serves a community of 13,000 Muslims. She helped develop a grant proposal for a program to educate Muslim youth about their religion and culture, and better equip them to make responsible decisions as adults. Her grant proposal consisted of a preliminary curriculum outline, data on demographics in the Islamic community and a job description for a program director. Though the grant has not yet been secured, a framework now exists for the Islamic center and for future grant proposals.

All Girl Scout programs are based on the Girl Scout Promise and Law and Four Program Goals: developing self-potential, relating to others, developing values and contributing to society. To achieve these goals, they have established programs in foster homes, homeless shelters, school yards and Native American reservations. Further, the Girl Scouts of America have established a research institute, received government funding to address violence prevention and are addressing the digital divide with activities that encourage girls to pursue careers in science, math and technology.

Today, 90 years later, the organization offers girls of all races, ages, ethnicities, socioeconomic backgrounds and abilities the chance to develop the real-life skills they'll need as adults. I am sure that my Senate colleagues join me in commending the Girl Scouts on their first 90 years and look forward to them celebrating many more.

Mrs. BOXER. Madam President, this week, celebrations throughout the Nation will mark the 90th anniversary of the founding of Girl Scouts. I would like to take a few moments to acknowledge this great organization and the profound impact it makes in the lives of girls and young women.

Ninety years ago, Juliette Gordon Low assembled a group of girls in Savannah, GA, for the first meeting of Girl Scouts. Her goal was to provide an environment where girls could develop physically, mentally and spiritually. Those goals are unchanged today, with nearly 4 million girls and adults currently holding membership in Girl Scouts. Even more impressive is that more than 50 million women in the United States today claim a Girl Scout experience in their past.

While focused on its goal to help individual girls thrive, Girl Scouts has also known that it can make an important difference in our Nation's cultural life. From its beginnings, Girl Scouts has maintained a commitment to inclusiveness. It has encouraged diversity in its ranks, in its leadership and in the broad variety of public service programs Girl Scouts pursue.

I ask my colleagues to join me today in acknowledging the anniversary of Girl Scouts. I think that if Juliette Gordon Low were to visit a Girl Scout Troop today, she would rightfully be very proud of what she would see.

• Mr. HOLLINGS. Madam President, I want to congratulate the Girl Scouts of the USA on celebrating its 90th anniversary. Last night I attended the anniversary banquet with my wife, Peatsy, who has been involved with the Girl Scout leadership for many years.

It never ceases to amaze me how this organization, with a membership of almost 4 million, has maintained the same core values it held 90 years ago; yet it still has changed with the times to empower girls of all races, all backgrounds, and all income levels to meet their full potential. Some two-thirds of the women members of Congress are Girl Scout alumni, and there is no question that more and more of our future business leaders, doctors, lawyers, educators, and community leaders will come from the Girl Scout ranks.•

GLOBAL HIV/AIDS: THE HEALTH CRISIS OF OUR TIME

Mr. FRIST. Madam President, I came to Washington to the U.S. Senate in my heart to serve my home state of Tennessee and this great nation, but after arriving my steps have also taken me far from the floor of the United States Senate—on medical mission trips to Sudan, Africa, and most recently, in January, to Uganda, Kenya, and Tanzania.

The purpose of my trip just a few weeks ago was to learn, for myself, more about the human impact that a simple virus is having on the destruction of a continent. Not a family. Not a community. Not a state. Not a country. But an entire continent.

The statistics behind this global plague are shocking:

Each year, a staggering three million people die of AIDS. Someone dies from the disease every ten seconds. About twice that many, 5.5 million, or two every ten seconds, become infected. That's 15,000 a day. And what's even more tragic is that 6,000 of those infected each day are young—between ages 15 and 24. Globally, as many as 40 million are infected. Africa is hit particularly hard. Of those infected, 70% are in Africa. In Botswana alone, one out of every three individuals is infected.

And the toll on families is incalculable. 13 million children have been orphaned by AIDS, mostly in Africa. Projections for the next ten years are sobering—the orphan population may well grown to 40 million—the number equivalent to all children living east of the Mississippi River here in the U.S. But Africa is not alone. India, with over 4 million cases, is on the edge of an explosive epidemic. China is estimated to have as many as 10 million infected persons. The Caribbean sadly boasts one of the highest rates of infection of any region in the world. Eastern Europe and Russia report the fastest growth of AIDS cases, 11 times over during a three year period. And even worse—90 percent of those infected do not know they have the disease. There is no cure. There is no vaccine. And it is increasing in numbers.

As ranking member of the African Affairs subcommittee of the Foreign Relations Committee, I have a commitment to increase public awareness of the HIV pandemic in Africa, and most importantly, to develop a strategy to combat and eradicate the disease from the continent and the world. What I saw and learned in Uganda, Kenya, and Tanzania was extraordinary—coming face-to-face with the human tragedy of HIV/AIDS, and lives cut far too short.

Madam President, Africa has lost an entire generation. In Nairobi, Kenya, I visited the Kibera slum. With a population of over 750,000, one out of five of those who live in Kibera are HIV/AIDS positive. As I walked the crowded, dirty pathways sandwiched between hundreds of thousands of aluminum shanties, I was amazed that everyone was a child, or very old. The disease had wiped out the parents—the most productive segment of the population—teachers, military personnel, hospital workers, law enforcement officers.

In Arusha, Tanzania, I met Nema whose name means ''Grace.'' She sells bananas to survive and provide for her year and a half old son, Daniel. When Daniel cried from hunger, Nema kissed his hand because she had nothing to give him but her love.

Margaret, also in Arusha, whose symptoms first came on in 1990. When her husband died, despite her illness, she found the strength to fight his family to keep the family property. Thanks to her brothers, she has a house for her six children.

And I had the privilege of visiting with Tabu, a 28-year-old prostitute, who was leaving Arusha to return to her village to die. She stayed an extra day to meet with us, and I will never forget her cheerful demeanor and mischievous smile as we met in her small stick-framed mud hut, no more than 12 by 12. Her two sisters are also infected, another sister has already died. Tabu will leave behind an eleven year old daughter, Adija.

At home in Tennessee, or even here in Washington, D.C., Uganda and Tanzania feel very far away. But the plague of HIV/AIDS and the chaos, despair and civil disorder it perpetrates only leads to the demise of democracy in a country, in a continent, in the world. Without civil institutions, there is disorder. Last year in South Africa, one in every 200 teachers died of AIDS. In Kenya, 75 percent of deaths on the police force are from AIDS. HIV-related deaths among hospital workers in Zambia have increased 13 times in over a decade. In the wake of these losses, economies are devastated. Botswana's economy is projected to shrink by 30 percent in ten years. Kenya's economy will see a 15 percent decline. Family incomes in the Ivory Coast have declined by 50 percent while expenditures for health care have risen by 4000 percent.

The orphans of Africa are left without parents, without teachers, without role models and leaders. They are susceptible to recruitment by criminal organizations, revolutionary militias, and terrorists. Terrorism could become a way of life—not only for maniacal cults but for a generation. September 11 taught us how small our world really is. And how great the responsibility before us.

And that is why I'm devoting much of my time in the U.S. Senate to the issue of global HIV/AIDS, and in particular, to the impact of the disease in Africa. Just as our great nation is the leader in the war on terrorism, we must also continue to lead in the global battle against AIDS as we work to build a better, safer world. Then where do we go from here?

It seems to me there are three key ingredients: leadership, prevention and treatment, and funding.

I would like to elaborate a moment on each. The good news is we know a lot about how to reverse the epidemic. And as a first step, it takes strong leadership at all levels, but as with most things in life, that leadership must start at the top. President Museveni in Uganda, with whom I spent some time on my trip, has not been bashful about speaking very publicly to the citizens of his country about HIV/AIDS. Bakili Muluzi, President of Malawi, was in my office here in Washington just a few weeks ago. He told me that he opens every speech to his countrymen with an admonition about HIV/AIDS. These two presidents underscore the need to bring the disease out into the light, helping to eliminate the stigma often associated

with the disease, and opening the way for public education.

Others have also been doing their part—governments, the U.N., the World Bank, world leaders, corporations and philanthropies. From President Bush to Kofi Annan and Secretary Powell, world leaders support a call to action, and all recognize the need to do more. It's also leadership from people as unlikely as Bono, lead singer of the Irish rock band, U–2. With his passion for Africa and his ''bully pulpit'' as a celebrity, he's a credible and accomplished spokesperson on the issue. He joined us in Uganda and Kenya for a couple of days, and I was impressed with his knowledge, his commitment, his caring.

It's the role of leadership at all levels to ensure that our efforts are well coordinated, understanding the importance of enlisting all stakeholders in the fight against HIV/AIDS. We must coordinate within national governments as well as across them. We must leverage our precious resources and avoid duplication of effort. As I saw first-hand in east Africa, many of the best ideas come from those working in the trenches to fight this disease. Local community participation is essential to this process, and local leadership is critical, particularly as we work to prevent and treat the disease. Let me cite a couple of examples.

In Tanzania, Sister Denise Lynch runs the Uhai Center for the Roman Catholic Diocese of Arusha, providing a range of services to village schools and churches. Father Bill Freida, a physician at St. Mary's Hospital in Kenya, tells me they serve over 400 patients a day, and their chapel and bakery are anchors for the community. And Dr. Ebenezer Mawasha, also in Tanzania, promotes the teaching of spiritual and moral values in addition to health and hygiene education.

The work that these individuals have accomplished, coupled with their faith and commitment, are a true inspiration to me. And their efforts in preventing the disease will have positive repercussions in the years to come. Their leadership on the ground, in the trenches, each and every day, is fundamental to our ultimate success. I also want to salute the leadership of those with the CDC and U.S. AID on the ground in east Africa. President Museveni told me that our government's investment in Uganda, for example, of $120 million over the last ten years has been instrumental in their success in bringing new infection rates from 32 percent to just over 6 percent. Our presence through these two federal agencies is making a difference.

Until science produces a vaccine, prevention through behavioral change and awareness is the key. And once again, cultural stigmas must be overcome. With a combination of comprehensive national plans, donor support and community-based organizations, progress can be made. Uganda, Thailand and Senegal are these examples of solid success. We must encourage people to be tested, for here is our real opportunity to save countless lives. The more people know about infection, the more likely they are to do something about it. I believe we should increase investments in rapid HIV testing kits and counseling for developing countries. Access to these testing tools helps to reinforce prevention messages and guide treatment options.

As I saw in Africa, testing centers become centers of hope for a community, a place where those struggling with HIV/AIDS can share ideas, support each other, learn coping strategies, and receive medical treatment and nutritional support. I was particularly impressed with the work in the Kibera slum of Nairobi at the Kibera Self-Help Programme, run by the Centers for Disease Control. Officials there told me that a negative test provides a powerful incentive to stay healthy, and gives people an opportunity to receive counseling on risk behavior that will ultimately save lives. A positive test removes the burden of not knowing and allows for timely treatment and counseling, an important first step in living longer and healthier lives.

In recent months, pharmaceutical companies sent a message of hope by slashing prices on anti-retrovirals for poor countries. Other treatment regimens may make an ever bigger difference in extending life and holding families together. Just as importantly, the hope of some kind of treatment will encourage more people to have themselves tested. And there are other potential public health advantages to treatment that require further research and evaluation. Treatment with anti-retroviral drugs lowers the amount of virus in the blood, potentially decreasing the risk of transmission, both among adults and mother to child transmissions.

In addition, access to treatment and drugs is also needed for opportunistic infections, such as tuberculosis. For all the damage that HIV/AIDS does, TB kills more people in Africa with AIDS than any other opportunistic infection. CDC officials in Kenya told me TB has increased six times over in the last ten years, and it's impossible to separate HIV and TB. I've seen first hand in Sudan the reemergence of TB in strains more resistant, move virulent, than any we've seen before.

And finally, support of health care delivery systems, with a special emphasis on personnel training, is essential to effective treatment programs. Let me add that on the subject of vaccines we must continue to search for the tools to finally reverse the spread of HIV/AIDS. Research and development must continue, and I'm pleased to report that NIH currently has over two dozen vaccine candidates in the pipeline. Someday, and hopefully very soon, we will have a vaccine to prevent this disease.

In sum, I believe there are eight goals we must pursue in this global fight.

1. We must continue to encourage the political, religious and business leaders of the world to unit in an international commitment to halt the spread of HIV/AIDS and to help those who are afflicted with the disease.

2. We must continue to embrace the new Global Fund for HIV/AIDS, TB, and Malaria. This is not a UN fund, or an American fund. It is a new way of doing business.

3. We must better leverage America's public health care resources and talent to address the challenge. There must be a ''call to cure'' for our health care professionals to use their talent and expertise.

4. We should encourage and empower coalitions of governments, multi-lateral institutions, corporations, foundations, scientific institutions and NGO's to fill the gap between the available resources and the unmet needs for prevention, care and treatment.

5. We must continue to put community-based organizations, both religious and secular, at the forefront of action on the ground by getting funds to them quickly so they can most effectively do their jobs in reaching out those who need help most.

6. We must make certain that international research efforts on disease affecting poor countries is reinforced in a manner that assures the best scientific work in the world will lead to real benefits for the developing world—at a cost they can afford.

7. We must focus on prevention, and also support care and treatment options that combine reasonable cost pharmaceuticals with appropriately structured health care delivery systems.

8. Finally, we must do all we can to provide comfort to the families and orphans affected, to give them hope and dignity.

I can still hear young Daniel's cries of hunger and know that his young mother will not live to see him grow into adolescence, much less manhood; can see Sister Denise as she patiently and capably answers my many questions about the best ways we can help; still hear the pride in Father Freida's voice as he describes his hospital as a place to provide dignity and comfort to the inflicted and dying; and I think of Tabu who has returned to her home village to face death. These images will remain with me; these images strengthen my resolve to win the fight against HIV/AIDS.

History will judge us as to how we as a nation, as a global community, address and respond to this most devastating and destructive public health crisis we have seen since the bubonic plague ravaged Europe over 600 years ago.

The task before us looms large, but by pulling together, with leadership from all, we will eliminate the scourge of HIV/AIDS from the face of the globe in our lifetime.

ECONOMIC STIMULUS—SENATE PASSAGE

Mr. ALLEN. Madam President, it is with great relief that I rise today in commendation for approval of the ''Job Creation and Worker Assistance Act of 2002,'' which I believe represents a job security, job creation and balanced response by the Federal Government to the economic challenges faced by families and businesses. With the signing of this Act into law, on March 9, 2002, by the President, Americans finally received the economic stimulus relief that should have been passed many months ago.

During the past months, all Americans have been deluged with grim news of recessions, plummeting consumer confidence and rising unemployment. Last March, which is widely believed to be the beginning of the current recession, unemployment totaled 6.2 million, or 4.3 percent. Just under a year later, February unemployment rate equaled 5.5 percent, a number representative of the 1.4 million jobs lost since March of last year.

These numbers represent much more than just mere statistics, the 5.5 percent represents 7.9 million people who are without a job, a steady paycheck and the security of knowing that bills will be paid and food will be on the table. Even more worrisome for many families is that they have begun to exhaust their State unemployment benefits: in January 2002 alone, 373,000 displaced workers ran out of the financial support they need to simply survive as they look for a job.

This is why ending the obstruction by passage of the Job Creation and Worker Assistance Act of 2002 is so important. This bill not only includes targeted tax incentives that will increase capital investment and spending, ensuring that the weak recovery underway will not be derailed, but it provides the economic security the families of displaced workers so desperately need to get by until new jobs can be found.

I would like to take this opportunity to talk briefly about two provisions that I am particularly pleased are included in the economic stimulus package.

First, this recession is notable for the sharp plummet in the level of capital investment in new equipment and technologies by companies, coupled with a decrease in consumer demand. Until such capital expenditures increase, our economy will not fully recover from the recession.

Accelerated depreciation is a top priority of Virginia's and America's technology industry. It will spur capital expenditures for new advanced equipment and technology. This incentive will create and save more jobs for working men and women involved in producing, creating, fabricating and transporting such capital equipment from computers and construction equipment to airplanes and locomotives.

By providing for a 30-percent bonus depreciation rate over a 3-year period, the economic stimulus package will encourage enterprising businesses and people to invest and grow, promoting capital expenditures that would not have occurred but for the passage of this act, eventually increasing job growth and consumer spending.

Second, the bill includes a provision, similar to legislation I introduced in September 2001, which provides displaced workers with an additional 13 weeks of unemployment benefits after they have exhausted their State-provided unemployment benefits.

Recently, we have received good news on the economy and the prospects of its recovery from the recession. February was the first month in which jobs were added since July 2001, and the unemployment rate is finally beginning to inch down from its high of 5.8 percent in December 2001.

Yet, even with the good news, Chairman Greenspan is still maintaining his earlier forecast of relatively weak economic growth in 2002 of between 2.5 percent and 3 percent. It will take time for the economy to fully recover and to create the jobs that will get workers back on the payrolls. News of eventual recovery is of little relief for the 1.4 million workers who have exhausted their unemployment benefits since September 2001.

Without the immediate financial lifeline that the additional 13 weeks of benefits provides, these families, at the minimum, risk ruining their credit ratings and, in the worst-case scenario, could lose their home or car.

Hard-working Americans, facing such a harrowing situation, ought to have a response to help them get through the early stages of the economy recovery until jobs become more readily available and workers can provide for their families. The 13 weeks of extended benefits provides the temporary financial assistance for displaced workers to get back on their feet and successfully get a new job.

In sum, the Job Creation and Worker Assistance Act of 2002 is the appropriate combination of immediate financial relief and security to American families and tax incentives for businesses to make the capital investments necessary for economic growth and job creation. I am confident that the new opportunities made available with the passage of this act will go a long way toward ensuring a more secure future for American working men, women and families.

ADDITIONAL STATEMENTS

HONORING BETHANEY ADAMS

• Mr. BUNNING. Madam President, I rise today to honor a truly amazing and enchanting woman, Ms. Bethaney Adams of Bowling Green, Kentucky. Bethaney was recently named Ms. Wheelchair Kentucky by the Ms. Wheelchair America Program, Inc. The Ms. Wheelchair America Program's mission is to provide an opportunity for women of achievement who utilize wheelchairs, such as Bethaney, to successfully educate and advocate for individuals with disabilities.

One certainty that I have come to realize in life is that adversity will strike and often with a mighty blow. When Bethaney Adams came face to face with adversity, she did not back down from her fears or focus her thoughts on negative scenarios. In fact, she excluded the word defeat from her vocabulary and decided to live life with a purpose and meaning. Bethaney, a senior at Murray State University, is currently getting her undergraduate degree in therapeutic recreation. After completing her studies at Murray, she plans on pursuing her masters degree in therapeutic recreation and eventually wants to work in a children's hospital where she could assist and inspire those living with disabilities on a daily basis.

Outside of her studies, Bethaney has made great strides in the area of community service. She has taken trips to Mexico, Washington, D.C., and New Orleans, where she worked to aid those less fortunate individuals living in poverty. Here in D.C., she stayed at a homeless shelter in an attempt to motivate those currently down on their luck. Bethaney made the choice a long time ago to view her ''dis''ability as just the opposite. Being in a wheelchair gives her the ability to communicate with others and make a difference in their lives.

As for Bethaney's most recent accomplishment, winning Ms. Wheelchair Kentucky, she now plans to use this as an opportunity to broaden the scope of her audience. She will speak at camps across the Commonwealth and address inner-city youth in an effort to provide that successful and positive thinking leads directly to successful and positive actions. In June Bethaney will, for the third straight year, be a speaker at the National Spina Bifida Conference in Orlando, Florida, and in August she will represent Kentucky in the Ms. Wheelchair America pageant to be held in Maryland. The contest will judge the contestants based upon their accomplishments, communication skills, self-perception, and projection in the personal and on-stage interviews as well as the platform speech presentation. I know Bethaney will make Kentucky proud.

I once again congratulate Bethaney Adams for this honorable distinction and wish her the best in all her future endeavors. I believe each and every one of us can take something away from this incredible woman and her ability to turn an obstacle into a motivation. I thank her for being an inspiration to me and so many others.•

TRIBUTE TO 2001 BUSINESS OF THE YEAR—FIDELITY INVESTMENTS

• Mr. SMITH of New Hampshire. Madam President, I rise today to pay

tribute to Fidelity Investments of Merrimack, New Hampshire, on being named as the 2001 Business of the Year by the Merrimack Chamber of Commerce. An active member of the community, Fidelity Investments has been a model in stewardship for the greater Merrimack area.

I commend the achievements of Fidelity Investments for the growth of the company and the opportunities it provides to the citizens of Merrimack and the State. In 1996, Fidelity Investments opened its Merrimack facility with 300 employees and a single business unit on the former Digital Equipment site. Five years later in 2002, Fidelity has expanded to more than 20 Fidelity-affiliated business units with more than 3,500 employees.

Fidelity Investments has been a dedicated member of the Merrimack Chamber for the past five years. Always active in community events, Fidelity has contributed to programs including: Merrimack Chamber Golf Tournament and Banquet, Fidelity Foundation, Mentor Program with Mastricola Middle School, Career's Academy of Finance program at the South Central School, sponsor of the Union Leader's Stock Market Made Easy program, sponsor of Junior Achievement's Titan Cyber-Biz program, and sponsor of Kids Voting New Hampshire.

The company also has a strong relationship with members of the Merrimack law enforcement and public safety communities providing sponsorships for training and donations of equipment including participation in the Local Emergency Planning Committee. Fidelity also offers access to and usage of the company's helicopter pad by the Merrimack Fire Department during medical emergencies.

I applaud the exemplary acts of community involvement by the leadership and employees of Fidelity Investments and congratulate them on this prestigious award. The Town of Merrimack and entire State have benefitted from the economic and charitable contributions made by the concerned citizens at Fidelity Investments. It is truly an honor and a privilege to represent you in the United States Senate.●

TRIBUTE TO THE TOWN OF MILTON, NEW HAMPSHIRE

● Mr. SMITH of New Hampshire. Madam President, I rise today to pay tribute to the citizens of Milton, New Hampshire, on the occasion of the Town's bicentennial celebration.

The Town of Milton, located in Strafford County, has a rich history in the State of New Hampshire. A petition was submitted in 1794 by the citizens of Rochester to be incorporated as a separate town. On June 11, 1802, the Town of Milton was incorporated.

Milton is located on Milton Three Ponds, an area blessed with an abundance of waterpower which was utilized by different industries including several sawmills and a woolen mill, Miltonia Mills which specialized in fine wool blankets that were used by Admiral Peary on exploratory exhibitions. A distillery and five icehouses which supplied ice to Boston, Massachusetts, were also located in Milton.

Construction of homes began in Milton during the early 1800's and the first rural schools, Plummer's Ridge School #1 and Nute Ridge School #2 were built. Both school buildings remain standing in Milton today. In 1853, Lewis Worster Nute, a native of Milton, provided financial support in his will to build a school and a library in Milton and a chapel in West Milton.

Today, the Town of Milton, situated in southeastern New Hampshire, has a population of approximately four thousand residents. Teneriffe Mountain overlooks Milton Three Ponds which connects to the Salmon Falls River, offering spectacular scenery year round.

Milton's municipal government consists of an elected three member Board of Selectmen and numerous other boards and committees. The Town's representatives in the New Hampshire legislature include: Representatives Nancy Johnson and Rodney Woodill and State Senator Carl Johnson. The Town has an excellent on-call Fire Department and Ambulance Corps, along with a well staffed Police Department and a summer marine patrol.

Each year the townspeople of Milton nominate a ''Citizen of the Year''. In 2002, the Fire, Police and Ambulance Corps will be honored as the true heroes in Milton, New Hampshire.

I congratulate the citizens of Milton, New Hampshire, as they celebrate the Town's bicentennial anniversary and wish them continued success and prosperity in the years to come. It is truly an honor and a privilege to represent the people of the Town of Milton in the United States Senate.●

TRIBUTE TO NELSON DISCO

● Mr. SMITH of New Hampshire. Madam President, I rise today to pay tribute to Nelson Disco of Merrimack, New Hampshire, on being named as the 2001 President's Award recipient by the Merrimack Chamber of Commerce.

A dedicated member of the community at large, Nelson has worked diligently donating his time and talents to projects and programs benefitting the Town of Merrimack including: Parks and Recreation Department tennis court designer, member of the Board of Selectmen, and Planning Board.

Nelson was a recipient of the Paul Harris Fellowship Award from the Merrimack Rotary Club and was the 1990 Chamber Business Person of the Year. Retired from Sanders Corporation in 2000, he has been an exemplary contributor to the Chamber of Commerce assisting with programs including co-chair of the Gourmet Festival and volunteer on the Banquet Committee.

Nelson enjoys his retirement exercising with friends four days per week and volunteering at the American Canadian Genealogy Library.

I applaud the service that Nelson has selflessly provided to the citizens of Merrimack. His caring efforts have benefitted the residents of Merrimack and the community at large. I congratulate Nelson on this prestigious award and wish him well in his retirement years. It is truly an honor and a privilege to represent him in the United States Senate.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PRESIDENTIAL MESSAGE

The following presidential message was laid before the Senate together with accompanying reports, which was referred as indicated:

PM–75. A message from the President of the United States, transmitting, pursuant to law, the Periodic Report on the National Emergency with Respect to Iran; to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iran emergency is to continue in effect beyond March 15, 2002, to the *Federal Register* for publication. The most recent notice continuing this emergency was published in the *Federal Register* on March 14, 2001 (66 Fed. Reg. 15013).

The crisis between the United States and Iran constituted by the actions and policies of the Government of Iran, including its support for international terrorism, efforts to undermine Middle East peace, and acquisition of weapons of mass destruction and the means to deliver them, that led to the declaration of a national emergency on March 15, 1995, has not been resolved. These actions and policies are contrary to the interests of the United States in the region and pose a continuing unusual and extraordinary threat to the national security, foreign policy, and economy

of the United States. For these reasons, I have determined that it is necessary to continue the national emergency declared with respect to Iran and maintain in force comprehensive sanctions against Iran to respond to this threat.

GEORGE W. BUSH.
THE WHITE HOUSE, *March 13, 2002*.

PRESIDENTIAL MESSAGE

The following Presidential message was laid before the Senate together with accompanying reports, which was referred as indicated:

PM–76. A message from the President of the United States, transmitting, pursuant to law, a report concerning the continuation of the National Emergency with Respect to Iran beyond March 15, 2002; to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa–9(c), I transmit herewith a 6-month periodic report prepared by my Administration on the national emergency with respect to Iran that was declared in Executive Order 12957 of March 15, 1995.

GEORGE W. BUSH.
THE WHITE HOUSE, *March 13, 2002*.

MESSAGE FROM THE HOUSE

At 11:28 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has agreed to the amendment of the Senate to the title and agreed to the amendment of the Senate to the text of the bill (H.R. 1499) to amend the District of Columbia College Access Act of 1999 to permit individuals who graduated from a secondary school prior to 1998 and individuals who enroll in an institution of higher education more than 3 years after graduating from a secondary school to participate in the tuition assistance programs under such Act, and for other purposes, with an amendment to the Senate amendments in which it requests the concurrence of the Senate.

The message also announced that the House has agreed to the amendment of the Senate to the bill (H.R. 1885) to expand the class of beneficiaries who may apply for adjustment of status under section 245(i) of the Immigration and Nationality Act by extending the deadline for classification petition and labor certification filings, and for other purposes, with an amendment and an amendment to the title in which it requests the concurrence of the Senate.

The message further announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2175. An act to protect infants who are born alive.

The message also announced that the House has agreed to the following concurrent resolution:

H. Con. Res. 339. Concurrent resolution expressing the sense of the Congress regarding the Bureau of the Census on the 100th anniversary of its establishment.

The message also announced that pursuant to clause 11 of rule 1, the Speaker removes Mr. BALLENGER of North Carolina, as a conferee to the bill (H.R. 2646) to provide for the continuation of agricultural programs through fiscal year 2011, and appoints Mr. BARTLETT of Maryland, to fill the vacancy.

MEASURES REFERRED

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 339. Concurrent resolution expressing the sense of the Congress regarding the Bureau of the Census on the 100th anniversary of its establishment, to the Committee on Governmental Affairs.

MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 2175. An act to protect infants who are born alive.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–5724. A communication from the Chief Counsel, Saint Lawrence Seaway Development Corporation, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Seaway Regulations and Rules: Ballast Waters'' (RIN2135–AA13) received on March 12, 2002; to the Committee on Environment and Public Works.

EC–5725. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–297, ''Advisory Neighborhood Commissions Boundaries Act of 2002'' received on March 12, 2002; to the Committee on Governmental Affairs.

EC–5726. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Weighted Average Interest Rate Update Notice'' (Notice 2001–65) received on March 12, 2002; to the Committee on Finance.

EC–5727. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Update of Notice 2000–11'' (Notice 2002–3) received on March 12, 2002; to the Committee on Finance.

EC–5728. A communication from the Deputy Chief Counsel, Maritime Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Eligibility of U.S. Flag Vessels of 100 Feet or Greater in Registered Length to Obtain a Fishery Endorsement to the Vessel's Documentation'' (RIN2133–AB45) received on March 12, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5729. A communication from the Trial Attorney, Federal Railroad Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Regulations on Safety Integration Plans Governing Railroad Consolidations, Mergers, and Acquisitions of Control, and Procedures for Surface Transportation Board Consideration of Safety Integration Plans in Cases Involving Railroad Mergers, Consolidations, and Acquisitions of Control'' (RIN2130–AB24) received on March 12, 2002; to the Committee on Commerce, Science, and Transportation.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. HOLLINGS (for himself and Mr. THURMOND):

S. 2011. A bill to extend the temporary suspension of duty on ferroboron; to the Committee on Finance.

By Mr. HOLLINGS (for himself and Mr. THURMOND):

S. 2012. A bill to extend the temporary suspension of duty on cobalt boron; to the Committee on Finance.

ADDITIONAL COSPONSORS

S. 367

At the request of Mrs. BOXER, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 367, a bill to prohibit the application of certain restrictive eligibility requirements to foreign nongovernmental organizations with respect to the provision of assistance under part I of the Foreign Assistance Act of 1961.

S. 917

At the request of Ms. COLLINS, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 917, a bill to amend the Internal Revenue Code of 1986 to exclude from gross income amounts received on account of claims based on certain unlawful discrimination and to allow income averaging for backpay and frontpay awards received on account of such claims, and for other purposes.

S. 960

At the request of Mr. BINGAMAN, the names of the Senator from North Dakota (Mr. CONRAD), the Senator from Maine (Ms. SNOWE), the Senator from Massachusetts (Mr. KERRY), the Senator from Washington (Ms. CANTWELL), the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Louisiana (Ms. LANDRIEU), and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. 960, a bill to amend title XVIII of the Social Security Act to expand coverage of medical nutrition therapy services under the medicare program for beneficiaries with cardiovascular diseases.

S. 987

At the request of Mr. TORRICELLI, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 987, a bill to amend title XIX

of the Social Security Act to permit States the option to provide medicaid coverage for low-income individuals infected with HIV.

S. 1067

At the request of Mr. COCHRAN, his name was added as a cosponsor of S. 1067, a bill to amend the Internal Revenue Code of 1986 to expand the availability of Archer medical savings accounts.

S. 1258

At the request of Mr. DORGAN, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 1258, a bill to improve academic and social outcomes for teenage youth.

S. 1410

At the request of Mr. COCHRAN, the name of the Senator from Mississippi (Mr. LOTT) was added as a cosponsor of S. 1410, a bill to amend the Internal Revenue Code of 1986 to clarify the excise tax exemptions for aerial applicators of fertilizers or other substances.

S. 1625

At the request of Mr. BINGAMAN, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 1625, a bill to require the Secretary of Health and Human Services to approve up to 4 State waivers to allow a State to use its allotment under the State children's health insurance program under title XXI of the Social Security Act to increase the enrollment of children eligible for medical assistance under the medicaid program under title XIX of such Act.

S. 1652

At the request of Mr. BINGAMAN, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 1652, a bill to amend the Agricultural Market Transition Act to convert the price support program for sugarcane and sugar beets into a system of solely recourse loans and to provide for the gradual elimination of the program.

S. 1738

At the request of Mr. KERRY, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 1738, a bill to amend title XVIII of the Social Security Act to provide regulatory relief, appeals process reforms, contracting flexibility, and education improvements under the medicare program, and for other purposes.

S. 1752

At the request of Mr. CORZINE, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 1752, a bill to amend the Public Health Service Act with respect to facilitating the development of microbicides for preventing transmission of HIV and other sexually transmitted diseases.

S. 1917

At the request of Mr. JEFFORDS, the names of the Senator from Colorado (Mr. ALLARD) and the Senator from Hawaii (Mr. INOUYE) were added as cosponsors of S. 1917, a bill to provide for highway infrastructure investment at the guaranteed funding level contained in the Transportation Equity Act for the 21st Century.

S. 1991

At the request of Mr. HOLLINGS, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 1991, to establish a national rail passenger transportation system, reauthorize Amtrak, improve security and service on Amtrak, and for other purposes.

S. 2003

At the request of Mr. NELSON of Florida, the names of the Senator from Hawaii (Mr. INOUYE), the Senator from Illinois (Mr. DURBIN), and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of S. 2003, a bill to amend title 38, United States Code, to clarify the applicability of the prohibition on assignment of veterans benefits to agreements regarding future receipt of compensation, pension, or dependency and indemnity compensation, and for other purposes.

S. RES. 132

At the request of Mr. CLELAND, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. Res. 132, a resolution recognizing the social problem of child abuse and neglect, and supporting efforts to enhance public awareness of it.

S. RES. 206

At the request of Mr. MURKOWSKI, the names of the Senator from Colorado (Mr. CAMPBELL), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mrs. MURRAY), the Senator from South Dakota (Mr. JOHNSON), the Senator from Maryland (Mr. SARBANES), and the Senator from New Jersey (Mr. TORRICELLI) were added as cosponsors of S. Res. 206, a resolution designating the week of March 17 through March 23, 2002 as ''National Inhalants and Poison Prevention Week.''

S. RES. 207

At the request of Mr. BINGAMAN, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. Res. 207, a resolution designating March 31, 2002, and March 31, 2003, as ''National Civilian Conservation Corps Day.''

S. RES. 219

At the request of Mr. GRAHAM, the name of the Senator from Arizona (Mr. MCCAIN) was added as a cosponsor of S. Res. 219, a resolution expressing support for the democratically elected Government of Colombia and its efforts to counter threats from United States-designated foreign terrorist organizations.

AMENDMENT NO. 2997

At the request of Mr. BOND, the names of the Senator from Iowa (Mr. GRASSLEY), the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Virginia (Mr. ALLEN), and the Senator from Ohio (Mr. VOINOVICH) were added as cosponsors of amendment No. 2997.

At the request of Mr. BUNNING, his name was added as a cosponsor of amendment No. 2997 supra.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HOLLINGS (for himself and Mr. THURMOND):

S. 2011. A bill to extend the temporary suspension of duty on ferroboron; to the Committee on Finance.

By Mr. HOLLINGS (for himself and Mr. THURMOND):

S. 2012. A bill to extend the temporary suspension of duty on cobalt bor-on; to the Committee on Finance.

Mr. HOLLINGS. Madam President, today, I, along with Senator THURMOND, introduce two duty suspensions designed to permit the import of raw materials into the United States duty free. The materials are not indigenous to or made in the United States. Therefore, their importation will not displace domestic sourcing. Moreover, because of the nature of the products at issue, they will assist in the creation of additional jobs in the United States.

I believe that this is the most appropriate use of such legislation. The imported product will not displace any that is manufactured in the United States. Moreover, the imported product will assist in enhancing American productive capacity. I am therefore hopeful that this new capacity can be used to supply both domestic and foreign needs and will increase employment in the United States.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2998. Mr. MILLER (for himself, Mr. GRAMM, Mr. HUTCHINSON, Mr. INHOFE, Mr. HELMS, and Mr. ALLEN) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes.

SA 2999. Mr. KERRY (for himself, Mr. MCCAIN, Ms. SNOWE, Mr. SMITH, of Oregon, Ms. COLLINS, and Mr. CHAFEE) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3000. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3001. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3002. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3003. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3004. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3005. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3006. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3007. Mr. CAMPBELL (for himself, Mr. BROWNBACK, Mr. GRAMM, Mr. ENZI, and Mr. SMITH of New Hampshire) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3008. Mr. DAYTON (for himself and Mr. GRASSLEY) submitted an amendment intended to be proposed to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra; which was ordered to lie on the table.

SA 3009. Mr. DOMENICI proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3010. Mr. BINGAMAN (for Ms. LANDRIEU) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3011. Mr. BINGAMAN (for Ms. LANDRIEU (for himself and Mr. DOMENICI)) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

TEXT OF AMENDMENTS

SA 2998. Mr. MILLER (for himself, Mr. GRAMM, Mr. HUTCHINSON, Mr. INHOFE, Mr. HELMS, and Mr. ALLEN) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 177, before line 1, insert the following:

SEC. 811. AVERAGE FUEL ECONOMY STANDARDS FOR PICKUP TRUCKS.

(a) IN GENERAL.—Section 32902(a) of title 49, United States Code, is amended—

(1) by inserting ''(1)'' after the after ''AUTOMOBILES.—''; and

(2) by adding at the end the following new paragraph:

''(2) The average fuel economy standard for pickup trucks manufactured by a manufacturer in a model year after model year 2004 shall be no higher than 20.7 miles per gallon. No average fuel economy standard prescribed under another provision of this section shall apply to pickup trucks.''.

(b) DEFINITION OF PICKUP TRUCK.—Section 32901(a) of such title is amended by adding at the end the following new paragraph:

''(17) 'pickup truck' has the meaning given that term in regulations prescribed by the Secretary for the administration of this chapter, as in effect on January 1, 2002, except that such term shall also include any additional vehicle that the Secretary defines as a pickup truck in regulations prescribed for the administration of this chapter after such date.''.

SA 2999. Mr. KERRY (for himself, Mr. MCCAIN, Ms. SNOWE, Mr. SMITH of Oregon, Ms. COLLINS, and Mr. CHAFEE) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

Strike subtitle A of title VIII and insert the following:

Subtitle A—CAFE Standards and Related Matters

PART I—CORPORATE AVERAGE FUEL ECONOMY STANDARDS

SEC. 801. AVERAGE FUEL ECONOMY STANDARDS FOR PASSENGER AUTOMOBILES AND LIGHT TRUCKS.

(a) INCREASED STANDARDS.—Section 32902 of title 49, United States Code, is amended—

(1) by striking ''NON-PASSENGER AUTOMOBILES.—'' in subsection (a) and inserting ''PRESCRIPTION OF STANDARDS BY REGULATION.—''; and

(2) by striking ''(except passenger automobiles)'' in subsection (a) and inserting ''(except passenger automobiles and light trucks)'';

(3) by striking subsection (b) and inserting the following:

''(b) STANDARDS FOR PASSENGER AUTOMOBILES AND LIGHT TRUCKS.—

''(1) IN GENERAL.—The Secretary of Transportation, after consultation with the Administrator of the Environmental Protection Agency, shall prescribe average fuel economy standards for passenger automobiles and light trucks manufactured by a manufacturer in each model year beginning with model year 2007 in order to achieve a combined average fuel economy standard for passenger automobiles and light trucks for model year 2015 of at least 36 miles per gallon.

''(2) INTERMEDIATE FUEL ECONOMY STANDARDS.—Consistent with the requirements of paragraph (1), the Secretary of Transportation shall, in determining the pacing of fuel economy standards described in paragraph (1), set intermediate standards in a manner that—

''(A) encourages introduction and use of advanced technology vehicles, such as hybrid and fuel cell vehicles, to achieve reductions in fuel consumption;

''(B) takes into account the effects of increased fuel economy on air quality;

''(C) takes into account the effects of compliance with average fuel economy standards on levels of employment in the United States; and

''(D) takes into account cost and lead time necessary for the introduction of the necessary new technologies.

''(3) DEADLINE FOR REGULATIONS.—The Secretary shall promulgate the regulations required by paragraph (1) in final form no later than 24 months after the date of enactment of the Energy Policy Act of 2002.

''(4) DEFAULT STANDARD.—If the regulations required by paragraph (1) are not promulgated in final form within the period required by paragraph (3), then the combined average fuel economy standard for passenger automobiles and light trucks beginning with model year 2011 is 30 miles per gallon. This paragraph does not supersede the standard required by paragraph (1) for model year 2015.'';

(4) by striking ''the standard'' in subsection (c)(1) and inserting ''a standard'';

(5) by striking the first and last sentences of subsection (c)(2); and

(6) by striking ''(and submit the amendment to Congress when required under subsection (c)(2) of this section)'' in subsection (g).

(b) DEFINITION OF LIGHT TRUCKS.—

(1) IN GENERAL.—Section 32901(a) of title 49, United States Code, is amended by adding at the end the following:

''(17) 'light truck' means a vehicle, as determined by the Secretary by regulation, that—

''(A) is manufactured primarily for transporting not more than 10 individuals;

''(B) is rated at not more than 10,000 pounds gross vehicle weight;

''(C) is not a passenger automobile; and

''(D) is not described in paragraph (1) or (4) of the definition of the term 'medium-duty passenger vehicle' in section 86.1803–01 of title 40, Code of Federal Regulations.''.

(2) DEADLINE FOR REGULATIONS.—The Secretary of Transportation—

(A) shall issue proposed regulations implementing the amendment made by paragraph (1) not later than 1 year after the date of the enactment of this Act; and

(B) shall issue final regulations implementing the amendment not later than 18 months after the date of the enactment of this Act.

(3) EFFECTIVE DATE.—Regulations prescribed under paragraph (1) shall apply beginning with model year 2007.

(c) APPLICABILITY OF EXISTING STANDARDS.—This section does not affect the application of section 32902 of title 49, United States Code, to passenger automobiles or non-passenger automobiles manufactured before model year 2007.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Transportation to carry out the provisions of chapter 329 of title 49, United States Code, $25,000,000 for each of fiscal years 2003 through 2015.

SEC. 802. FUEL ECONOMY STANDARD CREDITS.

(a) IN GENERAL.—Section 32903 of title 49, United States Code, is amended by striking the second sentence of subsection (a) and inserting ''The credits—

''(1) may be applied to any of the 3 model years immediately following the model year for which the credits are earned; or

''(2) transferred to the registry established under section 821(a) of the Energy Policy Act of 2002.''.

(b) GREENHOUSE GAS CREDITS APPLIED TO CAFE STANDARDS.—Section 32903 of title 49, United States Code, is amended by adding at the end the following:

''(g) GREENHOUSE GAS CREDITS.

''(1) IN GENERAL.—A manufacturer may apply credits purchased through the registry established by section 821(a) of the Energy Policy Act of 2002 toward any model year after model year 2006 under subsection (d), subsection (e), or both.

''(2) LIMITATION.—A manufacturer may not use credits purchased through the registry to offset more than the following percentages of the fuel economy standard applicable to any model year:

''(A) 2 percent for model year 2007.

''(B) 4 percent for model year 2008.

''(C) 6 percent for model year 2009.

''(D) 8 percent for model year 2010.

''(E) 10 percent for model year 2011 and thereafter.''.

(c) NO CARRYBACK OF CREDITS.—Section 32903(a) of title 49, United States Code, is amended—

(1) by striking ''applied to—'' and inserting ''applied—'';

(2) by inserting ''for model years before model year 2007, to'' in paragraph (1) before ''any'';

(3) by striking ''and'' after the semicolon is paragraph (1);

(4) by striking ''earned.'' in paragraph (2) and inserting ''earned; and ''; and

(5) by adding at the end the following:

''(3) for model years after 2006, in accordance with the vehicle credit trading system established under subsection (g), to any of the 3 consecutive model years immediately after the model year for which the credit was earned.''.

SEC. 803. STUDY OF TIER 2 STANDARDS.

(a) STUDY.—Not later than 6 months after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall, in consultation with the Secretary of Energy and the Secretary of Transportation, commence a study to analyze the regulations regarding motor vehicle emission standards and gasoline sulfur control requirements promulgated on May 13, 1999, (40 CFR Parts 80, 85, and 86) to determine whether those regulations allow optimization of motor vehicle fuel efficiency and promote greenhouse gas emission reductions in the new vehicle fleet. The study shall include an examination of the extent to which the bin structure created by those regulations may deter manufacturers from developing and producing covered vehicles, including those using compression ignition engines, that are more fuel efficient and will promote greater greenhouse gas emission reductions than vehicles that would otherwise be produced. In addition, the study shall include an examination of the extent to which biofuels can contribute to meeting vehicle emission standards for covered vehicles.

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, the Administrator shall submit the report on the results of the study to the Committee on Commerce, Science, and Technology, and the Committee on Environment and Public Works of the Senate and the Committee on Energy and Commerce of the House of Representatives. The report shall contain recommendations for any legislative or regulatory action the Administrator proposes if the Administrator determines such act would encourage improvements in vehicle fuel efficiency, reduce greenhouse gas emissions from the new vehicle fleet, and maintain or improve the new vehicle fleet's emissions reductions projected to occur from implementation of the regulations referred to in subsection (a).

SEC. 804. ELIMINATION OF 2-FLEET RULE.

(a) IN GENERAL.—Section 39204 of title 49, United States Code, is amended—

(1) by striking subsection (b); and

(2) by redesignating subsections (c) through (e) as subsections (b) through (d), respectively.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to model years 2007 and later.

SEC. 805. ELIMINATION OF DUAL FUEL CREDIT.

Section 32905 of title 49, United States Code, is repealed.

SEC. 806. ENSURING SAFETY OF PASSENGER AUTOMOBILES AND LIGHT TRUCKS.

(a) IN GENERAL.—The Secretary of Transportation shall exercise such authority under Federal law as the Secretary may have to ensure that—

(1) passenger automobiles and light trucks (as those terms are defined in section 32901 of title 49, United States Code) are safe;

(2) progress is made in improving the overall safety of passenger automobiles and light trucks; and

(3) progress is made in maximizing United States employment.

(b) IMPROVED CRASHWORTHINESS.—Subchapter II of chapter 301 of title 49, United States Code, is amended by adding at the end the following:

''§ 30128. Improved crashworthiness

''(a) ROLLOVERS.—Within 3 years after the date of enactment of the Energy Policy Act of 2002, the Secretary of Transportation, through the National Highway Traffic Safety Administration, shall prescribe a motor vehicle safety standard under this chapter for rollover crashworthiness standards that includes—

''(1) dynamic roof crush standards;

''(2) improved seat structure and safety belt design;

''(3) side impact head protection airbags; and

''(4) roof injury protection measures.

''(b) HEAVY VEHICLE HARM REDUCTION COMPATIBILITY STANDARD.

''(1) INITIAL STANDARD.—Within 3 years after the date of enactment of the Energy Policy Act of 2002, the Secretary, through the National Highway Traffic Safety Administration, shall prescribe a motor vehicle safety standard under this chapter that will reduce the aggressivity of light trucks by 33 percent, using a baseline model year of 2002 and will improve vehicle compatibility in collisions between light trucks and cars, in order to protect against unnecessary death and injury.''.

''(2) 5-YEAR REVIEW.—The section should review the effectiveness of this standard every 5 years following final issuance of the standard and shall issue, through the National Highway Traffic Safety Administration, upgrades to the standard to reduce fatalities and injuries related to vehicle compatibility and light truck aggressivity.''.

''(c) CONFORMING AMENDMENT.—The chapter analysis for chapter 301 of title 49, United States Code, is amended by inserting after the item relating to section 30217 the following:

''30128. Improved crashworthiness''.

SEC. 807. SAFETY RATING LABELS.

Section 32302 of title 49, United States Code, is amended—

(1) by redesignating paragraphs (3) and (4) of subsection (a) as paragraphs (4) and (5), respectively;

(2) by inserting after paragraph (2) of subsection (a) the following:

''(3) overall safety of the driver and passengers of the vehicle in a collision.''; and

(3) by striking subsection (b) and inserting the following:

''(b) MOTOR VEHICLE SAFETY INFORMATION.

''(1) IN GENERAL.—In carrying out subsection (a), the Secretary shall establish test criteria for use by manufacturers in determining crashworthiness and the overall safety of vehicles for drivers and passengers.

''(2) PRESENTATION OF DATA.—The Secretary shall prescribe a system for presenting information developed under paragraphs (1) through (3) of subsection (a) to the public in a simple and understandable form that facilitates comparison among the makes and models of passenger motor vehicles.

''(3) LABEL REQUIREMENT.—Each manufacturer of a new passenger motor vehicle (as defined in section 32304(a)(8)) manufactured after September 30, 2005, and distributed in commerce for sale in the United States shall cause the information required by paragraph (2) to appear on, or adjacent to, the label required by section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232(b).''.

SEC. 808. FUEL ECONOMY TRUTH-IN-TESTING STUDY.

(a) IN GENERAL.—The Administrator of the Environmental Protection Agency shall conduct—

(1) an ongoing examination of the accuracy of fuel economy testing of passenger automobiles and light trucks in accordance with procedures in effect as of the date of enactment of this Act, as compared to the actual performance of such passenger automobiles and light trucks when driven by average drivers under average driving conditions in the United States, which may be obtained through a survey of current vehicle owners; and

(2) an assessment of the extent to which fuel economy deteriorates during the life of such passenger automobiles and light trucks.

(b) REPORT.—The Administrator shall, within 12 months after the date of enactment of this Act and annually thereafter, submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Commerce and Energy of the House of Representatives a report on the results of the study required by subsection (a) of this section. The report shall include—

(1) a comparison between—

(A) fuel economy measured, for each model in the applicable model year, through testing procedures in effect as of the date of enactment of this Act; and

(B) fuel economy of such passenger automobiles and light trucks during actual on-road performance, as determined under subsection (a);

(2) a statement of the percentage difference, if any, between actual on-road fuel economy and fuel economy measured by test procedures of the Environmental Protection Administration; and

(3) any recommendations for legislative or other action.

SEC. 809. FUEL ECONOMY LABELS.

Section 32908 of title 49, United States Code, is amended—

(1) by striking ''title.'' in subsection (a)(1) and inserting ''title, and a light truck (as defined in section 32901(17) after model year 2007; and'';

(2) by redesignating subparagraph (F) of subsection (b)(1) as subparagraph (II), and inserting after subparagraph (E) the following:

''(F) a label (or a logo imprinted on a label required by this paragraph) that—

''(i) reflects an automobile's performance on the basis of criteria developed by the Administrator to reflect the fuel economy and greenhouse gas and other emissions consequences of operating the automobile over its likely useful life;

''(ii) is easily understandable and permits consumers to compare performance results under clause (i) among all passenger automobiles and light duty trucks (as defined in section 32901), and in the vehicles in the vehicle class to which it belongs; and

''(ii) is designed to encourage the manufacture and sale of passenger automobiles and light trucks that meet or exceed applicable fuel economy standards under section 32902.

''(G) a fuelstar under paragraph (5).''; and

''(3) by adding at the end of subsection (b) the following:

''(4) LABEL PROGRAM.

''(A) MARKETING ANALYSIS.—Within 2 years after the date of enactment of the Energy Policy Act of 2002, the Administrator shall complete a study of social marketing strategies with the goal of maximing consumer understanding of point-of-sale labels or logos described in paragraph (1)(F).

''(B) CRITERIA.—In developing criteria for the label or logo, the Administrator shall also consider, among others as appropriate, the following factors:

''(i) The recyclability of the automobile.

''(ii) Any other pollutants or harmful byproducts related to the automobile, which may include those generated during manufacture of the automobile, those issued during use of the automobile, or those generated after the automobile ceases to be operated.

''(5) FUELSTAR PROGRAM.

''The Secretary, in consultation with the Administrator, shall establish a program, to be known as the 'fuelstar' program, under which stars shall be imprinted on or attached to the label required by paragraph (1)

that will, consistent with the findings of the marketing analysis required under paragraph (4)(A), provide consumer incentives to purchase vehicles that exceed the applicable fuel economy standard.

SEC. 810. SECRETARY OF TRANSPORTATION TO CERTIFY BENEFITS.

Beginning with model year 2007, the Secretary of Transportation, in consultation with the Administrator of the Environmental Protection Agency, shall determine and certify annually to the Congress—

(1) the annual reduction in United States consumption of petroleum used for vehicle fuel, and

(2) the annual reduction in greenhouse gas emissions,

properly attributable to the implementation of the average fuel economy standards imposed under section 32902 of title 49, United States Code, as a result of the amendments made by this Act.

SEC. 811. DEPARTMENT OF TRANSPORTATION ENGINEERING AWARD PROGRAM.

(a) ENGINEERING TEAM AWARDS.—The Secretary of Transportation shall establish an engineering award program to recognize the engineering team of any manufacturer of passenger automobiles or light trucks (as such terms are defined in section 32901 of title 49, United States Code) whose work directly results in production models of—

(1) the first large sport utility vehicle, van, or light truck to achieve a fuel economy rating of 30 miles per gallon under section 32902 of such title; and

(2) the first mid-sized sport utility vehicle, van, or light truck to achieve a fuel economy rating of 35 miles per gallon under section 32902 of such title.

(b) REQUIREMENTS FOR PARTICIPATION IN ENGINEERING TEAM AWARDS PROGRAM.—In establishing the engineering team awards program under subsection (a), the Secretary shall establish eligibility requirements that include—

(1) a requirement that the vehicle, van, or truck be domestically-manufactured or manufacturable (if a prototype) within the meaning of section 32903 of title 49, United States Code;

(2) a requirement that the vehicle, van, or truck meet all applicable Federal standards for emissions and safety (except that crash testing shall not be required for a prototype); and

(3) such additional requirements as the Secretary may require in order to carry out the program.

(c) AMOUNT OF PRIZE.—The Secretary shall award a prize of not less than $30,000 to each engineering team determined by the Secretary to have successfully met the requirements of paragraph (1) or (2) of subsection (a). The Secretary shall provide for recognition of any manufacturer to have not the requirements of subsection (b) with appropriate ceremonies and activities, and may provide a monetary award in an amount determined by the Secretary to be appropriate.

(d) MANUFACTURER'S AWARD.—The Secretary of Transportation shall also establish an Old Independence Award to recognize the first manufacturer of domestically-manufactured (within the meaning of section 32903 of title 49, United States Code) passenger automobiles and light trucks to achieve a combined fuel economy rating of 36 miles per gallon under section 32902 of such title.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Transportation such sums as may be necessary to carry out this section.

SEC. 812. HIGH OCCUPANCY VEHICLE EXCEPTION.

(a) IN GENERAL.—Notwithstanding section 102(a)(1) of title 23, United States Code, a State may, for the purpose of promoting energy conservation, permit a vehicle with fewer than the otherwise required number of occupants to operate in high occupancy vehicle lanes if it is a hybrid vehicle or is certified by the Secretary of Transportation, after consultation with the Administrator of the Environmental Protection Agency, to be a vehicle that runs only on an alterative fuel.

(b) HYBRID VEHICLE DEFINED.—In this section, the term ''hybrid vehicle'' means a motor vehicle—

(1) which—

(A) draws propulsion energy from onboard sources of stored energy which are both—

(i) an internal combustion or beat engine using combustible fuel; and

(ii) a rechargeable energy storage system; or

(B) recovers kinetic energy through regenerative braking and provides at least 13 percent maximum power from the electrical storage device;

(2) which, in the case of a passenger automobile or light truck—

(A) for 2002 and later model vehicles, has received a certificate of conformity under section 206 of the Clean Air Act (42 U.S.C. 7525) and meets or exceeds the equivalent qualifying California low emission vehicle standard under section 243(e)(2) of the Clean Air Act (42 U.S.C. 7583(c)(2)) for that make and model year; and

(B) for 2004 and later model vehicles, has received a certificate that such vehicle meets the Tier II emission level established in regulations prescribed by the Administrator of the Environmental Protection Agency under section 202(i) of the Clean Air Act (42 U.S.C. 7521(i)) for that make and model year vehicle; and (3) which is made by a manufacturer.

(c) ALTERNATIVE FUEL DEFINED.—In this section the term ''alternative fuel'' has the meaning such term has under section 301(2) of the Energy Policy Act of 1992 (42 U.S.C. 13211(2)).

SEC. 813. ALTERNATIVE FUEL ECONOMY STANDARD FOR LOW VOLUME MANUFACTURERS AND NEW ENTRANTS.

Section 32902(d) of title 49, United States Code, is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively;

(2) by striking so much thereof as precedes paragraph (4), as redesignated, and inserting the following:

''(d) ALTERNATIVE AVERAGE FUEL ECONOMY STANDARD.—

''(1) IN GENERAL.—Upon application by an eligible manufacturer, the Secretary of Transportation may prescribe an alternative average fuel economy standard for passenger automobiles and light trucks manufactured by that manufacturer if the Secretary finds that—

''(A) the applicable standard prescribed under subsection (a), (b), or (c) of this section is more stringent than the maximum feasible average fuel economy level the manufacturer can achieve; and

''(B) the alternative average fuel economy standard prescribed under this subsection is the maximum feasible average fuel economy level that manufacturer can achieve.

''(2) APPLICATION OF ALTERNATIVE STANDARD.—The Secretary may provide for the application of an alternative average fuel economy standard prescribed under paragraph (1) to—

''(A) the manufacturer that applied for the alternative average fuel economy standard;

''(B) all passenger automobiles to which this subsection applies; or

''(C) classes of passenger automobiles or light trucks manufactured by eligible manufacturers.

''(3) ELIGIBLE MANUFACTURER.—In this section the term 'eligible manufacturer' means a passenger automobile or light truck manufacturer that—

''(A) sold in the United States fewer than 0.5 percent of the combined number of passenger automobiles and light trucks sold in the United States in the model year 2 years before the model year to which the application relates; and

''(B) will sell in the United States fewer than 0.5 percent of the combined number of passenger automobiles and light trucks sold in the United States for the model year for which the alternative average fuel economy standard will apply.'';

(3) by inserting ''IMPORTERS.—'' before ''Notwithstanding'' in paragraph (4), as redesignated;

(4) by striking ''be exempted'' in paragraph (4), as redesignated, and inserting ''not apply for an alternative average fuel economy standard'';

(5) by inserting ''APPLICATION.—'' in paragraph (5), as redesignated, before ''The''; and

(6) by striking ''exemption.'' in paragraph (5), as redesignated, and inserting ''alternative average fuel economy standard.''.

PART II—MARKET-BASED INITIATIVES FOR GREENHOUSE GAS REDUCTION

SEC. 821. MARKET-BASED INITIATIVES.

(a) ESTABLISHMENT OF REGISTRY FOR VOLUNTARY TRADING SYSTEMS.—The Secretary of Commerce, through the Undersecretary for Technology, shall establish a national registry system for greenhouse gas emission reduction trading among entities under which emission reductions from the applicable baseline are assigned unique identifying numerical codes by the registry. Participation in the registry is voluntary. Any entity conducting business in the United States may register its emission results, including emissions generated outside of the United States, on an entity-wide basis with the registry, and may utilize the services of the registry.

(b) PURPOSES.—The purposes of the national registry are—

(1) to encourage voluntary actions to reduce greenhouse gas emissions and increase energy efficiency, including increasing the fuel economy of passenger automobiles and light trucks and reducing the reliance by United States markets on petroleum produced outside the United States used to provide vehicular fuel;

(2) to enable participating entities to record voluntary greenhouse gas emissions reductions; in a consistent format that is supported by third party verification;

(3) to encourage participants involved in existing partnerships to be able to trade emissions reductions among partnerships;

(4) to further recognize, publicize, and promote registrants making voluntary and mandatory reductions;

(5) to recruit more participants in the program; and

(6) to help various entities in the nation establish emissions baselines.

(c) FUNCTIONS.—The national registry shall carry out the following functions:

(1) REFERRALS.—Provide referrals to approved providers for advice on—

(A) designing programs to establish emissions baselines and to monitor and track greenhouse gas emissions; and

(B) establishing emissions reduction goals based on international best practices for specific industries and economic sectors.

(2) UNIFORM REPORTING FORMAT.—Adopt a uniform format for reporting emissions baselines and reductions established through—

(A) the Director of the National Institute of Standards and Technology for greenhouse gas baselines and reductions generally; and

(B) the Secretary of Transportation for credits under section 32903 of title 49, United States Code.

(3) RECORD MAINTENANCE.—Maintain a record of all emission baselines and reductions verified by qualified independent auditors.

(4) ENCOURAGE PARTICIPATION.—Encourage organizations from various sectors to monitor emissions, establish baselines and reduction targets, and implement efficiency improvement and renewable energy programs to achieve those targets.

(5) PUBLIC AWARENESS.—Recognize, publicize, and promote participants that—

(A) commit to monitor their emissions and set reduction targets;

(B) establish emission baselines; and

(C) report on the amount of progress made on their annual emissions.

(d) TRANSFER OF REDUCTIONS.—The registry shall—

(1) allow for the transfer of ownership of any reductions realized in accordance with the program; and

(2) require that the registry be notified of any such transfer within 30 days after the transfer is effected.

(e) FUTURE CONSIDERATIONS.—Any reductions achieved under this program shall be credited against any future mandatory greenhouse gas reductions required by the government. Final approval of the amount and value of credits shall be determined by the agency responsible for the implementation of the mandatory greenhouse gas emission reduction program, except that credits under section 32903 of title 49, United States Code, shall be determined by the Secretary of Transportation. The Secretary of Commerce shall by rule establish an appeals process, that may incorporate an arbitration option, for resolving any dispute arising out of such a determination made by that agency.

(f) CAFE STANDARDS CREDITS.—The Secretary of Transportation shall work with the Secretary of Commerce and the implementing panel established by section 822 to determine the equivalency of credits earned under section 32903 of title 49, United States Code, for inclusion in the registry. The Secretary shall by rule establish an appeals process, that may incorporate an arbitration option, for resolving any dispute arising out of such a determination.

SEC. 822. IMPLEMENTING PANEL.

(a) ESTABLISHMENT.—There is established within the Department of Commerce an implementing panel.

(b) COMPOSITION.—The panel shall consist of—

(1) the Secretary of Commerce or the Secretary's designee, who shall serve as Chairperson;

(2) the Secretary of Transportation or the Secretary's designee; and

(3) 1 expert in the field of greenhouse gas emissions reduction, certification, or trading from each of the following agencies—

(A) the Department of Energy;

(B) the Environmental Protection Agency;

(C) the Department of Agriculture;

(D) the National Aeronautics and Space Administration;

(E) the Department of Commerce; and

(F) the Department of Transportation.

(c) EXPERTS AND CONSULTANTS.—Any member of the panel may secure the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code, for greenhouse gas reduction, certification, and trading experts in the private and nonprofit sectors and may also utilize any grant, contract, cooperative agreement, or other arrangement authorized by law to carry out its activities under this subsection.

(d) DUTIES.—The panel shall—

(1) implement and oversee the implementation of this section;

(2) promulgate—

(A) standards for certification of registries and operation of certified registries; and

(B) standards for measurement, verification, and recording of greenhouse gas emissions and greenhouse gas emission reductions by certified registries;

(3) maintain, and make available to the public, a list of certified registries; and

(4) issue rulemakings on standards for measuring, verifying, and recording greenhouse gas emissions and greenhouse gas emission reductions proposed to the panel by certified registries, through a standard process of issuing a proposed rule, taking public comment for no less than 30 days, then finalizing regulations to implement this Act, which will provide for recognizing new forms of acceptable greenhouse gas reduction certification procedures.

(e) CERTIFICATION AND OPERATION STANDARDS.—The standards promulgated by the panel shall include—

(1) standards for ensuring the certified registries do not have any conflicts of interest, including standards that prohibit a certified registry from—

(A) owning greenhouse gas emission reductions recorded in any certified registry; or

(B) receiving compensation in the form of a commission where sources receive money for the total number of tons certified;

(2) standards for authorizing certified registries to enter into agreements with for-profit persons engaged in trading of greenhouse gas emission reductions, subject of paragraph (1); and

(3) such other standards for certification of registries and operation of certified registries as the panel determines to be appropriate.

(f) MEASUREMENT, VERIFICATION, AND RECORDING STANDARDS.—The standards promulgated by the panel shall provide for, in the case of certified registries—

(1) ensuring that certified registries accurately measure, verify, and record greenhouse gas emissions and greenhouse gas emission reductions, taking into account—

(A) boundary issues such as leakage and shifted utilization; and

(B) such other factors as the panel determines to be appropriate;

(2) ensuring that—

(A) certified registries do not double-count greenhouse gas emission reductions; and

(B) if greenhouse gas emission reductions are recorded in more than 1 certified registry, such double-recording is clearly indicated;

(3) determining the ownership of greenhouse gas emission reductions and recording and tracking the transfer of greenhouse gas emission reductions among entities (such as through assignment of serial numbers to greenhouse gas emission reductions);

(4) measuring the results of the use of carbon sequestration and carbon recapture technologies;

(5) measuring greenhouse gas emission reductions resulting from improvements in—

(A) power plants;

(B) automobiles (including types of passenger automobiles and light trucks, as defined in section 32901(a)(16) and (17) respectively, produced in the same model year);

(C) carbon re-capture, storage and sequestration, including organic sequestration and manufactured emissions injection, and or storage; and

(D) other sources;

(6) measuring prevented greenhouse gas emissions through the rulemaking process and based on the latest scientific data, sampling, expert analysis related to measurement and projections for prevented greenhouse gas emissions in tons including—

(A) organic soil carbon sequestration practices;

(B) forest preservation and re-forestation activities which adequately address the issues of permanence, leakage and verification; and

(7) such other measurement, verification, and recording standards as the panel determines to be appropriate.

(g) CERTIFICATION OF REGISTRIES.—Except as provided in subsection (h), a registrant that desires to be a certified registry shall submit to the panel an application that—

(1) demonstrates that the registrant meets each of the certification standards established by the panel under subsections (d) and (e); and

(2) meets such other requirements as the panel may establish.

(h) AUTOMOBILE INDUSTRY.—The Secretary of Transportation is deemed to be the certified registrant for credits earned under section 32903 of title 49, United States Code.

(i) ANNUAL REPORT.—Within 1 year after the date of enactment of this Act and biennially thereafter, the panel shall report to the Congress on the status of the program established under this section. The report shall include an assessment of the level of participation in the program and amount of progress being made on emission reduction targets.

SEC. 823. DEFINITIONS.

In this part:

(1) GREENHOUSE GAS.—The term ''greenhouse gas'' includes—

(A) carbon dioxide;

(B) methane;

(C) hydro fluorocarbons;

(D) perfluorocarbons;

(E) nitrous oxide; and

(F) sulfur hexafluoride.

(2) BASELINE.—The term ''baseline'' means—

(A) the greenhouse gas emissions, determined on an entity-wide basis for the participant's most recent previous 3-year annual average of greenhouse gas emissions prior to the date of enactment of this Act; or

(B) if data is unavailable for that 3-year period, the greenhouse gas emissions as of September 30, 2002, (or as close to that date as such emission levels can reasonably be determined). In promulgating regulations under this part, the panel shall take into account greenhouse gas emission reductions or offsetting actions taken by any entity before the date on which the registry is established.

(3) CERTIFIED REGISTRY.—The term ''certified registry'' means a registry that has been certified by the panel as meeting the standards promulgated under section 821(e) and (f) and, for the automobile industry, the Secretary of Transportation.

(4) GREENHOUSE GAS EMISSIONS.—The term ''greenhouse gas emissions'' means the quantity of greenhouse gases emitted by a source during a period, measured in tons of greenhouse gases.

(5) GREENHOUSE GAS EMISSION REDUCTION.—The term ''greenhouse gas emission reduction'' means a quantity equal to the difference between—

(A) the greenhouse gas emissions of a source during a period; and

(B) the greenhouse gas emissions of the source during a baseline period of the same duration as determined by registries and entities defined as owners of emission sources.

(6) KYOTO PROTOCOL.—The term ''Kyoto protocol'' means the Kyoto Protocol to the United Nations Framework Convention on Climate Change (including the Montreal Protocol to the Convention on Substances that Deplete the Ozone Layer).

(7) PANEL.—The term ''panel'' means the implementing panel established by section 822(a).

(8) REGISTRANT.—The term ''registrant'' means a private person that operates a database recording quantified and verified greenhouse gas emissions and emissions reductions of sources owned by other entities.

(9) SOURCE.—The term ''source'' means a source of greenhouse gas emissions.

SA 3000. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 14, strike line 3 and all that follows through page 21, line 15, and insert the following:

SEC. 202. ELECTRIC UTILITY MERGERS.

Section 203(a) of the Federal Power Act (16 U.S.C. 824b) is amended to read as follows:

''(a)(1) No public utility shall, without first having secured an order of the Commission authorizing it to do so—

''(A) sell, lease, or otherwise dispose of the whole of its facilities subject to the jurisdiction of the Commission, or any part thereof of a value in excess of $10,000,000,

''(B) merge or consolidate, directly or indirectly, such facilities or any part thereof with the facilities of any other person, by any means whatsoever,

''(C) purchase, acquire, or take any security of any other public utility, or

''(D) purchase, lease, or otherwise acquire existing facilities for the generation of electric energy unless such facilities will be used exclusively for the sale of electric energy at retail.

''(2) No holding company in a holding company system that includes a transmitting utility or an electric utility company shall purchase, acquire, or take any security of, or, by any means whatsoever, directly or indirectly, merge or consolidate with a transmitting utility, an electric utility company, a gas utility company, or a holding company in a holding company system that includes a transmitting utility, an electric utility company, or a gas utility company, without first having secured an order of the Commission authorizing it to do so.

''(3) Upon application for such approval the Commission shall give reasonable notice in writing to the Governor and State commission of each of the States in which the physical property affected, or any part thereof, is situated, and to such other persons as it may deem advisable.

''(4) After notice and opportunity for hearing, the Commission shall approve the proposed disposition, consolidation, acquisition, or control, if it finds that the proposed transaction—

''(A) will be consistent with the public interest;

''(B) will not adversely affect the interests of consumers of electric energy of any public utility that is a party to the transaction or is an associate company of any part to the transaction;

''(C) will not impair the ability of the Commission or any State commission having jurisdiction over any public utility that is a party to the transaction or an associate company of any party to the transaction to protect the interests of consumers or the public; and

''(D) will not lead to cross-subsidization of associate companies or encumber any utility assets for the benefit of an associate company.

''(5) The Commission shall, by rule, adopt procedures for the expeditious consideration of applications for the approval of dispositions, consolidations, or acquisitions under this section. Such rules shall identify classes of transactions, or specify criteria for transactions, that normally meet the standards established in paragraph (4), and shall require the Commission to grant or deny an application for approval of a transaction of such type within 90 days after the conclusion of the hearing or opportunity to comment under paragraph (4). If the Commission does not act within 90 days, such application shall be deemed granted unless the Commission finds that further consideration is required to determine whether the proposed transaction meets the standards of paragraph (4) and issues one or more orders tolling the time for acting on the application for an additional 90 days.

''(6) For purposes of this subsection, the terms 'associate company', 'electric utility company', 'gas utility company', 'holding company', and 'holding company system' have the meaning given those terms in the Public Utility Holding Company Act of 2002.''.

SEC. 203. MARKET-BASED RATES.

(a) APPROVAL OF MARKET-BASED RATES.—Section 205 of the Federal Power Act (16 U.S.C. 824d) is amended by adding at the end of the following:

''(h) The Commission may determine whether a market-based rate for the sale of electric energy subject to the jurisdiction of the Commission is just and reasonable and not unduly discriminatory or preferential. In making such determination, the Commission shall consider such factors as the Commission may deem to be appropriate and in the public interest, including to the extent the Commission considers relevant to the wholesale power market—

''(1) market power;

''(2) the nature of the market and its response mechanisms; and

''(3) reserve margins.''.

(b) REVOCATION OF MARKET-BASED RATES.—Section 206 of the Federal Power Act (16 U.S.C. 824e) is amended by adding at the end the following:

''(f) Whenever the Commission, after a hearing had upon its own motion or upon complaint, finds that a rate charged by a public utility authorized to charge a market-based rate under section 205 is unjust, unreasonable, unduly discriminatory or preferential, the Commission shall determine the just and reasonable rate and fix the same by order.''.

SEC. 204. REFUND EFFECTIVE DATE.

Section 206(b) of the Federal Power Act (16 U.S.C. 824e(b)) is amended by—

(1) striking ''the date 60 days after the filing of such complaint nor later than 5 months after the expiration of such 60-day period'' in the second sentence and inserting ''the date of the filing of such complaint nor later than 5 months after the filing of such complaint'';

(2) striking ''60 days after'' in the third sentence and inserting ''of''; and

(3) striking ''expiration of such 60-day period'' in the third sentence and inserting ''publication date''.

SEC. 205. OPEN ACCESS TRANSMISSION BY CERTAIN UTILITIES.

Part II of the Federal Power Act is further amended by inserting after section 211 the following:

''OPEN ACCESS BY UNREGULATED TRANSMITTING UTILITIES

''SEC. 211A. (1) Subject to section 212(h), the Commission may, by rule or order, require an unregulated transmitting utility to provide transmission services—

''(A) at rates that are comparable to those that the unregulated transmitting utility charges itself, and

''(B) on terms and conditions (not relating to rates) that are comparable to those under Commission rules that require public utilities to offer open access transmission services and that are not unduly discriminatory or preferential.

''(2) The Commission shall exempt from any rule or order under this subsection any unregulated transmitting utility that—

''(A) sells no more than 4,000,000 megawatt hours of electricity per year;

''(B) does not own or operate any transmission facilities that are necessary for operating an interconnected transmission system (or any portion thereof), or

''(C) meets other criteria the Commission determines to be in the public interest.

''(3) The rate changing procedures applicable to public utilities under subsections (c) and (d) of section 205 are applicable to unregulated transmitting utilities for purposes of this section.

''(4) In exercising its authority under paragraph (1), the Commission may remand transmission rates to an unregulated transmitting utility for review and revision where necessary to meet the requirements of paragraph (1).

''(5) The provision of transmission services under paragraph (1) does not preclude a request for transmission services under section 211.

''(6) The Commission may not require a State or municipality to take action under this section that constitutes a private business use for purposes of section 141 of the Internal Revenue Code of 1986 (26 U.S.C. 141).

''(7) For purposes of this subsection, the term 'unregulated transmitting utility' means an entity that—

''(A) owns or operates facilities used for the transmission of electric energy in interstate commerce, and

''(B) is either an entity described in section 201(f) or a rural electric cooperative.''.

SEC. 206. ELECTRIC RELIABILITY STANDARDS.

SA 3001. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 24, strike line 1 and all that follows through page 27, line 20 and insert the following:

SEC. 207. MARKET TRANSPARENCY RULES.

Part II of the Federal Power Act is further amended by adding at the end the following:

''SEC. 216. MARKET TRANSPARENCY RULES.

''(a) COMMISSION RULES.—Not later than 180 days after the date of enactment of this section, the Commission shall issue rules establishing an electronic information system to provide information about the availability and price of wholesale electric energy and transmission services to the Commission, state commissions, buyers and sellers of wholesale electric energy, users of transmission services, and the public on a timely basis.

''(b) INFORMATION REQUIRED.—The Commission shall require—

''(1) each regional transmission organization to provide statistical information about the available capacity and capacity of transmission facilities operated by the organization; and

''(2) each broker, exchange, or other market-making entity that matches offers to sell and offers to buy wholesale electric energy in interstate commerce to provide statistical information about the amount and

sale price of sales of electric energy at wholesale in interstate commerce it transacts.

''(c) TIMELY BASIS.—The Commission shall require the information required under subsection (b) to be posted on the Internet as soon as practicable and updated as frequently as practicable.

''(d) PROTECTION OF SENSITIVE INFORMATION.—The Commission shall exempt from disclosure commercial or financial information that the Commission, by rule or order, determines to be privileged, confidential, or otherwise sensitive.''.

SEC. 208. ACCESS TO TRANSMISSION BY INTERMITTENT GENERATORS.

Part II of the Federal Power Act is further amended by adding at the end the following:

''SEC. 217. ACCESS TO TRANSMISSION BY INTERMITTENT GENERATORS.

''(a) FAIR TREATMENT OF INTERMITTENT GENERATORS.—The Commission shall ensure that all transmitting utilities provide transmission service to intermittent generators in a manner that does not unduly prejudice or disadvantage such generators for characteristics that are—

''(1) inherent to intermittent energy resources; and

''(2) are beyond the control of such generators.

''(b) POLICIES.—The Commission shall ensure that the requirement in subsection (a) is met by adopting such policies as it deems appropriate which shall include the following:

''(1) Subject to the sole exception set forth in paragraph (2), the Commission shall ensure that the rates transmitting utilities charge intermittent generator customers for transmission services do not unduly prejudice or disadvantage intermittent generator customers for scheduling deviations.

''(2) The Commission may exempt a transmitting utility from the requirement set forth in paragraph (1) if the transmitting utility demonstrates that scheduling deviations by its intermittent generator customers are likely to have an adverse impact on the reliability of the transmitting utility's system.

''(3) The Commission shall ensure that to the extent any transmission charges recovering the transmitting utility's embedded costs are assessed to such intermittent generators, they are assessed to such generators on the basis of kilowatt-hours generated or some other method to ensure that they are fully recovered by the transmitting utility.

''(4) The Commission shall require transmitting utilities to offer to intermittent generators, and may require transmitting utilities to offer to all transmission customers, access to nonfirm transmission service.

''(c) DEFINITIONS.—As used in this section:

''(1) The term 'intermittent generator' means a facility that generates electricity using wind or solar energy and no other energy source.

''(2) The term 'nonfirm transmission service' means transmission service provided on an 'as available' basis.

''(3) The term 'scheduling deviation' means delivery of more or less energy than has previously been forecast in a schedule submitted by an intermittent generator to a control area operator or transmitting utility.''.

SEC. 209. ENFORCEMENT.

SA 3002. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 44, strike line 3 and all that follows through page 45, line 12 and insert the following:

SEC. 241. REAL-TIME PRICING AND TIME-OF-USE METERING STANDARDS.

(a) ADOPTION OF STANDARDS.—Section 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)) is amended by adding at the end the following:

''(11) REAL-TIME PRICING.—(A) Each electric utility shall, at the request of an electric consumer, provide electric service under a real-time schedule, under which the rate charged by the electric utility varies by the hour (or smaller time interval) according to changes in the electric utility's wholesale power cost. The real-time pricing service shall enable the electric consumer to manage energy use and cost through real-time metering and communications technology.

''(B) For purposes of implementing this paragraph, any reference contained in this section to the date of enactment of the Public Utility Regulatory Policies Act of 1978 shall be deemed to be a reference to the date of enactment of this paragraph.

''(C) Notwithstanding subsections (b) and (c) of section 112, each State regulatory authority shall consider and make a determination concerning whether it is appropriate to implement the standard set out in subparagraph (A) not later than one year after the date of enactment of this paragraph.

''(12) TIME-OF-USE METERING.—(A) Each electric utility shall, at the request of an electric consumer, provide electric service under a time-of-use rate schedule which enables the electric consumer to manage every use and cost through time-of-use metering and technology.

''(B) For purposes of implementing this paragraph, any reference contained in this section to the date of enactment of the Public Utility Regulatory Policies Act of 1978 shall be deemed to be a reference to the date of enactment of this paragraph.

''(C) Notwithstanding subsections (b) and (c) of section 112, each State regulatory authority shall consider and make a determination concerning whether it is appropriate to implement the standards set out in subparagraph (A) not later than one year after the date of enactment of this paragraph.''.

(b) SPECIAL RULES.—Section 115 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2625) is amended by adding at the end the following:

''(i) REAL-TIME PRICING.—In a state that permits third-party marketers to sell electric energy to retail electric consumers, the electric consumer shall be entitled to receive the same real-time metering and communication service as a direct retail electric consumer of the electric utility.

''(j) TIME-OF-USE METERING.—In a state that permits third-party marketers to sell electric energy to retail electric consumers, the electric consumer shall be entitled to receive the same time-of-use metering and communication service as a direct retail electric consumer of the electric utility.''.

SA 3003. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 50, strike line 10 and all that follows through page 54, line 10, and insert the following:

SEC. 245. NET METERING.

(a) ADOPTION OF STANDARD.—Section 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)) is further amended by adding at the end the following:

''(13) NET METERING.—(A) Each electric utility shall make available upon request net metering service to any electric consumer that the electric utility serves.

''(B) For purposes of implementing this paragraph, any reference contained in this section to the date of enactment of the Public Utility Regulatory Policies Act of 1978 shall be deemed to be a reference to the date of enactment of this paragraph.

''(C) Notwithstanding subsections (b) and (c) of section 112, each State regulatory authority shall consider and make a determination concerning whether it is appropriate to implement the standard set out in subparagraph (A) not later than one year after the date of enactment of this paragraph.

(b) SPECIAL RULES FOR NET METERING.—Section 115 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2625) is further amended by adding at the end the following:

''(k) NET METERING.—

''(1) RATES AND CHARGES.—An electric utility—

''(A) shall charge the owner or operator of an on-site generating facility rates and charges that are identical to those that would be charged other electric consumers of the electric utility in the same rate class; and

''(B) shall not charge the owner or operator of an on-site generating facility any additional standby, capacity, interconnection, or other rate or charge.

''(2) MEASUREMENT.—An electric utility that sells electric energy to the owner or operator of an on-site generating facility shall measure the quantity of electric energy produced by the on-site facility and the quantity of electric energy consumed by the owner or operator of an on-site generating facility during a billing period in accordance with normal metering practices.

''(3) ELECTRIC ENERGY SUPPLIED EXCEEDING ELECTRIC ENERGY GENERATED.—If the quantity of electric energy sold by the electric utility to an on-site generating facility exceeds the quantity of electric energy supplied by the on-site generating facility to the electric utility during the billing period, the electric utility may bill the owner or operator for the net quantity of electric energy sold, in accordance with normal metering practices.

''(4) ELECTRIC ENERGY GENERATED EXCEEDING ELECTRIC ENERGY SUPPLIED.—If the quantity of electric energy supplied by the on-site generated facility to the electric utility exceeds the quantity of electric energy sold by the electric utility to the on-site generating facility during the billing period—

''(A) the electric utility may bill the owner or operator of the on-site generating facility for the appropriate charges for the billing period in accordance with paragraph (2); and

''(B) the owner or operator of the on-site generating facility shall be credited for the excess kilowatt-hours generated during the billing period, with the kilowatt-hour credit appearing on the bill for the following billing period.

''(5) SAFETY AND PERFORMANCE STANDARDS.—An eligible on-site generating facility

and net metering system used by an electric consumer shall meet all applicable safety, performance, reliability, and interconnection standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories.

''(6) ADDITIONAL CONTROL AND TESTING REQUIREMENTS.—The Commission, after consultation with State regulatory authorities and nonregulated electric utilities and after notice and opportunity for comment, may adopt, by rule, additional control and testing requirements for on-site generating facilities and net metering systems that the Commission determines are necessary to protect public safety and system reliability.

''(7) DEFINITIONS.—For purposes of this subsection:

''(1) The term 'eligible on-site generating facility' means—

''(A) a facility on the site of a residential electric consumer with a maximum generating capacity of 500 kilowatts or less that is fueled solely by a renewable energy resource, landfill gas, or a high efficiency system.

''(B) a facility on the site of a commercial electric consumer with a maximum generating capacity of 500 kilowatts or less that is fueled solely by a renewable energy resource, landfill gas, or a high efficiency system.

''(2) The term 'renewable energy resource' means solar, wind, biomass, or geothermal energy.

''(3) The term 'high efficiency system' means fuel cells or combined heat and power.

''(4) The term 'net metering service' means service to an electric consumer under which electric energy generated by that electric consumer from an eligible on-site generating facility and delivered to the local distribution facilities may be used to offset electric energy provided by the electric utility to the electric consumer during the applicable billing period.''.

SA 3004. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 58, strike line 16 and all that follows through line 23 and insert the following:

SEC. 256. STATE AUTHORITY.

Nothing in this subtitle shall be construed to preclude a State or State regulatory authority from prescribing and enforcing laws, rules, or procedures regarding the practices which are the subject of this section.

SA 3005. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 64, strike line 8 and all that follows through page 65, line 17, and insert the following:

SEC. 263. FEDERAL PURCHASE REQUIREMENT.

(a) REQUIREMENT.—the President shall seek to ensure that, to the extent economically feasible and technically practicable, of the total amount of electric energy the federal government consumes during any fiscal year—

(1) not less than 3 percent in fiscal years 2003 through 2004,

(2) not less than 5 percent in fiscal years 2005 through 2009, and

(3) not less than 7.5 percent in fiscal year 2010 and each fiscal year thereafter—

shall be renewable energy. The President shall encourage the use of innovative purchasing practices by federal agencies.

(2) DEFINITION.—For purposes of this section, the term ''renewable energy'' means electric energy generated from solar, wind, biomass, geothermal, fuel cells, municipal solid waste, or additional hydroelectric generation capacity achieved from increased efficiency or additions of new capacity.

(c) TRIBAL POWER GENERATION.—The President shall seek to ensure that, to the extent economically feasible and technically practicable, not less than one-tenth of the amount specified in subsection (a) shall be renewable energy that is generated by an Indian tribe or by a corporation, partnership, or business association which is wholly or majority owned, directly or indirectly, by an Indian tribe. For purposes of this subsection, the term ''Indian tribe'' means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(d) BIENNIAL REPORT.—In 2004 and every 2 years thereafter, the Secretary of Energy shall report to the Committee on Energy and Natural Resources of the Senate and the appropriate committees of the House of Representatives on the progress of the federal government in meeting the goals established by this section.

SA 3006. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 2, strike the items relating to sections 205 through 210 and insert the following:

Sec. 205. Open access transmission by certain utilities.
Sec. 206. Electric reliability standards.
Sec. 207. Market transparency rules.
Sec. 208. Access to transmission by intermittent generators.
Sec. 209. Enforcement.

SA 3007. Mr. CAMPBELL (for himself, Mr. BROWNBACK, Mr. GRAMM, Mr. ENZI, and Mr. SMITH of New Hampshire) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

Strike section 822.

SA 3008. Mr. DAYTON (for himself and Mr. GRASSLEY) submitted an amendment intended to be proposed to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle B of title VIII, add the following:

SEC. 8___. FEDERAL AGENCY ETHANOL-BLENDED GASOLINE AND BIODIESEL PURCHASING REQUIREMENT.

Title III of the Energy Policy Act of 1992 is amended by striking section 306 (42 U.S.C. 13215) and inserting the following:

''SEC. 306. FEDERAL AGENCY ETHANOL-BLENDED GASOLINE AND BIODIESEL PURCHASING REQUIREMENT.

''(a) ETHANOL-BLENDED GASOLINE.—The head of each Federal agency shall ensure that, in areas in which ethanol-blended gasoline is available, the Federal agency purchases ethanol-blended gasoline containing at least 10 percent ethanol (or the highest available percentage of ethanol), rather than nonethanol-blended gasoline, for use in vehicles used by the agency.

''(b) BIODIESEL.—

''(1) DEFINITION OF BIODIESEL.—In this subsection, the term 'biodiesel' has the meaning given the term in section 312(f).

''(2) REQUIREMENT.—The head of each Federal agency shall ensure that the Federal agency purchases, for use in fueling fleet vehicles used by the Federal agency at the location at which fleet vehicles of the Federal agency are centrally fueled—

''(A) as of the date that is 5 years after the date of enactment of this paragraph, biodiesel-blended diesel fuel that contains at least 2 percent biodiesel, rather than nonbiodiesel-blended diesel fuel; and

''(B) as of the date that is 10 years after the date of enactment of this paragraph, biodiesel-blended diesel fuel that contains at least 20 percent biodiesel, rather than nonbiodiesel-blended diesel fuel.''.

SA 3009. Mr. DOMENICI proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 123, after line 17, insert the following:

SEC. 514. OFFICE OF SPENT NUCLEAR FUEL RESEARCH.

(a) FINDINGS.—Congress finds that—

(1) before the Federal Government takes any irreversible action relating to the disposal of spent nuclear fuel, Congress must determine whether the spent fuel in the repository should be treated as waste subject to permanent burial or should be considered an energy resource that is needed to meet future energy requirements; and

(2) national policy on spent nuclear fuel may evolve with time as improved technologies for spent fuel are developed or as national energy needs evolve.

(b) DEFINITIONS.—In this section:

(1) Associate Director.—The term ''Associate Director'' means the Associate Director of that Office.

(2) OFFICE.—The term ''Office'' means the Office of Spent Nuclear Fuel Research within the Office of Nuclear Energy Science and Technology of the Department of Energy.

(c) ESTABLISHMENT.—There is established an Office of Spent Nuclear Fuel Research within the Office of Nuclear Science and Technology of the Department of Energy.

(d) HEAD OF OFFICE.—The Office shall be headed by the Associate Director, who shall be a member of the Senior Executive Service appointed by the Director of the Office of Nuclear Energy Science and Technology, and compensated at a rate determined by applicable law.

(e) DUTIES OF THE ASSOCIATE DIRECTOR.—

(1) IN GENERAL.—The Associate Director shall be responsible for carrying out an integrated research, development, and demonstration program on technologies for treatment recycling, and disposal of high-level nuclear radioactive waste and spent nuclear fuel, subject to the general supervision of the Secretary.

(2) PARTICIPATION.—The Associate Director shall coordinate the participation of national laboratories, universities, the commercial nuclear industry, and other organizations in the investigation of technologies for the treatment, recycling, and disposal of spent nuclear fuel and high-level radioactive waste.

(3) ACTIVITIES.—The Associate Director shall—

(A) develop a research plan to provide recommendations by 2015;

(B) identify promising technologies for the treatment, recycling, and disposal of spent nuclear fuel and high-level radioactive waste;

(C) conduct research and development activities for promising technologies;

(D) ensure that all activities include as key objectives minimization of proliferation concerns and risk to the health of the general public or site workers, as well as development of cost-effective technologies;

(E) require research on both reactor- and accelerator-based transmission systems;

(F) require research on advanced processing and separations;

(G) include participation of international collaborators in research efforts, and provide funding to a collaborator that brings unique capabilities not available in the United States if the country in which the collaborator is located is unable to provide for their support; and

(H) ensure that research efforts are coordinated with research on advanced fuel cycles and reactors conducted by the Office of Nuclear Energy Science and Technology.

(f) GRANT AND CONTRACT AUTHORITY.—The Secretary may make grants, or enter into contracts, for the purposes of the research projects and activities described in this section.

(g) REPORT.—The Associate Director shall annually submit to Congress a report on the activities and expenditures of the Office that describes the progress being made in achieving the objectives of this section.

SA 3010. Mr. BINGAMAN (for Ms. LANDRIEU) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 405, strike line 16 and all that follows through line 23, and insert the following:

(6) BIOFUELS.—The goal of the biofuels program shall be to develop, in partnership with industry—

(A) advanced biochemical and thermochemical conversion technologies capable of making liquid and gaseous fuels from cellulosic feedstocks that are price-competitive with gasoline or diesel in either internal combustion engines or fuel cell vehicles by 2010; and

(B) advanced biotechnology processes capable of making biofuels, biobased polymers, and chemicals, with particular emphasis on the development of biorefineries that use enzyme based processing systems.

For purposes of this paragraph, the term ''cellulosic feedstock'' means any portion of a food crop not normally used in food production or any non-food crop grown for the purpose of producing biomass feedstock.

SA 3011. Mr. BINGAMAN (for Ms. LANDRIEU) (for himself and Mr. DOMENICI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 443, strike lines 21 through page 444, line 2 and insert the following:

(2) examine—

(A) advanced proliferation-resistant and passively safe reactor designs;

(B) new reactor designs with higher efficiency, lower cost, and improved safety;

(C) in coordination with activities carried out under the amendments made by section 1223, designs for a high temperature reactor capable of producing large-scale quantities of hydrogen using thermo-chemical processes;

(D) proliferation-resistant and high-burn-up nuclear fuels;

(E) minimization of generation of radio-active materials;

(F) improved nuclear waste management technologies; and

(G) improved instrumentation science;

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. REID. Mr. President, I ask unanimous consent that the committee on armed services be authorized to meet during the session of the senate on Wednesday, March 13, 2002, at 9:30 A.M., in open session to receive testimony on the Defense Health Program in Review of the Defense Authorization request for Fiscal year 2003.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Banking Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, March 13, 2002, at 10 A.M., to conduct an oversight hearing on ''Transit in the 21st Century: Successes and Challenges.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE , AND TRANSPORTATION

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on the nominations of Robert Watson Cobb to be Inspector General and MG Charles Bolden, Jr., to be Deputy Administrator of NASA, at 2:30 P.M., on March 13, 2002.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet on Wednesday, March 13, 2002, at 9:30 a.m., to hold a hearing to receive testimony on the economic and environmental risks associated with increasing greenhouse gas emissions. The hearing will be held in SD–406.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, March 13, 2002, at 5 p.m., to hold a nomination hearing.

Agenda

Nominee: The Honorable Robert Finn, of New York, to be Ambassador to Afghanistan.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Wednesday, March 13, 2002, at 9:30 a.m., to hold a hearing entitled ''Public Health and Natural Resources: A Review of the Implementation of Our Environmental Laws, Part II.''

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC

Mr. REID. Mr. President, I ask unanimous consent that the Subcommittee on Strategic of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, March 13, 2002, at 2:30 p.m., in open session to receive testimony on ballistic missile defense acquisition policy and oversight, in review of the Defense authorization request for fiscal year 2003.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TECHNOLOGY, TERRORISM AND GOVERNMENT INFORMATION

Mr. REID. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Technology, Terrorism and Government Information be authorized to meet to conduct a hearing on ''Narco-Terror: The Worldwide Connection Between Drugs and Terrorism'' on Wednesday, March 13, 2002, at 10 a.m., in Dirksen 226.

Witness List

Panel I: Asa Hutchinson, Administrator, Drug Enforcement Administration; R. Rand Beers, Assistant Secretary, Bureau for International Narcotics and Law Enforcement Affairs,

Department of State; and Richard Newcomb, Director, Office of Foreign Assets Control, Department of Treasury.

Panel II: Curtis Kamman, Former United States Ambassador to Colombia, Department of State, Washington, DC; Michael Shifter, Adjunct Professor and Program Director, Inter-American Dialogue, Center for Latin American Studies, School of Foreign Service, Georgetown University, Washington, DC; R. Grant Smith, Former United States Ambassador to Tajikistan, United States Department of State, Washington, DC; and Martha Brill Olcott, Senior Associate, Carnegie Endowment for International Peace, Washington, DC.

The PRESIDENT OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. NELSON of Nebraska. Madam President, I ask unanimous consent that a member of my staff, Bill Holmberg, be given floor privileges by the Chair.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE. Madam President, I ask unanimous consent that Phil Ward be granted the privilege of the floor for the remainder of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURE READ THE FIRST TIME—H.R. 2175

Mr. REID. Madam President, it is my understanding that H.R. 2175, which has been received from the House, is now at the desk. Therefore, I ask for its first reading.

The PRESIDING OFFICER. The clerk will read the title of the bill for the first time.

The assistant legislative clerk read as follows:

A bill (H.R. 2175) to protect infants who are born alive.

Mr. REID. Madam President, I ask for its second reading and object to my own request.

The PRESIDING OFFICER. Objection is heard. The bill will receive its second reading on the next legislative day.

ORDERS FOR THURSDAY, MARCH 14, 2002

Mr. REID. Madam President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m., Thursday, March 14; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of the energy reform bill under the previous order entered.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT

Mr. REID. Madam President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment following the statement of the Senator from Delaware, Mr. BIDEN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BIDEN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Delaware.

DEPARTMENT OF TRANSPORTATION NOMINATIONS

Mr. BIDEN. Madam President, as my colleagues know and the staff knows, it must be important to me to come to the floor after there are no votes and miss a train home to Delaware. As I think I can verify, there probably has not been 10 times in my career that I have spoken after there are no votes, so I apologize for keeping the staff here and keeping folks in, but this is of consequence to me and my State.

My good friend—and we all say that; we use that phrase, and he really is a good friend not only politically but personally—JOHN MCCAIN came to the Chamber and asked the rhetorical question of who has a hold on two nominees for the Department of Transportation. He does not like secret holds.

He was being very polite because he did not want to point out what he already knew: That I have a hold on those two nominees.

I have been a Senator for 29 years. I have never, not one single time but this, in my entire career ever put a hold on any nomination, legislation, or anything on the Senate floor. I know Senator MCCAIN understands holds. He has put holds on Department of Transportation nominees before, but I agree with him, the holds should be made public.

I wish to publicly acknowledge what I thought everyone knew. I am the guy who has put the hold on those two nominees. Madam President, let me explain to you why, very briefly.

After September 11, Congress moved very quickly and effectively to provide necessary funds for aviation security improvements and ultimately for port security improvements. I supported those bills wholeheartedly, as did almost all of my colleagues.

At the time, however, it was my understanding, given to me in the Chamber of this body and, I believe—and I am not suggesting she is any part of this—but I believe the Presiding Officer will recall, as every other Senator will, there was a commitment that there would also be a move to quickly address a similar and equally vexing problem of railroad security.

Passenger rail is a critical component of our national transportation infrastructure as, I might add, September 11 so vividly has shown. Imagine what would have happened if we had no passenger rail system September 11 when the skies shut down. And yet all of those passengers continue to travel at their risk. They continue to ride in poorly lit, poorly ventilated, and poorly maintained tunnels, some of which were built as long ago as 1879.

They remain serious targets for acts of terrorism. There is no ventilation. There is no lighting. There is no escape. There are more people, right now as we speak, in tunnels on railcars underneath New York City than in seven 747s completely filled. We have done nothing to improve the security and safety of the people who are riding these rails right now.

Imagine what happens if a bomb, a chemical weapon, or a biological weapon is dispersed in that confined area? I might point out to my friends, they may remember a little over a year ago there was a fire in the Baltimore Tunnel. It shut down Baltimore. It not only shut down the rail, it shut down the south end of Baltimore for a long time.

My frustration is reaching the boiling point. Because of these security threats, immediately following the attacks of September 11, I attempted to authorize funds for rail security improvements as part of the aviation bill. Because of the objections raised, however, I then went to Senators HOLLINGS and MCCAIN, and instead, based on their commitment, which they kept, they offered to pass a separate bill in the Commerce Committee authorizing rail security monies. True to their words, on October 17, they did just that. S. 1550 authorized $1.8 billion for passenger rail security improvements, even though Amtrak had originally requested $3.2 billion; $1.8 billion was a barebones minimum the committee believed it would provide for essential security upgrades in safety improvements, mainly a billion of that to improving the tunnels and the safety in the tunnels against threatened attacks.

The other $800 million went to having dogs on trains sniffing bombs, and additional police. Yet here we stand 6 months later, and we still do not have the money for rail security. I still do not even have a vote on rail security.

This completely defies logic. The reason is because a number of my colleagues have objected secretly, not publicly, to S. 1550, and they have put holds on the bill. This despite all it will do to safeguard our passenger rail system and despite the backing of the Commerce Committee.

Remember, this other stuff we did immediately did not even go through

any committee originally. That is why for the first time in my 29-plus years in the Senate I have placed holds on two Department of Transportation nominees, both fine, decent, and competent people. The issue is not their nomination. The issue is rail security. I know of no other way to get the attention of anybody. I do not know what else I have to do—stand on my head in the middle of the well to get the attention of people around here?

Granted, not everybody has Amtrak go through their areas. I understand that. Granted, Amtrak is not as important to passenger rail service for them as it is to the Northeast and to me. This is my farm bill. This is my bill relating to airport security. This is my bill relating to the poultry industry. This is my bill relating to the most critical need that exists relating to security in my region.

This bill is not controversial. It is completely bipartisan and it has completely been vetted by the committee of jurisdiction. It is important to passenger rail travelers.

There is absolutely no reason for the Senate not to go on record today, right now in fact, and support this bill, to give Amtrak the resources it needs to upgrade the system and make all the safety improvements possible with this limited amount of money.

In 2 hours or 3 hours of debate we came up with $15 billion or $14 billion to bail out the airlines that were already in trouble, by the way. Had there never been 9–11, half of them would have gone out of business anyway—if not half, a significant number. So I do not know why my asking for this for my region, based upon a legitimate need, is so difficult for people to understand.

In fact, I want to hear someone stand up and tell me how it is that my friends across the aisle have taken the liberty of blocking this bill after both Senators HOLLINGS and MCCAIN saw fit to pass it out of the Commerce Committee without any amendments. It is time for my colleagues to put aside their political goals and join me and many of my colleagues who support what the Commerce Committee has done and at least allow us to have a vote. We cannot afford to wait much longer. We do not have that luxury.

Let me conclude by saying that I have great respect for Secretary of Transportation Norm Mineta; I worked with him when he was in the House when he was a Congressman. I worked with him in the last administration. I have worked with him in this administration. He came to see me. He made a personal plea that I free up these two nominees.

I said to him: I understand.

He said: It is unrelated. Why? We are for you. We agree.

I said: Well, then make the case. Somebody in the administration has to stand up and holler with me. They say they are for it. When they were for the airport security bill that got tied up, they stood up and hollered.

All I am asking is my colleagues who have a secret hold, unlike my very public and uncharacteristic hold, come forward and debate the subject. Let me have a vote. I should not say ''me.'' It is my colleague, TOM CARPER; it is my two colleagues from Pennsylvania; my colleagues from Maryland; my colleagues from New Jersey; my colleagues from Connecticut; my colleagues from New York; my colleagues from Massachusetts; my colleagues from Rhode Island; my colleagues from Maine.

I really find it offensive that something of such exceptional importance, as the young kids say, is ''dissed'' as this is. We would not do this to the Midwestern Senators. We would not do this to the Southern Senators if this was something regional to them. We would not block the chance to vote on water projects for Western Senators. I think this is unfair.

I have been around the Senate long enough to know one takes their lumps. You win and you lose, and I usually do not make the argument ''unfair'', but I think it is uncharacteristic that something so important regionally to me, and to my colleagues, is not even able to get a single opportunity for a vote.

Only because the hour is so late I am not going to move, by voice vote, to accept the amendment that I was about to send to the desk. But I can tell the Democratic leader, Senator REID, the first opportunity I have, I am going to move the legislation, and I want to find out who objects. My guess is the majority leader will object on behalf of some unknown person.

So in conclusion, I understand the frustration of my friend, JOHN MCCAIN, because he very much wants to free up these two nominees. I agree they should be freed up, but I have no other way.

Mr. REID. Will the Senator yield?

Mr. BIDEN. I am happy to yield.

Mr. REID. I say to the Senator from Delaware that this Amtrak matter is not a matter that relates only to the Northeast corridor. I want everyone to know this is important for other parts of the country, and the Senator is doing a service to the country. The Northeast is going to survive. The trains that run there pay for themselves. It is the trains that are around the rest of the country that do not pay for themselves. That is where we need help and the Senator from Delaware is helping us.

I say to my friend from Delaware, we badly need a train, and if Amtrak hangs on—it is already in the planning—we should within the next few months have an Amtrak train running between Los Angeles and Las Vegas. I say to my friend, is it not a sad commentary of this country that we give airlines—and I am happy to help. We bailed them out. We do all kinds of things to help airlines and airports. And think of the things that we do for highways, for passengers traveling on highways. We build bridges. We do everything. But we do not do anything to help rail travel. It is a shame. We waste so much time, effort, and energy hauling people on airplanes for distances less than 250 miles. We should have trains. We should have high-speed rail. We should have magnetic levitation. We should have methods to move people who are not on highways and are not in our crowded airports.

I hope the Senator from Delaware will understand, even though sometimes you may feel alone on this issue, there are a lot of people who will help privately. I will do that; I will help publicly—anything I can do to help. This is not an issue that helps the State of Delaware. It helps the country.

Mr. BIDEN. I thank my colleague. I take his observation and acknowledge it is absolutely true that it helps the whole country.

I would like to bifurcate two points: One, the emergency, immediate need for security. The security will help Amtrak in Los Angeles as well as help Amtrak in Florida. The place with the biggest, clearest targets where the most people could be devastated is in those tunnels, primarily. They happen to be mostly in the Northeast.

There is a second issue. I have not addressed the second issue. We have not kept our promises at all to Amtrak in terms of Amtrak's operational capability and capital needs. We cannot get votes on that either. I am trying to deal with the littlest piece. I cannot fathom how anyone could disagree. I have not heard one substantive argument why we would not provide for dogs and police to see that people are not carrying onto the trains dynamite or explosives or weapons in New Orleans, LA, as well as in Philadelphia, PA.

The real point is, this is an urgent need. Ask any of the folks in the intelligence community: If you were a terrorist and decided you had one last opportunity, what would you hit? People will say you are giving ideas; these terrorists already have these ideas, I assure you.

What did we do during the Olympics? We knew that would be a likely target because there were a lot of people and it would be a big statement. To the great credit of the State of Utah and the Federal Government, we had no incident. But you are sitting around, and where will you look to use the chemical weapon if you have it? The dirty bomb, if you possess it? That biological weapon, if you want to use it? Where will you use it?

I am chairman of the Foreign Relations Committee. I was on the terrorism subcommittee and the Judiciary Committee and in the Intelligence Committee for 10 years. Unfortunately, it seems as if I have been going to school for my whole life to prepare for the issue of terrorism. Prioritize where the likely targets are. There are millions of container ships that come into ports each year. We had to deal with that, and we dealt with it. Everybody

knew that was a likely target. We were not telling the terrorists anything they didn't know. We knew it was a problem.

I hope to God I am never in a position where, by even implication, I have to say, I told you so. There is no way out of the tunnels. There is no lighting. There is no ventilation. There is no way out.

I apologize, I am getting angry about it. Again, I can understand my friend from Arizona and others objecting to Amtrak. They do not think Amtrak is efficacious. I got it. I understand. They are wrong. I am willing to debate that. I would love a chance to debate it. However, this is drop dead common sense. I close to resent not being able to have a chance for the Senator from Pennsylvania, the Senator from Delaware, the Senators from New York, in addition to the Senators where Amtrak goes—these are gigantic targets.

They once asked Willie Sutton: Why rob banks? And his answer was: That is where the money is.

What do terrorists do? Why do they pick the two largest buildings in the United States, instead of coming to Delaware and hitting a 12-story building in Delaware? Why? Because that is where the most people are. That is where the biggest targets remain.

I thank my friend from Nevada. He has been a staunch supporter and tried like the devil to help.

The concluding point I make: My hold is not secret. I would like to know who is holding up the ability of the Senate to pass a bill that we were promised on October 15 would get action; that we passed out of the Commerce Committee unanimously, without amendment; that, in fact, nobody has made a substantive argument why any of this is not needed. I want to know why. I want to know why and who. Who is saying we cannot vote on it? And why do they think we should not have this?

I am a big boy. We have a vote. I win; I lose. But I want a vote.

I yield the floor.

Mr. SPECTER. If the Senator from Delaware would respond to a question, the holds which are placed anonymously on legislation preclude a Senator such as the Senator from Delaware from finding out who has taken that action, and therefore there is no opportunity to talk to that colleague, reason with that colleague, perhaps find a way to resolve the issue.

The simple question: Is it time the rules of the Senate were modified to stop secret holds which preclude sensible action on a matter such as rail safety?

Mr. BIDEN. The Senator is preaching to the choir. I fully agree with the Senator.

As the Senator knows, that is above my pay grade. There are only six Senators who have been here longer than I, but a lot have more institutional power than I do. I think it is a reasonable proposal, and I have shared that view of the Senator for a long time.

Mr. SPECTER. I don't disagree with the Senator from Delaware very often, but I disagree when he says it is above his pay grade.

I compliment the Senator from Delaware for his impassioned presentation. I concur with him. I thank the Senator from Nevada for articulating the view of the leadership.

It is true the Northeast has special considerations: When you pass through the tunnels in Baltimore, you pass through the Philadelphia train stations, the tunnels going into New York City. It is time we considered the matter.

I hope the passion the Senator from Delaware has articulated will move some Senator who has a secret hold on the legislation.

I yield the floor.

Mr. BIDEN. Madam President, I will just take 10 seconds. I conclude by saying, I say to my friend, Senator MCCAIN, I will lift the hold on these two nominees the moment we get a vote on the security bill.

I yield the floor.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. REID. Madam President, I ask unanimous consent the Senate proceed to executive session to consider Calendar No. 724 and Calendar No. 725.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I ask unanimous consent that the nominations be confirmed, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, any statements thereon appear at the appropriate place in the RECORD as though read, and the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations were considered and confirmed, as follows:

THE JUDICIARY

Jeanette J. Clark, of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of fifteen years.

DEPARTMENT OF COMMERCE

Louis Kincannon, of Virginia, to be Director of the Census.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will return to legislative session.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned.

Thereupon, the Senate, at 5:48 p.m., adjourned until Thursday, March 14, 2002, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate March 13, 2002:

CONSUMER PRODUCT SAFETY COMMISSION

HAROLD D. STRATTON, OF NEW MEXICO, TO BE CHAIRMAN OF THE CONSUMER PRODUCT SAFETY COMMISSION, VICE ANN BROWN.

HAROLD D. STRATTON, OF NEW MEXICO, TO BE A COMMISSIONER OF THE CONSUMER PRODUCT SAFETY COMMISSION FOR THE REMAINDER OF THE TERM EXPIRING OCTOBER 26, 2006, VICE ANN BROWN.

DEPARTMENT OF STATE

DAVID A. GROSS, OF MARYLAND, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS DEPUTY ASSISTANT SECRETARY OF STATE FOR INTERNATIONAL COMMUNICATIONS AND INFORMATION POLICY IN THE BUREAU OF ECONOMIC AND BUSINESS AFFAIRS AND U.S. COORDINATOR FOR INTERNATIONAL COMMUNICATIONS AND INFORMATION POLICY.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

MICHAEL PACK, OF MARYLAND, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2004, VICE DARRYL J. GLESS, TERM EXPIRED.

DEPARTMENT OF JUSTICE

DAVID PHILLIP GONZALES, OF ARIZONA, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF ARIZONA FOR THE TERM OF FOUR YEARS, VICE ALFRED E. MADRID, TERM EXPIRED.

EDWARD ZAHREN, OF COLORADO, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF COLORADO FOR THE TERM OF FOUR YEARS, VICE ERNESTINE ROWE, TERM EXPIRED.

CHARLES M. SHEER, OF MISSOURI, TO BE UNITED STATES MARSHAL FOR THE WESTERN DISTRICT OF MISSOURI FOR THE TERM OF FOUR YEARS, VICE ROBERT BRADFORD ENGLISH, TERM EXPIRED.

GORDEN EDWARD EDEN, JR., OF NEW MEXICO, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF NEW MEXICO FOR THE TERM OF FOUR YEARS, VICE JOHN STEVEN SANCHEZ, TERM EXPIRED.

JOHN LEE MOORE, OF TEXAS, TO BE UNITED STATES MARSHAL FOR THE EASTERN DISTRICT OF TEXAS FOR THE TERM OF FOUR YEARS, VICE NORRIS BATISTE, JR., TERM EXPIRED.

WILLIAM P. KRUZIKI, OF WISCONSIN, TO BE UNITED STATES MARSHAL FOR THE EASTERN DISTRICT OF WISCONSIN FOR THE TERM OF FOUR YEARS, VICE NANNETTE HOLLY HEGERTY, TERM EXPIRED.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. LESLIE F. KENNE, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. WILLIAM R. LOONEY III, 0000

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. DOUGLAS M. STONE, 0000

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

JOSEPH WYSOCKI, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE AND AS PERMANENT PROFESSORS, UNITED STATES AIR FORCE ACADEMY, UNDER TITLE 10, U.S.C., SECTIONS 9333 (B) AND 9336 (A).

To be colonel

RICHARD L. FULLERTON, 0000
DAVID S. GIBSON, 0000
WILLIAM P. WALKER, 0000

THE FOLLOWING NAMED AIR NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12212:

To be colonel

WILLIAM P. ALBRO, 0000
THOMAS E. ALLEN, 0000
THORNE S. AMBROSE, 0000
RANDALL R. BALL, 0000
DAVID H. BARNHART, 0000
EARL S. BELL, 0000
KATHLEEN F. BERG, 0000
JAMES T. BOLING, 0000
PETER A. BONANNI, 0000
JEANETTE B. BOOTH, 0000

JOHN H. BRAMHALL, 0000
DAVID T. BUCKALEW, 0000
JOHN R. BUCKINGHAM, 0000
GREGG A. BURDEN, 0000
BREWSTER S. BUTTERS, 0000
MICHAEL F. CANDERS, 0000
FRANKLIN E. CHALK SR., 0000
GREGORY S. CHAMPAGNE, 0000
JOHN R. CHATBURN, 0000
ROBERT A. CHIN, 0000
MARK E. CLEM, 0000
ROGER F. CLEMENTS, 0000
JOHN D. COMPTON, 0000
JAMES E. DANIEL JR., 0000
JAMES T. DAUGHERTY, 0000
JAMES F. DAWSON JR., 0000
JAMES D. DEMERITT, 0000
ROBERT R. DOLAN, 0000
MATTHEW J. DZIALO, 0000
BARBARA A. EAGER, 0000
KATHLEEN L. EASTBURN, 0000
ROBERT C. EDWARDS JR., 0000
JAMES A. FIRTH, 0000
KEVIN J. FISCHER, 0000
GARY A. FITZGERALD, 0000
TONY O. FLORES JR., 0000
TIMOTHY L. FRYE, 0000
LAWRENCE P. GALLOGLY, 0000
ROBERT GERMANI JR., 0000
ROBERT S. GISSENDANNER, 0000
BRIAN D. GOMULA, 0000
JEROME M. GOUHIN, 0000
JOHN O. GRIFFIN, 0000
DENNIS D. GRUNSTAD II, 0000
PAUL D. GRUVER, 0000
JAMES H. GWIN, 0000
STEVEN B. HANSON, 0000
CURTIS T. HARRIS, 0000
SCOTT B. HARRISON, 0000
MARTIN K. HOLLAND, 0000
SHEILA F. HOOTEN, 0000
RODNEY K. HUNTER, 0000
JEFFREY R. JOHNSON, 0000
THOMAS M. JOHNSON, 0000
RANDALL K. JONES, 0000
THOMAS C. JORDAN, 0000
JON K. KELK, 0000
THOMAS J. KEOUGH, 0000
WILLIAM L. KITTLE, 0000
ROBERT S. LANDSIEDEL, 0000
MARK R. LANGLEY, 0000
ROBERT K. LEWIS, 0000
ROBERT W. LOVELL, 0000
DAVID J. MACMILLAN, 0000
BRUCE R. MACOMBER, 0000
JAMES L. MALENKE, 0000
RUSSELL W. MALESKY, 0000
RONALD E. MALOUSEK, 0000
THOMAS J. MARKS JR., 0000
LANNY B. MCNEELY, 0000
THOMAS R. MOORE, 0000
THOMAS G. MURGATROYD, 0000
GUNTHER H. NEUMANN, 0000
GARY J. NOLAN, 0000
RICHARD J. NYALKA, 0000
ROGER L. NYE, 0000
STANLEY J. OSSERMAN JR., 0000
ALAN W. PALMER, 0000
JAMES A. PATTERSON, 0000
JAY M. PEARSALL, 0000
LEON RAY, 0000
ROBERT F. REINHARDT JR., 0000
MARILYN A. RIOS, 0000
DEBORAH S. ROSE, 0000
ALAN K. RUTHERFORD, 0000
REED D. SCHOTANUS, 0000
ROBERT J. SLUSSER, 0000
DAVID M. SMITH, 0000
KENNETH L. SMITH, 0000
MARK W. STEPHENS, 0000
ROBERT M. STONESTREET, 0000
TERRENCE L. THILMONY, 0000
RUSSELL K. THOMAS, 0000
BRUCE THOMPSON, 0000
JOHN R. TUTTLE, 0000
WILLIS L. WALDRON JR., 0000
STEPHEN J. WALKER, 0000
SANDRA WARDE, 0000
KEVIN L. WEAR, 0000
LARRY W. WEIGLER, 0000
JAMES R. WHITE, 0000
ALBERT M. WOOLLEY JR., 0000
PAUL G. WORCESTER, 0000
DELILAH R. WORKS, 0000

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY CHAPLAIN CORPS UNDER TITLE 10, U.S.C., SECTIONS 624 AND 3064:

To be colonel

MICHAEL T BRADFIELD, 0000
WILLIAM B BROOME III, 0000
JOEL W COCKLIN, 0000
RICHARD B GARRISON, 0000
FREDERICK L HUDSON, 0000
RONALD R HUGGLER, 0000
LAWRENCE C KRAUSE, 0000
RICHARD A KUHLBARS, 0000
JAMES E MAY, 0000
ALVIN M MOORE III, 0000
SHERRILL F MUNN, 0000
JACK J VANDYKEN, 0000
RICHARD R YOUNG, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY NURSE CORPS AND FOR REGULAR APPOINTMENT (IDENTIFIED BY AN ASTERISK(*)) UNDER TITLE 10, U.S.C., SECTIONS 624, 531, AND 3064:

To be major

SHARON M * AARON, 0000
LILA M * AGUTO, 0000
WILLIAM A * AIKEN II, 0000
SUSAN J * ARGUETA, 0000
CHRISTOPHER D BAYSA, 0000
SANDRA J BEGLEY, 0000
RICHARD A BEHR, 0000
DONALD E * BENNETT JR., 0000
ARNESHUIA P * BILAL, 0000
LYNN * BLANKE, 0000
TAMMIE S * BOEGER, 0000
VINCENT B BOGAN, 0000
LISA M * BOWER, 0000
MICHAEL T * BOZZO, 0000
CARLTON G BROWN, 0000
CARLA R * BUCKLES, 0000
TERRIE D * BURGAN, 0000
MIRTA B * BURGOS, 0000
JOSEPH M * CANDELARIO, 0000
CHERYL Y * CAPERS, 0000
LILLIAN * CARDONA, 0000
AMBROSE M CARROLL, 0000
JESUS M * CASTRO, 0000
COLEEN P * CHANG, 0000
MARY T * CHRISTAL, 0000
RICHARD W * CICHY, 0000
MARGARET A * COLLIER, 0000
ALBERT S * COSTA, 0000
TAMARA L * CRAWFORD, 0000
LISA E CROSBY, 0000
CARLA J * CROUCH, 0000
DANETTE F * CRUTHIRDS, 0000
KATRYNA B * DEARY, 0000
FRANCISCO A * DELAHOZ, 0000
RONALD D DESALLES, 0000
DIANA J DESCHAMPS, 0000
SUSAN M * DIAZ, 0000
SPENCER D DICKENS JR., 0000
TONYA F * DICKERSON, 0000
DARRELL C * DODGE, 0000
STEPHANIA L DOVER, 0000
TERESA A * DUQUETTE, 0000
JEAN * ERICKSON, 0000
RICHARD R ESSICK, 0000
MARK S * EVANS, 0000
GLENN R * FERNANDES, 0000
SHELIA F * FRANCIS, 0000
SHERRI D FRANKLIN, 0000
STEPHEN D * FREDERICK, 0000
LORI A * FRITZ, 0000
PABLITO R * GAHOL, 0000
ANITA R * GANZ, 0000
DAVID W * GARCIA, 0000
MICHAEL A GLADU, 0000
BLONDELL S GLENN, 0000
TINA M * GOSLING, 0000
MICHAEL W GREENLY, 0000
DOLA D * HANDLEY, 0000
PATRICIA S * HARM, 0000
SHAROYN L * HARRIS, 0000
MICHAEL A * HAWKINS, 0000
CARLOTTA S * HEAD, 0000
TRACI M HEESE, 0000
CHARLES D * HENKEL, 0000
PAUL D * HESS, 0000
MELISSA J * HOFFMAN, 0000
CHARLOTTE M * HOOD, 0000
ESTERLITTA L * JACKSON, 0000
TRINI L * JEANICE, 0000
EDGAR JIMENEZ, 0000
LINDA E * JONES, 0000
JOHNNIE M * KOCH, 0000
CHRISTINE M * KRAMER, 0000
WILLIAM L KUHNS, 0000
FRANK LEE, 0000
VIKI J * LEEFERS, 0000
DENISE M * LYONS, 0000
JAMES A * MADSON, 0000
PAUL J * MAHOLTZ III, 0000
DAVID P * MARANA, 0000
SANDRA I * MARTIN, 0000
ANA L * MASON, 0000
SUE A * MC CANN, 0000
DEBORAH * MC MULLAN, 0000
LINDA K * MOORE, 0000
BEVERLY J MORGAN, 0000
SHERRY D * MOSLEY, 0000
PETER J MOTT, 0000
MICHELLE L * MUNROE, 0000
KATHY M * NEAL, 0000
JOHN E * NEUMANN, 0000
THERESA A PECHATY, 0000
WESLEY H * PIERCE, 0000
BRIAN M * PITCHER, 0000
LINDA A * POIRIER, 0000
MELONIE G QUANDER, 0000
KATHERINE T * RALPH, 0000
JOY E * REXFORD, 0000
PHYLLIS A * RHODES, 0000
CAROLYN M RICHARDSON, 0000
JOHN D * RODGERS, 0000
LETICIA * SANDROCK, 0000
REBEKAH J * SARSFIELD, 0000
DEBORAH M * SAUNDERS, 0000
SHARON U * SCOTT, 0000
MARY J * SHAW, 0000
DEIDRE M SINGLETON, 0000
ALLEN D * SMITH, 0000
JUDY A * SMITH, 0000
STEPHANIE C * STELTER, 0000
JAMES E * STEVENS, 0000
EVELYN TOWNSEND, 0000
BARBARA F * WALL, 0000
BRADLEY C * WEST, 0000
MARY A * WEST, 0000
DAVID O * WHITE, 0000
WILLIAM G * WHITE, 0000
MICHELLE M * WILLIAMS, 0000
SELINA G * WILLIAMS, 0000
GAYLA W * WILSON, 0000
JOELLEN E WINDSOR, 0000

CONFIRMATIONS

Executive nominations confirmed by the Senate March 13, 2002:

DEPARTMENT OF COMMERCE

LOUIS KINCANNON, OF VIRGINIA, TO BE DIRECTOR OF THE CENSUS.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE JUDICIARY

JEANETTE J. CLARK, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSOCIATE JUDGE OF THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR THE TERM OF FIFTEEN YEARS.

EXTENSIONS OF REMARKS

COMMEMORATION OF LITHUANIAN INDEPENDENCE

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. BONIOR. Mr. Speaker, several weeks ago Lithuanian American communities across this nation gathered to reflect and celebrate the 84th year commemorating Lithuanian independence. In Southfield, Michigan, this community gathered on Sunday, February 10, 2002 at the Lithuanian Cultural Center.

On February 16, 1918 the Lithuanian people proclaimed an independent state ruled by the people, free from German military control. For most of the 20th century, however, authoritarian regimes prevented Lithuanian nationalists from enjoying the fruits of liberty and democracy. In 1990, after five decades of oppression under Soviet control and a relentless passion for freedom and democracy, the Lithuanian people once again proclaimed their independence.

The United States relationship with Lithuania is strong and growing stronger. Today Lithuanian and American leaders, governments and people are able to enjoy a great partnership. A significant goal of this partnership is the commitment to the security of the Baltic region and the promotion of democracy and freedom around the world. To achieve this goal the Republic of Lithuania is making great economic, social and political progress in an effort to secure membership to the North Atlantic Treaty Organization. The role of NATO in preserving peace and stability in the Euro-Atlantic area is essential for all people; Lithuanians must not be the exception.

Mr. Speaker, I join the people of Lithuania, those of Lithuanian ancestry around the world and Lithuanian Americans in celebrating the 84th Anniversary of Lithuanian Independence. I salute all of them for the tremendous contributions to freedom and human dignity which they have made.

ECONOMIC SECURITY AND RECOVERY ACT OF 2001

SPEECH OF

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. UDALL of Colorado. Mr. Speaker, I will support this measure.

The bill before us responds to the urgent needs of hundreds of thousands of people who are out of work and whose unemployment benefits have been or soon will be exhausted. It also provides important provisions that can help speed up the recovery from recession and create jobs.

My only regret is that it has taken so long for us to take up this kind of bill. If we had done so sooner, fewer people would have reached the end of their benefits and the economic recovery might by moving at a faster rate. So, I hope that the fact the bill must go back to the Senate will not lead to further unnecessary delays.

To show why prompt action is essential, I am attaching a story from this morning's Rocky Mountain News. It reports that Colorado's unemployment rate recently surpassed the national rate for the first time in more than a decade.

We also have a high concentration of high-tech employment—and many provisions of this bill are particularly important for high-tech firms, which is another reason I support it.

[From the Rocky Mountain News, Mar. 7, 2002]

JOBLESS PICTURE BLEAK

(By Heather Draper)

Colorado's unemployment rate hit 5.7 percent in January, its highest level since 1993 and surpassing the national jobless rate for the first time in nearly 12 years.

The U.S. employment rate in January was 5.6 percent.

The state's increase from 5.1 percent in December was the second-highest jump in the nation behind New Mexico, which recorded a 0.9-point rise from December, the federal Bureau of Labor Statistics reported Wednesday.

Colorado's 3-percentage-point increase from its historic low of 2.7 percent in January 2001 was also the nation's second-largest year-over-year increase, behind Oregon's 3.1-point jump.

''It's definitely of concern,'' said Patty Silverstein, economist with Development Research Partners. ''We haven't seen levels like this since the early 1990s. You can't really sugarcoat this.''

The state's 5.7 percent seasonally adjusted jobless rate translated to about 135,000 Coloradans out of work in January.

The city and county of Denver's non-seasonally adjusted unemployment rate hit a whopping 7.4 percent in January, up from 6.1 percent in December and 3.4 percent in January last year, according to the state Labor Department.

About 69,000 metro Denver residents were unemployed in January, 21,200 of those in Denver County alone.

'The last time Colorado's jobless rate was higher than the national rate was March 1990,' said Tom Dunn, chief economist for the state legislative council. ''We have a higher concentration of high-tech employment here and a lot of travel-related jobs, so Colorado has been hit harder. And I think, Sept. 11 introduced a whole new wrinkle (in the economy).''

Dunn said the recession hit Colorado later than the rest of the nation, so the state will start to recover later.

Economists were surprised by the size of the state's increase, as most were predicting unemployment of about 5.5 percent in January.

''All bets are off now,'' Silverstein said. ''It's hard to say how much higher we might possibly go. The bottom line is that we aren't out of the woods yet.''

The unemployment rate is a lagging economic indicator, but ''that is still a huge jump,'' said Tucker Hart Adams, economist with US Bank

''The recession may be officially over, but I think that's kind of irrelevant,'' Adams said. ''The layoffs continue and housing is getting worse. I just don't see any signs of strength locally.''

At least one economist was a bit more bullish on the state's economic outlook. ''I think the good news is that the U.S. economy has bottomed out,'' said Sung Won Sohn, Chief economist at Wells Fargo & Co. ''Since Colorado's economy depends so much on the U.S. economy, we have to view the U.S. economic outlook as the light at the end of the tunnel.''

Job losses were greatest in Colorado's trade sector, with 16,000 fewer jobs in January 2002 than December 2001. Government jobs were down 12,200, and service industry jobs were down 11,400, the labor department said. The only sector to see an overall gain in January was the finance, insurance and real estate sector, which was up 1,100 jobs.

Pueblo had one of the state's highest unemployment rates in January at 8.2 percent, up from 6.5 percent in December 2001 and 4.7 percent in January 2001. Colorado Springs hit 6.8 percent unemployment in January, up from 5.6 percent in December and 3.2 percent a year ago.

The Boulder-Longmont area registered 5.7 percent unemployment in January, up from 4.7 percent in December and more than double its 2.4 percent rate a year ago.

RECOGNIZING JESSICA STAHL

HON. CAROLYN McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mrs. MCCARTHY of New York. Mr. Speaker, I rise in recognition of Jessica Stahl, my constituent from Rockville Centre who has been chosen as a top student finalist in the Intel Science Talent Search (STS), a nationwide competition honoring young people for outstanding work in science and research. Jessica's 10th place prize was the largest awarded to a Long Island finalist this year. She will receive a $20,000 scholarship prize for finishing in the top ten.

Jessica is a seventeen-year-old senior at South Side High School. Jessica's project was a research project on dance therapy titled ''Development of a Movement Analysis Instrument and its Application to Test the Effect of Different Music Styles on Freedom of Body Movement.'' Jessica wanted to determine if one style of music could produce more expressive and freer movement than others. She developed an original method for quantifying body movements, something no previous researcher had achieved, then found one musical piece that was available in classical, rock, jazz, dance, and reggae styles—Beethoven's 5th Symphony. Jessica believed that the answer could have applications in dance/movement therapy for emotional as well as physical problems. Her results pointed towards raggae as the most liberating.

The awards, presented by Intel Corporation, honor young people for being the nation's

brightest high school seniors. Intel Corporation gave out scholarships totaling $530,000 at an awards ceremony this week which was precluded by a public exhibition of all 40 of the students involved in the competition. The Intel STS is America's oldest and most prestigious science competition and is also considered as the ''Junior Nobel Prize.''

Jessica's ideas and creativity point to a bright future. It is reassuring to see such potential in our young people. I applaud Jessica for her hard work and ingenuity. Long Island, particularly Nassau County, is proud to commend such a talented young individual.

TRIBUTE TO ROSE M. AGUILAR

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. BONIOR. Mr. Speaker, I rise today to recognize a woman who has dedicated so many years to serving her city and her community, Rose Aguilar. Her remarkable achievements have brought so many families and communities together in an effort to educate and promote political action and community service. As members and friends of the Wayne County Chapter of the Hispanic Democrats gathered together on Saturday, March 2, 2002 to honor Rose, a longtime friend and advocate of the civic affairs and community service, they honored her with a celebration of activism, laughter, and memories.

A leader and an activist all her life, Rose Aguilar was the first Hispanic female to be hired at an all-male YMCA, as Director of Programs and Community Service. As an employment specialist in the Wayne County office on Aging and as a community development specialist for the Wayne County Community Development Block Grants Division, her efforts for Wayne County have been relentless. Working as a victim advocate for the Wayne County Prosecutor's office until 1994, she was instrumental in assisting Hispanic domestic violence and homicide victims. Returning to full time employment through her involvement with migrant children, her work with the Committee of Concerned Spanish Speaking Americans led her to serve not only in local parent groups but at the state level as well. Her leadership continues today, as she is Vice-Chair of the Hispanic Democrats of Wayne County, the only all Hispanic Democrats group, and continues to remain active in several other political and civic organizations.

Demonstrating outstanding dedication and commitment throughout the years, Rose Aguilar has truly led her community in a new direction, creating and developing programs that have advanced Detroit's political and community outreach services. She was Vice Chairwoman and former Board Trustee of the New Detroit Self Determination Committee, Vice Chairwoman of the Public Safety and Justice Committee, Executive Board member of Police Community Relations at Precinct 4, Assistant Director of LA SED, and Commissioner of the City of Detroit Senior Citizens Committee, to name a few. Additionally, Rose's outstanding efforts have not gone unrecognized, as she has been honored with prestigious awards like the 1978 Governor's Award as Outstanding Latina in Community Services, the Outstanding Public Relations Award for 1979 and 1985 from the Mexican Patriotic Committee, the Women's Equality Award in 1986 from the City of Detroit's Human Rights Department, and the Cesar Chavez Award in 2001 from the State of Michigan Latino Democrats. Rose Aguilar's crusade to raise the standards of activism and community outreach programs is one that will be remembered by citizens of this community for years to come.

I applaud Rose Aguilar for her leadership and commitment, and thank her for dedicating her life to serving her city and her community. I urge my colleagues to join me in saluting her for her exemplary years of service.

RECOGNIZING THE IMPORTANCE OF CLEAN ENERGY

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. UDALL of Colorado. Mr. Speaker, I wish to insert into the RECORD an editorial published in the ''Boulder Daily Camera'' on March 6. The editorial comes at a critical time, as the Senate is even now debating an energy bill that could lead us in the right—or wrong—direction. The piece ends by calling on the Senate to recognize conservation and alternative energy as not just personal virtues, but as ''important components of a national energy policy.'' I couldn't agree more.

DEMAND LESS DEMAND

In recent months, some have complained that the United States needs an over-arching, under-girding energy policy. They are, in fact, right.

President Bush has proposed an energy policy that emphasizes increased production of oil, gas and electricity and places relatively little emphasis on conservation and alternative energy. The Bush plan, whose fundamental components were approved by the House of Representatives last year, includes a provision allowing for oil drilling in the Arctic National Wildlife Refuge, one of the last true wilderness areas.

The energy bill passed by the House was predicated on the assumption that we are in an energy crisis and that the best way to confront this crisis is to increase energy production as rapidly as possible. That's the stated justification for drilling in ANWR, and that's the clear rationale for handing $34 billion in subsidies to oil, gas and nuclear industries.

Curiously, the Bush-backed energy bill does not appreciably boost efficiency standards for the nation's automobiles. The House killed an amendment that would have sharply raised the fuel-efficiency standards for the nation's sport-utility vehicles and light trucks—to an average of 27.5 miles per gallon, the standard that cars now meet. Such an increase would obviate the demand for ANWR oil.

The House rejected the higher fuel standards because a study concluded that the imposition of fuel-efficiency standards coincided with a higher highway fatality rate. A National Academy of Sciences study last year opined that tough fuel-economy standards imposed three decades ago might have caused an additional 100 deaths or so annually. The Academy's report also argued that the safety concerns could be satisfactorily addressed. That didn't faze the House, which capitulated to the auto industry and labor unions.

This week, a competing energy bill is being discussed in the Senate. The 500-page Senate bill, sponsored by Sens. Tom Daschle and Jeff Bingaman, is markedly different from the Bush plan. The Daschle bill would increase fuel-economy standards to 35 mpg by 2013.

It would provide incentives for citizens to buy hybrid gas-electric cars such as the Honda Insight. It would require that electric companies produce 10 percent of their electricity from renewable resources such as wind by 2020.

Critically, the Daschle-Bingaman bill would not open ANWR to drilling.

The Daschle-Bingaman bill represents a less-lopsided approach to the nation's energy picture. It would focus both on increased production of traditional sources of energy and on conservation and alternative energy. This plan has drawn fire from both ends of the spectrum.

Greenpeace dubbed the Daschle plan ''Bush lite.'' Sen. Frank Murkowski, the Alaska Republican, suggested that the Daschle plan would make the nation less secure. ''The House has done its job (in passing the Bush bill). The job of the Senate remains in front of us. But I think most members would agree, our energy policy is a critical first step in this challenge. And it is a challenge. It is a challenge when we fight for freedom, when we seize the day for democracy.''

But while framing the energy debate as a fight for democracy, Murkowski argued that Americans should not be called upon to sacrifice. ''We turn to energy as we look at the standard of living that Americans enjoy. If it is an SUV, it is an SUV because Americans prefer that as opposed to being dictated by government as to what type of an automobile they have to drive.''

The United States uses one-quarter of the world's energy. Here in the world's largest energy sink, conservation and alternative energy are not just personal virtues. They are important components of a national energy policy. In a clear and convincing voice, the Senate should say so.

CONGRATULATING THE GIRL SCOUTS FROM NASSAU COUNTY

HON. CAROLYN McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mrs. McCARTHY. Mr. Speaker, this week my Girl Scouts from Nassau County came to Washington for their Anniversary Gala and visited me at my office. For nearly a century, Girl Scouts of the USA has served as an inspirational and positive movement in America's history. With more than 50 million alunmae in the U.S. today, including myself, the Girl Scouts have made a lasting mark on sports, science, politics, public service and many other fields too numerous to list.

Today, March 12, 2002, is the 90th anniversary of the first Girl Scout assembly in Savannah Georgia. Juliette Gordon Low brought together 18 local girls with a determined goal to bring girls out of isolated home environments and into community service and the outdoors. Much like today, girls in 1912 hiked, played basketball, went on camping trips, learned how to tell time by the stars and studied first aid. With nearly four million members today, Girl Scouts of the USA is committed to helping

communities, developing skills in everything from sports to science, and encouraging our future leaders.

In celebration of nine decades of excellence and accomplishments, Girl Scouts of the USA will be hosting its 90th Anniversary gala in Washington, D.C. A select group of 10 extraordinary American women will also be honored for serving as role models for today's Girl Scouts. These women exemplify how all girls can achieve greatness. They will be honored with the Girl Scouts' National Women of Distinction Juliette Award. Proceeds from this evening event, their first national awards and fundraising dinner, will benefit the ''Girl Scouting: For Every Girl, Everywhere'' initiative, helping to expand accessibility and opportunity for all girls.

As our great nation looks to forge ahead into the next century, we, as Americans, can rest assured that new leaders will emerge from organizations like Girl Scouts. Young women of today learn how to accept challenges, be self-confident, internationally conscious, and assertive beginning in the Girl Scouts. These valuable skills are reinforced and cultivated in every girl who participates in Girl Scouts. Our future looks bright with girls all over the country striving to do their best.

I want to congratulate the Girl Scouts of Nassau County and the Girl Scouts of the USA on 90 years of outstanding work and I wish them continued success in the future.

TRIBUTE TO REVEREND JESSIE D. JONES AND NEW ISRAEL BAPTIST CHURCH

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. BONIOR. Mr. Speaker, the New Israel Baptist Church has a noble mission: to preach the Good News, teach divine truth and heal life by the power of God. A lifelong leader and devoted pastor, Reverend Jessie D. Jones has truly demonstrated his commitment to advancing this mission across southeastern Michigan, as pastor of the New Israel Baptist Church. Today, as the members and friends of Rev. Jones gathered to celebrate his birthday, they paid tribute to his outstanding years of activism, leadership, and faith.

Born in the late 1930's in Arkansas, Rev. Jones was the youngest of eight children born to Mr. and Mrs. Lincoln Jones. Confessing Christ at the age of fourteen at the Mount Olive Baptist Church in Dumas, Arkansas, Rev. Jones went on to serve in the United States Army for two years after completing his education. Accepting his calling into the ministry at Burnette Baptist Church, he was licensed and ordained under the guidance of Dr. J. Allen Caldwell. After completing two years of Bible college at Tysdale University, Rev. Jones's drive for faith led him to receive his doctrine degree of Divinity at the Detroit International School of Ministry.

Pastor and founder of the New Israel Baptist Church in Detroit, Rev. Jones has dedicated over 15 years to his vision for New Israel. Beginning in a one room store front on West Eight Mile Road in May of 1984, three years of visualizing, praying, and preaching led Rev. Jones and his congregation to their beautiful location on Puritan St. in Detroit, where they have flourished in faith and service for the last 15 years. Leading three hundred and twelve souls to Christ, including three preachers, Pastor Jones has shown a special dedication to leading the effort to make a positive difference in the lives of others. Demonstrating unwavering support and commitment to his belief in community as well, Rev. Jones has been an active force in his city. Serving as the President of the Clergy United for Today and Tomorrow as well as first Vice-Moderator for the Southern District Association, Pastor Jones has maintained a solid commitment to promoting leadership and activism within the community. His distinguished service and remarkable dedication to improving the lives of people through faith will assuredly continue to serve as an excellent example to communities everywhere.

I applaud Reverend Jessie Jones for his leadership, commitment, and service, and urge my colleagues to join me in saluting him for his exemplary years of faith and service.

HONORING ALISTAIR W. McCRONE

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. THOMPSON of California. Mr. Speaker, I rise today to recognize Alistair W. McCrone, President, Humboldt State University, Arcata, California, who, on April 11, 2002, is being honored by the Humboldt State University Alumni Association with the Distinguished Service Award on the occasion of his retirement.

Dr. Alistair McCrone, a native of Regina, Saskatchewan, Canada, received his B.A. in geology from the University of Saskatchewan, his Master of Science degree from the University of Nebraska and his Ph.D. from the University of Kansas. He began his career as a petroleum geologist in western and sub-arctic Canada. For eleven years he taught geology at New York University. From 1970 to 1974 he served as academic vice president at the University of the Pacific.

Dr. McCrone became the fifth President of Humboldt State University in 1974. Under his leadership, the university earned a notable reputation for academic excellence and innovative programs in higher education. During his distinguished tenure, Humboldt State University received national recognition for its participation in the Peace Corps, its programs in environmental studies and its high rate of graduates who later earn doctoral degrees, particularly in the sciences and engineering.

Dr. McCrone and his wife, Judith Saari McCrone, are highly esteemed on the North Coast of California for their dedication and service to the community. In their honor, Humboldt State University established the Alistair and Judith McCrone Graduate Fellowship Fund in October 2001. Dr. McCrone has emphasized the importance of graduate studies and has had the support of his colleagues in his wish to see the University become a leader in the field of graduate education.

Alistair McCrone has earned many distinguished honors and awards for his accomplishments. He received the Erasmus Haworth Distinguished Alumnus Award from the University of Kansas in 2000. He is a Fellow of the Geological Society of America, the American Association for the Advancement of Science, and the California Academy of Sciences. He is a member of the board of directors of the American Association of University Administrators. In addition, he is a member of the Board of Directors of the California State Automobile Association and a Trustee of the California State Parks Foundation.

Mr. Speaker, it is appropriate that on the occasion of his retirement we recognize Dr. Alistair W. McCrone for his vision and leadership and for his contributions and service to the people of our country.

TRIBUTE TO THE MOBILE INTERNATIONAL FESTIVAL

HON. SONNY CALLAHAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. CALLAHAN. Mr. Speaker, I rise today in recognition of Mobile International Festival, the first and oldest event of its kind in the Gulf Coast region. Founded in 1983, Mobile International Festival has helped to educate school children and share with the general public an event of cultural arts, foreign languages and world history. It has showcased Mobile's own rich heritage and promoted appreciation of diverse cultures worldwide.

Every week before Thanksgiving, Mobile International Festival brings a cultural, fun-filled family experience of over 60 countries from Mobile's international community. Its stated mission is to ''encourage a spirit of friendship between students, community and the growing numbers of immigrants and international citizens; to strengthen understanding and acceptance among people of different cultures; to provide an opportunity to share in the uniqueness of each heritage through art, music, dance, food, flags, and cultural exhibits from over 60 countries; and to provide educational and cultural activities which promote an awareness and appreciation of our city's rich cultural heritage.''

The festival enhances the many cultures that are found in Mobile and nearby counties. Teachers have used the festival as a teaching tool and part of their curriculum. The festival supplements their studies in Geography, Foreign Languages, Art, Social Studies and Home Economics.

The festival has contributed to the quality of life of Mobile's citizens. Due to the importance of this cultural event to the community, Mobile International Festival participates in many community-oriented activities representing the international community and assists the City of Mobile and Mobile County in selected events.

In today's ever-shrinking world, where countries and cultures are increasingly required to interact and co-exist, Mobile International Festival serves as model for education and understanding between people of all different backgrounds.

Mr. Speaker, I am proud that my district plays host to this noble and important event. I believe the values it teaches are not only important for all Americans, but for all mankind, as we try to make our world a better place for future generations.

IN HONOR OF SOUTH PASADENA LITTLE LEAGUE

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. SCHIFF. Mr. Speaker, I rise today to honor South Pasadena Little League which will be celebrating its 50th anniversary on Saturday, March 9, 2002. For 50 years, South Pasadena Little League has offered youngsters an opportunity to enjoy the numerous benefits of organized athletics and community events.

South Pasadena Little League, at the time of its founding, was the only organized sport in the City of South Pasadena. Over the last half century, the league has grown considerably, and this season, over 700 young boys and girls, ranging in age from 5 to 14, will participate in baseball and softball.

The benefits of participation in South Pasadena Little League are extensive. Over the years, South Pasadena Little League has instilled in its participants a sense of character and loyalty and has set forth a framework to teach teamwork, sportsmanship, and fairplay. The league not only affects those who participate as athletes but also the entire community of spectators, parents, and donors. Each year, members of the community donate more than $20,000 to ensure the vitality of the league.

It is my pleasure to recognize such a worthwhile organization and I ask all Members of the United States House of Representatives to join me in congratulating South Pasadena Little League as they celebrate 50 years of offering young people a positive environment in which to grow and learn.

MALCOLM S. PRAY, JR. NAMED ''CITIZEN OF THE YEAR''

HON. CHRISTOPHER SHAYS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. SHAYS. Mr. Speaker, I rise to commend my constituent and good friend, Malcolm S. Pray, Jr. on being named ''Citizen of the Year'' by the Greenwich, Connecticut Rotary Club. I truly cannot think of an individual more deserving of this award.

Over the years, Malcolm's love of his town and dedication to serving the community have been exemplary. His civic activity in greater-Greenwich has truly run the gamut—ranging from the Boy Scouts, to the Boys and Girls Club, to the Greenwich Symphony, to the Garden Club and the Greenwich Red Cross.

As a prominent automobile dealer, Malcolm has served as president of state, national, and international automobile dealers trade associations. Whether chairing the Soap Box Derby or showing his impressive personal automobile collection to aficionados, Malcolm is equally at home and willing to share his passion for automobiles with others.

Greenwich is truly a better place to live and work thanks to Malcolm Pray, and it is an honor for me to join the Greenwich Rotary and his larger community in taking the opportunity to recognize his outstanding commitment by naming him ''Citizen of the Year.''

AMBASSADOR RICHARD SCHIFTER'S INSIGHTS ON THE RAOUL WALLENBERG CASE

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. LANTOS. Mr. Speaker, a few weeks ago the American Jewish Committee held an extremely interesting briefing on the case of Raoul Wallenberg, the Swedish diplomat who saved thousands of Hungarian Jews in the last days of the Holocaust of World War II. Wallenberg disappeared into the horrors of the Soviet Gulag in January of 1945, and his fate is still not known.

This event commemorated the twentieth anniversary of the designation of Raoul Wallenberg as an Honorary Citizen of the United States. The legislation to make Wallenberg an honorary U.S. citizen was my first congressional action when I entered Congress. I hoped that if Wallenberg were a U.S. citizen, our government would be in a stronger position in our attempt to find and free him. It also brought greater public attention to the Wallenberg story and his great courage and heroism.

Mr. Speaker, The American Jewish Committee event featured a number of people who have spent many years trying to solve the Wallenberg mystery. The Chair of AJC's International Relations Commission, Ambassador Richard Schifter, made remarks that were particularly insightful and important. Ambassador Shifter brings a wealth of experience as a senior United States diplomat and as a respected attorney. I would like to share his remarks with my colleagues, and request that they be placed in the RECORD.

[From AJC Lunch on Raoul Wallenberg, Feb. 13, 2002]

THE RAOUL WALLENBERG CASE

(By Ambassador Richard Schifter)

The cause of democracy, the rule of law, and human rights, the great product of the Enlightenment, is now for the third time in less than one hundred years under attack from totalitarians. As we move forward to deal with this latest onslaught, it is fitting for us to remember a great hero in the struggle against the first totalitarian attack, the Nazis, who, sadly, fell victim to the second, the communists.

It was in the hell on earth created by the evil forces at work two generations ago that Raoul Wallenberg, a man of decency and truly uncommon courage appeared in 1944. Arriving in Budapest in the summer of that year, he demonstrated what one courageous person committed to a righteous cause could accomplish in the fight against those who murder at will. Taking risks, using his ingenuity, working day and night out of the other neutral countries into action, he saved tens of thousands of Hungarian Jews from certain death.

Tom and Annette Lantos witnessed it all. And they did not forget. Tom must once again be thanked and congratulated for having provided a fitting memorial for Raoul Wallenberg's unforgettable accomplishments. Tom's very meaningful gesture is most certainly deeply appreciated by the Wallenberg family and by many other Swedes.

Although his cover was that of a Swedish diplomat, Raoul Wallenberg has volunteered for his work in Budapest as the representative of the United States War Refugee Board. It was that agency of the United States Government that provided him with the standing necessary to carry out the tasks that he undertook.

It is worth noting, in this context, that Wallenberg would not have gone to Budapest, the tens of thousand would not have been saved, and Tom and Annette Lantos might not be with us today if a bureaucratic coup had not been carried out in the Roosevelt Administration, with strong Congressional support, in January 1944. The persons who initiated the coup were four mid-level officials of the Treasury Department, John Pehle, Josiah DuBois, Randolph Paul, and Ansel Luxford.

These Treasury officials had become increasingly concerned with the failure of the State Department to lift a finger to assist in the rescue of those European Jews who had at least a slim chance of escaping the Nazi death machine. The State Department leadership consisted in those years of the Secretary, one Under Secretary, and four Assistant Secretaries.

The Assistant Secretary supervising the Visa Division, Breckinridge Long, had been given responsibility for European refugee policy. As to Jews his policy was very simply: don't let them come to the United States. Further, given the concerns of the British Foreign Office that Jews might want to migrate to the Mandate of Palestine, the United States, under Long's policies, was not to help in any rescue effort. As the United Kingdom had advised the United States: ''The Foreign Office are concerned with the difficulties of disposing of any considerable number of Jews should they be rescued from enemy occupied territory.'' It is evident that by letting them be killed, one avoided the difficulty of disposing of them.

Further, so as not even to get the issue discussed in Washington, the U.S. Legation in Bern, which was in receipt of information about the magnitude of the Holocaust, was explicitly instructed not to transmit such information to Washington.

But the United States Government had another mission in Bern. It was staffed by personnel from the Treasury Department's Division of Foreign Funds Control. Its task was to enforce the Trading-with-the-Enemy Act. It was that mission which continued to transmit information on the Holocaust and on the State Department's failure to take action. The four officials that I have mentioned, none of whom, I should note, was Jewish, became increasingly concerned and finally decided to write a report to the Secretary of the Treasury. It was entitled ''Report to the Secretary on the Acquiescence of This Government in the Murder of the Jews.'' It was a severe indictment of the State Department.

Secretary of the Treasury Morgenthau was quite shaken by the Report and decided to take it to President Roosevelt. Treasury also prepared a plan to take responsibility for refugees from the State Department and create a separate rescue agency. President Roosevelt accepted the plan, without even checking with the State Department. The Executive Order that established the War Refugee Board a few days later, and John W. Pehle, the leader of the Treasury Department effort, became its Executive Director.

The speed with which this bureaucratic coup was carried out—it all happened in a matter of days—was undoubtedly the result of the fact that if the Administration did not move forward without delay, Congress would enact legislation calling for the establishment of a refugee agency. The leader of eleven other Senators, including Senator Robert Taft of Ohio. It was this combination of

Treasury officials and Members of Congress that at long last got the United States engaged in the rescue effort, whose greatest hero is indeed Raoul Wallenberg.

It is thus particularly appropriate for this memorial event to take place on Capitol Hill. It is Congress that for decades has insisted that the foreign policy of the United States must be infused with moral content and it has succeeded. Tom Lantos, who has been witness to the history that we recount today, has been a truly outstanding leader in this effort. We are indebted to him.

TRIBUTE TO STUDENTS OF ALL SAINTS ACADEMY IN BREESE, ILLINOIS

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. SHIMKUS. Mr. Speaker, I rise today to pay tribute to the students of All Saints Academy in Breese, Illinois, and their important and heartwarming efforts to help those affected by terrorism.

On October 11th, 2001, President Bush made a request of the children of America. He challenged each of them to earn and send in one dollar. This money, sent by the kindness of the children of the United States, will be used to reach out to the unfortunate children in far off Afghanistan.

The students of All Saints heard and met that challenge. I recently received a check for $1,000, made out to America's Fund for Afghan Children—that's more than one dollar for each student in All Saints, and more than our President requested.

The students, parents, faculty, and members of the Breese community should be recognized for this fine effort. The terrorists believed they could accomplish their goals with the murder of American innocents; but the American citizens have responded with aid to the innocents of Afghanistan. Nothing else could better show how utterly Al Qaeda has failed.

Mr. Speaker, as President Bush said in his announcement of the Fund for Afghan Children, ''One of the truest weapons that we have against terrorism is to show the world the true strength of character of the American people.'' The children of All Saints have shown that character, and they deserve our thanks. May God bless them, and may God bless the United States of America.

PERSONAL EXPLANATION

HON. ANTHONY D. WEINER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. WEINER. Mr. Speaker, I was unavoidably detained in my District on Tuesday, March 12, 2002, and I would like the RECORD to indicate how I would have voted had I been present.

For rollcall vote No. 53, the bill to expand the class of beneficiaries who may apply for adjustment of status under section 245(i) of the Immigration and Nationality Act by extending the deadline for classification petition and labor certification filings, I would have voted ''aye.''

ENHANCED BORDER SECURITY AND VISA ENTRY REFORM ACT OF 2002

SPEECH OF

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 12, 2002

Mr. ORTIZ. Mr. Speaker, I want to thank Chairman SENSENBRENNER and Ranking Member CONYERS for bringing HR 1885 to the floor today. The issue of border security and the extension of section 245(i) are truly important issues, and I'm glad that they are being addressed. I support HR 1885, the Enhanced Border Security and Visa Entry Reform Act, for many reasons, namely because it insures safety for the people within this country's borders. This bill provides the tools necessary for the U.S. Customs and the Immigration and Naturalization Service to better serve the American people.

The bill also has a provision to extend the border crossing card deadline for residents along the Southwestern border of the United States. This extension will provide a much-needed boost to the economies that have suffered since the tragic attacks of September 11th. After the attacks, Congress stopped work on a stand-alone bill with bipartisan support to extend the deadline for one year to October 1, 2002. With this extension, shop owners that were forced to close their doors after the deadline passed will once again be able to open them. People granted the extension can use their border crossing cards to go to school, to go to work, to go shopping, or to just merely visit their families. They will continue being productive members of society of the border economy.

The Southwestern border, according to a recent U.S. Chamber of Commerce report, has a population of 6.2 million people in the U.S. and approximately 4.3 million people in Mexico. The buying power of border residents is immense and the economy of South Texas depends on their participation in our market place. In my district alone, 75–80% of Brownsville's downtown retail sales normally come from people crossing the border. Since September 11th this number has dropped. This same report also cites the border crossing card deadline as one of the main reasons that fewer people are crossing the border. The economic effects of the attacks in September were bad for the country; they were devastating for the Southwestern border.

The Southwestern border is vitally important to the United States. It is the gateway to the United States from Latin America, it is the port-of-entry for one of our most valued trading partners, and it represents the rich diversity of immigrants on which this country was founded. This bill is an excellent first step in recognizing that fact. Again, I thank Mr. SENSENBRENNER and Mr. CONYERS for their actions.

TRIBUTE TO JEANNE BRADY LORENZ, FIRST ANNUAL GOVERNOR'S UNSUNG HEROINE AWARDS HONOREE

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. BONIOR. Mr. Speaker, I rise today to recognize a woman who has dedicated so many years to serving her city and her community, Jeanne Lorenz. Her remarkable achievements have brought so many families and communities together in an effort to educate and promote racial and ethnic justice. As the Michigan Women's Commission held the First Annual Governor's Unsung Heroine Awards, they honored the contributions of women in communities across Michigan whose work has otherwise gone unrecognized. Gathering together on Tuesday, March 5, 2002, the Michigan Women's Commission chose to honor Jeanne Lorenz, a longtime friend and advocate of civil rights and community service.

A leader and an activist all her life, Jeanne Lorenz has lived her life by her principles and has dedicated her life to teaching these principles to others. As an active member of the Interfaith Center for Racial Justice in Macomb County for over 30 years and Secretary of its Executive Board for more than 20 years, her efforts for her community have been truly selfless. Beginning in 1971 with monitoring the local newspapers and courts and organizing a program called Peaceful Schools during anti-bussing demonstrations, Jeanne participated in a wide variety of activities to promote civil rights. As one of the primary cooks for the first few annual Martin Luther King Holiday Celebrations in Macomb County, an event which raised money to purchase books on racial diversity for school libraries, Jeanne was integral in the fight to promote racial understanding in her community. This determination and commitment to civil rights led her to help defuse racial tensions at a local high school at the request of the Lake Shore Schools superintendent. Forming an advisory group to relieve racial tensions, she helped this group later evolve into the Committee for Racial and Ethnic Understanding, a group that provided a forum for communication and sponsored ethnic fairs.

Demonstrating outstanding dedication and commitment throughout the years, Jeanne Lorenz has also been active in community outreach, working in programs that have helped advance her local community. An active member of St. Gertrude's Church, Jeanne served as the first elected female president of the St. Gertrude Parish Council and served on the Christian Service Commission. Using her training as a home economics teacher, Jeanne organized a funeral luncheon program at St, Gertrude's Church in St. Clair Shores and prepares and serves meals periodically with her volunteers at the Salvation Army in Mount Clemens. She also cooks for the McRest Homeless Shelter program at her church and directs the kitchen crew at the Interfaith Care Givers' Annual Spaghetti Fund Raiser. Jeanne Lorenz's crusade to raise the standards of activism and community outreach programs is one that will be remembered by citizens of this community for years to come.

I applaud Jeanne Lorenz for her leadership and commitment, and thank her for dedicating her life to serving her city and her community. I urge my colleagues to join me in saluting her for her exemplary years of service.

TRIBUTE TO DALY CITY FIRE CHIEF BOB O'DONNELL

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. LANTOS. Mr. Speaker, I invite my colleagues to join me today in paying tribute to one of the San Francisco Bay Area's most dedicated and distinguished public servants, recently retired Daly City Fire Chief Bob O'Donnell. During Chief O'Donnell's remarkable thirty year career in the Fire Department he left an indelible legacy on the community he served with extraordinary passion and professionalism.

In the wake of September 11th, the American people have come to better understand the heroic commitment of our nations firefighters in serving the public. Risking life and limb to protect the community is part of their daily job. Bob O'Donnell lived up to the highest ideals of public service through his thoughtful leadership, and we should all thank him for his outstanding labors on behalf of the people of San Mateo.

As a young boy, Bob O'Donnell dreamed of becoming a fire fighter, and that dream was realized when, in 1972, at the age of twenty-six, he joined the San Mateo Fire Department. His leadership skills and talent did not go unnoticed and was promoted to Fire Engine Operator in 1979, and then quickly rose to Fire Captain. By 1985, Bob was awarded the highest of honors when he was named firefighter of the year of Daly City. A year later, he was named Administrative Battalion Chief and then Operations Battalion Chief.

In 1997, his service record and leadership skills brought him to the pinnacle of his profession, Fire Chief of Daly City. During his thirty years in service, Bob became a forerunner in the field of fire safety by becoming one of the state's most active proponents of fire prevention and community fire safety education programs. From 1989 through 1996, he served as the department's Public Education Coordinator and led numerous efforts to educate the community on fire safety.

Chief O'Donnell's list of accomplishments is long. In the mid-80's he successfully fought for grants which secured smoke detectors for low-income citizens. His integrity as well as the respect he garnered from his fellow firefighters made him the natural choice to lead efforts in integrating women into the Daly City fire department in 1986. His sensitivity and leadership in the matter made Daly City a model for other fire departments. As Fire Chief, Bob O'Donnell's leadership was pivotal in developing a nationally recognized Joint Partnership Agreement engine-based paramedic program, which involved seventeen in-house paramedics. He coordinated the Vegetation Management Program to remove the highly flammable gorse plants in Daly City's Southern Hill section, thereby changing the area from a very high fire hazard zone to a low hazard zone. Daly City was the first to achieve this feat in California.

Chief O'Donnell's presence will be sorely missed at the fire houses of Daly City, but his legacy of achievement will continue to inspire the brotherhood of professional firefighters. I hope he enjoys his retirement, he's earned it.

PROCLAMATION RECOGNIZING FIREFIGHTER WILLIAM L. HENRY—RESCUE TEAM NO. 1

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. OWENS. Mr. Speaker, as a tribute to Firefighter William L. Henry of Rescue Team Number 1, a member of the Vulcan's Society and one of the fallen heroes of September 11th, I would like to insert the following proclamation into the RECORD:

Whereas, September 11, 2001 was a day of horror and tragedy that will forever live in the memory of Americans, and;

Whereas, more than 3,000 people from many occupations, nationalities, ethnic groups, religions and creeds were brutally murdered by terrorists, and;

Whereas, members of the New York City Fire Department, New York City Police Department, Port Authority and other Public Safety Personnel, through their valiant, courageous and heroic efforts saved the lives of thousands under unprecedented destructive circumstances; and;

Whereas, more than 300 New York City Firefighters lost their lives in the effort to save others, and

Whereas, Congressman Major R. Owens and the people of the 11th Congressional District salute the bravery and dedication of all who gave their full measure of devotion, and;

Whereas, we deem it appropriate to highlight the courage and valor of individuals and groups in a variety of forms and ceremonies: Now therefore be it

Resolved: That on this 10th Day of March, Two Thousand and Two, Congressman Major R. Owens, and representatives of the people of the 11th Congressional District, pause to salute the sacrifices of these honored men, and to offer their heartfelt condolences to families of these African American Firefighters who died at the World Trade Center on September 11, 2001.

That the text of this resolution shall be placed in the Congressional Record of the United States House of Representatives.

Given by my hand and seal this 10th day of March, Two Thousand and Two in the Year of our Lord.

JIM ROWAN: TIP O'NEILL'S RIGHT-HAND MAN

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. RANGEL. Mr. Speaker, I rise to commend to my colleagues an obituary which appeared in the Boston Herald reporting on the death—and some of the attributes—of dear friend James Rowan, Sr.

I've known Jim since his years of service with Speaker of the House Thomas "Tip" O'Neill. We worked together in Washington, traveled the world together with the Speaker, and had a brotherly love and friendship that was shared by our families.

Just as I will never forget my friend Tip O'Neill, I will forever keep with me the many happy memories of my times with Jim Rowan.

My wife Alma and I extend our prayers to Francis and the family, and share in their grief over the loss of a great husband, father and friend.

[From the Boston Herald, Mar. 13, 2002]

JAMES ROWAN SR., AIDE TO HOUSE SPEAKER O'NEILL

James P. Rowan Sr. of East Boston, a senior political aide to the late House Speaker Thomas P. O'Neill Jr., died Sunday at his home, after heart failure due to a brief illness. He was 79.

"Jim Rowan was one of Tip O'Neill's right-hand guys, especially on the Massachusetts front. He was full of colorful stories and had a great heart. Few were better at hearing a working person's problem and pushing the right buttoms in the federal bureaucracy to get it solved," said Herald political columnist Wayne Woodlief.

A lifelong resident of East Boston, Mr. Rowan attended the High School of Commerce in Boston, the University of Missouri and Suffolk University. He also studied at Calvin Coolidge School of Law.

He served with the Navy in the Pacific for two years during World War II.

Mr. Rowan joined the Massachusetts House member's staff in 1953 and was a senior political aide to Speaker O'Neill for 33 years. He served as O'Neill's coordinator for district service programs and political affairs until the House speaker's retirement in early 1987. He also served as a consultant for the Democratic Congressional Campaign Committee for several years beginning in the late 1960s, when O'Neill was national chairman of the group.

During the past 14 years, he had served as a senior consultant to Cassidy and Associates, Washington, D.C., and specialized in international issues. He was also president of J.P.R. Consulting Inc., Boston. He had previously served as an insurance broker and a Boston area bank director.

Mr. Rowan had brief roles in two motion pictures. He was an avid racing enthusiast and owned horses that ran at several eastern state race tracks.

Mr. Rowan is survived by his wife, Francis (Brown); two sons, Daniel and James P. Jr., both of East Boston; and his sister, Frances of East Boston.

A funeral Mass will be celebrated at 10 a.m. Friday at Out Lady of the Assumption Church, East Boston.

A memorial service will be conducted in Washington, D.C., at a later date.

His ashes will be scattered at Saratoga Race Course, Saratoga Springs, N.Y., during the August meet.

Arrangements by McGrath Funeral Home, East Boston.

RECOGNIZING HAMMEL ELEMENTARY SCHOOL'S QUILT OF CARING

HON. HILDA L. SOLIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Ms. SOLIS. Mr. Speaker, I rise today to thank and congratulate the students of

Hammel Elementary School for working tirelessly on the Quilts of Caring ("tapiz de carino"). These handmade quilts, which they painstakingly pieced together, symbolize their commitment to remembering America's fallen heroes of Sept. 11, 2001. This project became a reality during the past six months because of the hardworking efforts of the entire community of Hammel Elementary—students, parents, teachers and neighborhood friends who all joined together to create nine beautiful quilts.

Hammel Elementary School's administrator, psychiatric social worker, school psychologist and parents united their volunteer efforts to assist the students in creating the nine quilts that have been sent to my district and Washington offices, the Pentagon, New York Police Department, the Fire Department of New York, East Los Angeles Sheriff's Station, Los Angeles County Fire Department and the White House. It gives me great pride to present such a fine multi-cultural message of love, faith, unity and support that is depicted in each quilt.

It is evident that the children from Hammel Elementary share a common vision for a healthier and more peaceful future, and I am proud that they have not surrendered to hateful messages of violence or vengeance.

I commend the students and surrounding community members of Hammel Elementary and thank them for portraying such wonderful act of kindness and patriotism that serve as a positive reflection of humanity for the entire nation.

PROCLAMATION RECOGNIZING, SALUTING AND COMMENDING FIREFIGHTER ANDRE FLETCHER—RESCUE TEAM NO. 5

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. OWENS. Mr. Speaker, as a tribute to Firefighter Andre Fletcher of Rescue Team Number 5, a member of the Vulcan's Society and one of the fallen heroes of September 11th, I would like to insert the following proclamation into the RECORD:

Whereas, September 11, 2001 was a day of horror and tragedy that will forever live in the memory of Americans, and,

Whereas, More than 3,000 people from many occupations, nationalities, ethnic groups, religions and creeds were brutally murdered by terrorists, and;

Whereas, Members of the New York City Fire Department, New York City Police Department, Port Authority and other Public Safety Personnel, through their valiant, courageous and heroic efforts saved the lives of thousands under unprecedented destructive circumstances, and,

Whereas, More than 300 New York City Firefighters lost their lives in the effort to save others, and

Whereas, Congressman Major R. Owens and the people of the 11th Congressional District salute the bravery and dedication of all who gave their full measure of devotion, and;

Whereas, We deem it appropriate to highlight the courage and valor of individuals and groups in variety of forms and ceremonies. Now therefore, be it

Resolved, That on this 10th Day of March, Two Thousand and Two, Congressman Major R. Owens, and representative, of the people of the 11th Congressional District, pause to salute the sacrifices of these honored men, and to offer their heartfelt condolences to families of these African American Firefighters who died at the World Trade Center on September 11, 2001.

That the text of this resolution shall be placed in the Congressional Record of the United States House of Representatives.

Given by my hand and seal this 10th day of March, Two Thousand and Two in the Year of our Lord.

GARY BOGNER: INTERNATIONAL AMBASSADOR OF BOW HUNTING

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. BARCIA. Mr. Speaker, I rise today to honor my good friend and fellow bow hunter, Gary Bogner, as he prepares for his new role as President of Safari Club International and the Safari Club International Foundation. Gary and I share a love of big game hunting and I have enormous respect and admiration for him as a hunter and as a leader in wildlife conservation.

A native of Muskegon, Michigan, Gary traces his passion for the outdoors to his youth when he first began hunting small game and whitetail deer. The son of a Michigan Conservation Officer, Gary quickly developed a zeal for wildlife conservation and hunting, especially bow hunting. By age 17, he owned an archery shop and was producing arrows for local archers. Today, after more than 45 years devoted to archery and bow hunting, Gary is known as the "International Ambassador of Bow Hunting."

An avid sportsman, Gary's hunting skills and achievements are legendary throughout the world. He has hunted five continents and has harvested over 60 different big game species with his bow. He was the first bow hunter to hunt the former Soviet Union and take a Russian Kamchalka brown bear, Russian Saiga antelope, Chukotka moose, Sika stag and a Marco Polo Argali sheep. He holds an astounding number of hunting records. Gary has taken over 25 African species of big game animals and his white rhino currently ranks as the top one ever taken with a bow. In North America, he has more than 29 big game species to his credit, including his Safari Club International top-ranked polar bear. Gary is only the fifth bow-hunter to successfully complete the North American Super Slam, harvesting all 28 North American big game animals with a bow and arrow. He also is currently the only bow hunter to have taken a Marco Polo sheep with a bow and arrow.

In 1995, Gary earned the Safari Club International World Bow Hunters Hall-of-Honor Award for exhibiting the highest degree of integrity, success in the field and lifetime contribution to the past and future growth of bow hunting and archery. He deeply believes, as do I, that wildlife is a renewable resource and that hunting plays an important role in its management. Gary credits his wife, Nanette; sons, Gary Jr. and Chris; and, daughter, Kimberly, with allowing him to pursue and achieve his dreams

Mr. Speaker, I ask my colleagues to join me in applauding Gary Bogner for his many contributions. I am confident he will continue to shoot straight and true on behalf of hunters, archers and wildlife conservationists throughout the world.

PROCLAMATION RECOGNIZING, SALUTING AND COMMENDING FIREFIGHTER KEITH GLASCOE—LADDER NO. 21

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. OWENS. Mr. Speaker, as a tribute to Firefighter Keith Glascoe of Ladder Number 21, a member of the Vulcan's Society and one of the fallen heroes of September 11th, I would like to insert the following proclamation into the RECORD:

Whereas, September 11, 2001 was a day of horror and tragedy that will forever live in the memory of Americans, and;

Whereas, more than 3,000 people from many occupations, nationalities, ethnic groups, religions and creeds were brutally murdered by terrorists, and;

Whereas, members of the New York City Fire Department, New York City Police Department, Port Authority and other Public Safety Personnel, through their valiant, courageous and heroic efforts saved the lives of thousands under unprecedented destructive circumstances, and;

Whereas, more than 300 New York City Firefighters lost their lives in the effort to save others, and;

Whereas, Congressman Major R. Owens and the people of the 11th Congressional District salute the bravery and dedication of all who gave their full measure of devotion, and;

Whereas, we deem it appropriate to highlight the courage and valor of individuals and groups in variety of forms and ceremonies: Now therefore be it

Resolved: That on this 10th Day of March, Two Thousand and Two, Congressman Major R. Owens, and representatives of the people of the 11th Congressional District, pause to salute the sacrifices of these honored men, and to offer their heartfelt condolences to families of these African American Firefighters who died at the World Trade Center on September 11, 2001.

That the text of this resolution shall be placed in the Congressional Record of the United States House of Representatives.

Given by my hand and seal this l0th day of March, Two Thousand and Two in the Year of our Lord.

IN HONOR OF OUR GOOD FRIEND, JAMES P. ROWAN, SR.

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. GILMAN. Mr. Speaker, colleagues, and friends, it is with deep sorrow that I address our distinguished body today to announce the passing of a committed Bostonian, a devout patriot, and our good friend, Jim Rowan, at age 79.

For 33 years, Jim Rowan served as a senior political aide to our former Speaker, Thomas "Tip" O'Neill, Jr.

For the last 14 years, Jim has served as a senior consultant to the Washington firm of Cassidy and Associates, specializing in international issues, and he was president of J.P.R. Consulting, Inc.

A life-long resident of East Boston, Jim attended the High School of Commerce, the University of Missouri, the Suffolk University, and studied at the Calvin Coolidge School of Law.

During the Second World War, Jim honorably served 2 years in the U.S. Navy in the Pacific Theater.

In 1953, Jim Rowan joined Speaker Tip O'Neill's staff, serving as district representative, friend, and counsel, until the Speaker's retirement in 1987.

During the 1960's, Jim also served as a consultant for the Democratic Congressional Campaign Committee, while Speaker O'Neill was its national chairman.

Jim Rowan had a lust for life. Honesty, integrity, his leadership and colorful character will sorely be missed.

Jim Rowan's commitment to the people of Boston, particularly to East Boston, his endearing home, has served our Nation well.

Jim Rowan was one of my closest friends. My wife, Georgia, and I are deeply saddened by his passing.

Along with his many friends in the House of Representatives, in Boston, and around the world, we extend our deepest condolences to his wife, Frances, and his two his sons, James Jr. and Dan.

Jim was a great man, a great friend. He lived his life to the fullest.

A racing enthusiast, Jim owned a number of race horses, and, much like the race itself, it is a fitting tribute to Jim's life and spirit, that his ashes are to be spread at the Saratoga Race Course.

I know that this House, this chapel of the people, mourns the loss of this ''Bishop of Boston,'' A man of the people, our dear friend, James P. Rowan, Sr.

For his friends and family, Jim's wake will be held this Wednesday and Thursday from 5 o'clock p.m. until 9 o'clock p.m. at the McGrath Funeral Home on 325 Chelsea Street, in East Boston.

A mass will be held this Friday, March 15th at Our Lady of the Assumption Church, 404 Sumner Street, in East Boston.

Following the mass, Jim's friends and family will be gathering at the Airport Hilton to celebrate his life, his legacy, and his many achievements; and a ceremony in Washington at a later date.

God bless you, Jim may you rest in peace. We thank you for your companionship.

PROCLAMATION RECOGNIZING, SALUTING AND COMMENDING FIREFIGHTER KEITHROY MAYNARD—ENGINE NUMBER 33

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. OWENS. Mr. Speaker, as a Tribute to Firefighter Keithroy Maynard of Engine Number 33, a member of the Vulcan's Society and one of the fallen heroes of September 11th, I would like to insert the following proclamation into the RECORD:

Whereas, September 11, 2001 was a day of horror and tragedy that will forever live in the memory Americans, and;

Whereas, more than 3,000 people from many occupations, nationalities, ethnic groups, religions and creeds were brutally murdered by terrorists, and;

Whereas, members of the New York City Fire Department, New York City Police Department, Port Authority and other Public Safety Personnel, through their valiant, courageous and heroic efforts saved the lives of thousands under unprecedented destructive circumstances, and;

Whereas, more than 300 New York City Firefighters lost their lives in the effort to save others, and;

Whereas, Congressman Major R. Owens and the people of the 11th Congressional District salute the bravery and dedication of all who gave their full measure of devotion, and;

Whereas, we deem it appropriate to highlight the courage and valor of individuals and groups in a variety of forms and ceremonies now, therefore, be it

Resolved: That on this 10th Day of March, Two Thousand and Two, Congressman Major R. Owens, and representatives of the people of the 11th Congressional District, pause to salute the sacrifices of these honored men, and offer their heartfelt condolences to families of these African American Firefighters who died at the World Trade Center on September 11, 2001.

That the text of this resolution shall be placed in the Congressional Record of the United States House of Representatives.

Given by my hand and seal this 10th day of March, Two Thousand and Two in the Year of our Lord.

''NUCLEAR TRANSPLANTATION''

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. HOLT. Mr. Speaker, the universal use of the term ''cloning'' to describe many procedures can be very misleading. I submit for the RECORD an article from the journal Science by Bert Vogelstein, Bruce Alberts, and Kenneth Shine that suggests the adoption of the term ''nuclear transplantation'' to describe what is now called ''therapeutic cloning'' to more accurately portray the technique. I commend it to my colleagues.

PLEASE DON'T CALL IT CLONING!

Scientists rely on a dialect of specialized terminology to communicate precise descriptions of scientific phenomena to each other. In general, that practice has served the community well—novel terms are created when needed to document new findings, behaviors, structures, or principles. The lexicon of science is constantly evolving. Scientists who are fluent in the language of any specific discipline can speak to one another using shorthand expressions from this dialect and can convey an exact understanding of their intended meanings. However, when the scientific shorthand makes its way to the nonscientific public; there is a potential for such meaning to be lost or misunderstood, and for the terminology to become associated with research or applications for which it is inappropriate.

In scientific parlance, cloning is a broadly used, shorthand term that refers to producing a copy of some biological entity—a gene, an organism, a cell—an objective that, in many cases, can be achieved by means other than the technique known as somatic cell nuclear transfer. Bacteria clone themselves by repeated fission. Plants reproduce clonally through asexual means and by vegetative regeneration.

Much confusion has arisen in the public, in that cloning seems to have become almost synonymous with somatic cell nuclear transfer, a procedure that can be used for many different purposes. Only one of these purposes involves an intention to create a clone of the organism (for example, a human). Legislation passed by the House of Representatives and under consideration in the U.S. Senate to ban the cloning of human beings actually proscribes somatic cell nuclear transfer—that is, any procedure in which a human somatic cell nucleus is transferred into an oocyte whose own nucleus has been removed. As Donald Kennedy remarked in a Science editorial last year, the legislation would interdict a wide range of experimental procedures that in the near future, might become both medically useful and morally acceptable.

A law that would make it illegal to create embryonic stem cells by using somatic cell nuclear transfer would foreclose at least two important avenues of investigation. First, the technique shows promise to overcome the anticipated problem of immune rejection in stem cell-based therapies to replace a patient's diseased or damaged tissue. Creating stem cells with the patient's own nuclear gernome might theotically eliminate tissue rejection. Second creating stem cell lines by using the somatic cell nuclei of individuals with heritable diseases offers an unprecedented opportunity to study genetic disorders as they unfold during cellular development.

Both of these goals have nothing to do with producing a human being. They may be caught up in the proposed legislation in part because of misunderstood scientific jargon—namely, the casual use of the term ''therapeutic cloning'' to describe stem cells made for research in regenerative medicine using somatic cell nuclear transfer. What is worse, the already blurred distinction between these two very different avenues of investigation has been compounded by the interchangeable use of human cloning with therapeutic cloning by those who suggest that cloning a human being is a ''therapeutic'' treatment for infertility.

The term cloning, we believe, is properly associated with the ultimate outcome or objective of the research, not the mechanism or techniques used to achieve that objective. The goal of creating a nearly identical genetic copy of a human being is consistent with the term human reproductive cloning, but the goal of creating stem cells for rengenative medicine is not consistent with the term therapeutic cloning. The objective of the latter is not to create a copy of the potential tissue recipient, but rather to make tissue that is genetically compatible with that of the recipient. Although it may have been conceived as a simple term to help lay people distinguish two different applications of somatic cell nuclear transfer, ''therapeutic cloning'' is conceptually inaccurate and misleading, and should be abandoned.

It is in the interest of the scientific community to clearly articulate the differences between stem cell research and human cloning. Most scientists agree that cloning a human being, aside from the moral or ethical issues, is unsafe under present conditions. A recently released National Academy of Sciences report details the considerable problems observed in the use of somatic cell nuclear transfer for animal reproduction and concludes that cloning of human beings

should be prohibited. But the report also notes the substantial medical and scientific potential of stem cell lines created by using this technique.

More careful use of terminology would help the public and lawmakers sort out the substantial differences between nuclear transplantation and human reproductive cloning. One place to start is to find a more appropriate term for the use of somatic cell nuclear transfer to create stem cells. We propose the term ''nuclear transplantation,'' which captures the concept of the cell nucleus and its genetic material being moved from one cell to another, as well as the nuance of ''transplantation,'' an objective of regenerative medicine.

Legislators attempting to define good public policy regarding human cloning need the scientific community to be clear about the science, and to be clear when they speak to the public about it. Adopting the term nuclear transplantation in relation to stem cell research would be more precise, and it would help to untangle these two very different paths of investigation.

PROCLAMATION RECOGNIZING, SALUTING AND COMMENDING FIREFIGHTER VERNON CHERRY—LADDER NO. 118

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. OWENS. Mr. Speaker, as a Tribute to Firefighter Vernon Cherry of Ladder Number 118, a member of the Vulcan's Society and one of the fallen heroes of September 11th, I would like to insert the following proclamation into the record:

Whereas, September 11, 2001 was a day of horror and tragedy that will forever live in the memory of Americans, and;

Whereas, more than 3,000 people from many occupations, nationalities, ethnic groups, religions and creeds were brutally murdered by terrorists, and;

Whereas, members of the New York City Fire Department, New York City Police Department, Port Authority and other Public Safety Personnel, through their valiant, courageous and heroic efforts saved the lives of thousands under unprecedented destructive circumstances, and;

Whereas, more than 300 New York City Firefighters lost their lives in the effort to save others, and;

Whereas, Congressman Major R. Owens and the people of the 11th Congressional District salute the bravery and dedication of all who gave their full measure of devotion, and;

Whereas, we deem it appropriate to highlight the courage and valor of individuals and groups in a variety of forms and ceremonies: Now, therefore be it

Resolved: That on this 1Oth Day of March, Two Thousand and Two, Congressman Major R. Owens, and representatives of the people of the 11th Congressional District, pause to salute the sacrifices of these honored men, and to offer their heartfelt condolences to families of these African American Firefighters who died at the World Trade Center on September 11, 2001.

That the text of this resolution shall be placed in the Congressional Record of the United States House of Representatives.

Given by my hand and seal this 10th day of March, Two Thousand and Two in the Year of our Lord.

TRIBUTE TO HOMER DREW

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. VISCLOSKY. Mr. Speaker, it is with great honor and esteem that I wish to congratulate Homer Drew, head coach of the men's basketball team at Valparaiso University, located in Valparaiso, Indiana, for achieving his 500th victory on February 21, 2002. Coach Drew is the embodiment of the true spirit of college athletics. He emphasizes teamwork, scholastic excellence, and community involvement. The people of Valparaiso as well as the entire Northwest Indiana community can be proud of the positive influence he has had on our youth.

A native of St. Louis, Missouri, Homer received Bachelors of Arts degrees in physical education and social studies from William Jewell College in Liberty, Missouri in 1966 and later earned his Master of Arts degree in education at Washington University in St. Louis and his Doctorate in educational administration from Andrews University in Berrien Springs, Michigan. His coaching career began in 1971 as an assistant at Washington State University, where he spent one season before moving to Louisiana State University as an assistant to legendary coach Dale Brown.

Coach Drew earned his first head-coaching job at Bethel College in Mishawaka, Indiana in 1976. During his 11 seasons at Bethel, his teams compiled a record of 252–110, making the National Association of Intercollegiate Athletics (NAIA) and National Christian College Athletic Association (NCCAA) playoffs each year. He was honored as the NCCAA District Coach of the Year during five of those eleven seasons. In 1987 Coach Drew became the head coach at Indiana University-South Bend, where he inspired a team which had won only six games the previous season and led them to a 17–12 record, the first winning season in school history.

Homer Drew was hired as the head basketball coach of Valparaiso University prior to the 1988–1989 season, and it marked a turning point not only for the basketball program but the university and community as a whole. His personal commitment to faith, family, and service has carried over into professional excellence. He has earned more victories than any other head coach in school history after leading the Crusaders to a record of 235–184 in his 14 years at Valparaiso University, including guiding this year's team to a school record 25 victories. He has been named Mid-Continent Conference Coach of the Year four times, and has led the Crusaders to the NCAA Tournament five times in the last six years. His teams have won the Mid-Continent conference regular season and tournament championships in six of the last eight years, and have captured either the regular season or tournament championship each year during that time.

Coach Drew brought national attention to himself and the university in 1998, when he coached the Crusaders to an upset victory over nationally ranked Mississippi in the NCAA Tournament. An experienced team led by Homer's son, Bryce Drew, the Crusaders defeated Florida State in the second round of the tournament to advance to the Sweet Sixteen. The national media focused its attention on the small school from Northwest Indiana and marveled not only at the success of the team, but at the kindness and graciousness of the players and their coach. The nation learned what we in Northwest Indiana already knew; that Homer Drew is an outstanding role model for the youth who put their trust in him.

Beyond his exceptional professional achievements, Homer Drew takes significant pride in his personal activities within his community. He is an active civic speaker who has created numerous community activities in which his players and coaches participate. In 1998, Drew was honored with the prestigious Naismith Good Sportsmanship Award, given by the Naismith International Basketball Foundation. He has also been awarded with the Lumen Christi Medal, Valparaiso University's highest honor, in recognition of a lay person's distinguished service to church and society. Coach Drew admits that one of his finest achievements is that he has sent over 50 of his players into either the coaching and/or teaching profession. A dedicated family man, Drew enjoys spending much of his free time with his wife, Janet, and their three children, Scott, the associate head coach of the Crusaders, Dana, and Bryce.

Mr. Speaker, I ask that you and my other distinguished colleagues join me in congratulating Coach Homer Drew of Valparaiso University for achieving his 500th victory as a head basketball coach. His leadership both on and off the basketball court is valuable resource to the Northwest Indiana community, and I hope that we will benefit from his influence for many years to come.

ENHANCED BORDER SECURITY AND VISA ENTRY REFORM ACT OF 2002

SPEECH OF

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 12, 2002

Mr. RANGEL. Mr. Speaker, I rise today in strong support of the extension of section 245(i) that was included in House Resolution 365, the Enhanced Border Security and Visa Entry Reform Act of 2002.

This extension is long over due. Nearly one year ago, this provision expired and we have gone back and forth between the House and the Senate on the particulars of something we all know is a necessary and prudent piece of legislation. Extending section 245(i) will provide needed relief to the community that is the base of our society and I am proud to stand with my colleagues in support of this measure.

However, this resolution simply does not go far enough. By only helping a narrow group of people, we do not assist all those we are capable of aiding and we do not right the wrong of eliminating section 245(i). Furthermore the restrictions present in this extension will only continue to confuse people about eligibility and giving people false hope of staying with their families and continuing to pursue their American Dream. Only when we reinstate section 245(i) will we have fully acknowledged the fundamental importance of family unification and the contribution of immigrants to our nation. This is an important first step in that direction.

I am especially dismayed that the resolution came within one vote of being rejected by the House. Just last summer, it passed by a landslide. The obvious explanation for this dramatic change is the attacks of September 11th. Ironically, the previous bill extending section 245(i) was scheduled to be voted on for enactment on the day of the attacks. Six months later, it struggled to make it out of the House.

Some would argue that it is these attacks, committed by people from countries other than our own that have changed our viewpoints on immigrants. This is an overly simplistic explanation. While it is certainly expected that these attacks would make us more acutely aware of the enemies we face, we cannot blame the terrorists that carried out these horrific attacks for the anti-immigrant sentiment that was articulated in this chamber during the debate on this resolution. We are the ones responsible for this attitude.

We can never undo what was done against us and we can never fully understand the evil that lurked in the hearts of these men. But we can control what impact they have upon our lives. We should not allow fear to become the guiding principle, but should stand strong for the principles our country are founded on. Punishing our hard working, committed, and American, in every sense of the word, immigrant community is not the answer.

We are headed in the right direction with H. Res. 365, but it is only a step. There is much more work to be done.

HONORING THE LIFE OF VERA PÉREZ (1933–2002)

HON. HILDA L. SOLIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Ms. SOLIS. Mr. Speaker, I rise today to pay tribute to Mrs. Vera Pérez. Vera was born in 1933 in Los Angeles and raised by Pete Acosta, a single father. She and her sister, Natalia, spent much of their formative years in boarding schools and boarding houses, only really able to spend Sundays with their father.

As a young woman, Vera worked in a factory. In the 1970s she completed the CETA training program and began working at the Older Residents Medical Screening Program (ORMSP) as a receptionist. ORMSP is a nonprofit healthcare company that provides free medical screening for senior citizens in the East side of Los Angeles. Through her 18 years at ORMSP, Vera advanced from receptionist to data specialist and eventually was running the program when she retired in 1995.

Vera and her husband, Felipe, had five children: Diana, Lisa, Yvette, Phillip and John; and four grandchildren. In addition, Vera had an active hand in raising her four nephews and nieces, including Antonio Villaraigosa, who went on to be the Speaker of the California State Assembly.

Vera Pérez died on March 5, 2002. She will be dearly missed by her loving family and friends.

PLANET MARS

HON. JOHN COOKSEY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. COOKSEY. Mr. Speaker, We are better prepared to go to the planet Mars today than to the Moon in 1961. The reasons to go are compelling and the goal is within reach.

Like the Moon Race, exploring Mars will have benefits here on Earth, revitalizing our economy and society like no other challenge. America's wealth today testifies to space exploration's past return-on-investment in communications, computers, and advanced materials. Mars exploration will bring to all of us a positive and dynamic vision of the future—a goal to achieve, a dream to make real.

As the planet most like Earth, Mars should be the next focus of space exploration. We have sent many robots to explore Mars for us, but their abilities are limited. It's time to go there ourselves.

We have the means to explore and settle Mars in the near-term on only a fraction of NASA's current budget, but work is needed to refine key technologies like space suits and life support systems. The targeted investment of a modest 1% of NASA's annual budget can achieve these advances. Adequate funds would remain for NASA's other priorities today, while we prepare for the day in the very near future when Americans again walk on another world.

The time to plan our next giant leap is now. It's our future, let's make it happen.

PROCLAMATION RECOGNIZING, SALUTING AND COMMENDING FIREFIGHTER LEON SMITH, JR.—LADDER NUMBER 118

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. OWENS. Mr. Speaker, as a Tribute to Firefighter Leon Smith, Jr. of Ladder Number 118, a member of the Vulcan's Society and one of the fallen heroes of September 11th, I would like to insert the following proclamation into the RECORD:

Whereas, September 11, 2001 was a day of horror and tragedy that will forever live in the memory of Americans, and;

Whereas, more than 3,000 people from many occupations, nationalities, ethnic groups, religions and creeds were brutally murdered by terrorists, and;

Whereas, members of the New York City Fire Department, New York City Police Department, Port Authority and other Public Safety Personnel, through their valiant, courageous and heroic efforts saved the lives of thousands under unprecedented destructive circumstances, and;

Whereas, more than 300 New York City Firefighters lost their lives in the effort to save others, and;

Whereas, Congressman Major R. Owens and the people of the 11th Congressional District salute the bravery and dedication of all who gave their full measure of devotion, and;

Whereas, we deem it appropriate to highlight the courage and valor of individuals and groups in a variety of forms and ceremonies: Now therefore be it

Resolved: That on this 10th Day of March, Two Thousand and Two, Congressman Major R. Owens, and representatives of the people of the 11th Congressional District, pause to salute the sacrifices of these honored men, and offer their heartfelt condolences to families of these African American Firefighters who died at the World Trade Center on September 11, 2001.

That the text of this resolution shall be placed in the CONGRESSIONAL RECORD of the United States House of Representatives.

Given by my hand and seal this 10th day of March, Two Thousand and Two in the Year of our Lord.

CONGRESSMAN RANDY FORBES COMMENDING THE GIRL SCOUTS OF THE U.S.A. ON THEIR 90TH ANNIVERSARY

HON. J. RANDY FORBES

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. FORBES. Mr. Speaker, I rise today to commend the Girl Scouts of the U.S.A. on their 90th Anniversary. The Girl Scouts are a quintessential American institution that has exported its successful strategy to 140 countries, and a worldwide family of 8.5 million girls. The Girls Scouts represent the largest voluntary organization for girls in the world.

Juliette Gordon Low, who believed that all girls should have the opportunity to develop physically, mentally, and spiritually, formed the Girl Scouts this week in 1912. Congress first chartered the Girl Scouts of the U.S.A. on March 16, 1950. Since that time, the Girl Scouts have grown to over 3.8 million members throughout America.

The Girl Scouts have held true to their mission to help all girls grow strong and develop their full potential. The Girl Scout Promise compels each young Girl Scout to be their best by pledging: ''On my honor, I will try; To serve God and my country, To help people at all times, And top live by the Girl Scout Law.''

Now more than ever, the young women of America needs the Girl Scout's positive message and leadership. The Girl Scouts provide an environment where girls are challenged and guided to become capable, self-reliant, ethical women who will make a difference.

Again, Mr. Speaker, I commend the Girl Scouts of the U.S.A. on their 90th Anniversary and their invaluable contributions to the upbringing of America's young women. I congratulate the Girl Scouts and thank all those who have contributed their time, energy, and love in making this organization an American success story.

PROCLAMATION RECOGNIZING, SALUTING AND COMMENDING FIREFIGHTER KARL JOSEPH-ENGINE NO. 207

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. OWENS. Mr. Speaker, as a Tribute to Firefighter Karl Joseph of Engine Number 207, a member of the Vulcan's Society and one of

the fallen heroes of September 11th, I would like to insert the following proclamation into the record:

Whereas, September 11, 2001 was a day of horror and tragedy that will forever live in the memory Americans, and;

Whereas, more than 3,000 people from many occupations, nationalities, ethnic groups, religions creeds were brutally murdered by terrorists, and;

Whereas, members of the New York City Fire Department, New York City Police Department, Port Authority and other Public Safety Personnel, through their valiant, courageous and heroic efforts saved the lives of thousands under unprecedented destructive circumstances; and

Whereas, more than 300 New York City Firefighters lost their lives in the effort to save others, and

Whereas, Congressman Major R. Owens and the people of the 11th Congressional District salute the bravery and dedication of all who gave their full measure of devotion, and;

Whereas, We deem it appropriate to highlight the courage and valor of individuals and groups in variety of forms and ceremonies: Now therefore be it

Resolved: That on this 10th Day of March, Two Thousand and Two, Congressman Major R. Owens, and representatives of the people of the 11th Congressional District, pause to salute the sacrifices of these honored men, and to offer their heartfelt condolences to families of these African American Firefighters who died at the World Trade Center on September 11, 2001.

That the text of this resolution shall be placed in the Congressional Record of the United States House of Representatives.

Given by my hand and seal this 10th day of March, Two Thousand and Two in the Year of our Lord.

A TRIBUTE TO SISTER RITA NOWATZKI OF THE NEW YORK FOUNDING HOSPITAL

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. NADLER. Mr. Speaker, I rise today to honor Sister Rita Nowatzkl for her distinguished service to the children and families of New York City. A Sister of Charity for over fifty years, Sister Nowatzkl has dedicated herself to protecting the most vulnerable members of our community. As she enters her retirement, she remains unwavering in her commitment to speak for those who are voiceless and remind us all of our responsibility to aid the poorest members of our community.

In 1990, Sister Nowatzkl joined the New York Foundling Hospital as its public advocate. In the years since, Sister Nowatzkl has proven her reputation as an innovative administrator and masterful advocate. She produced ''The Foundling,'' the first book documenting the Hospital's 137-year history of aiding orphans, poor families and children. She raised hundreds of thousands of dollars for the United Way, saved crucial family services in the New York City budget, and lit up the Empire State Building every April to commemorate Child Abuse Prevention month. As an artful advocate for our children's well-being, Sister Nowatzkl has worked at the city and state level to craft policies and programs that will assist the most vulnerable members of our community. One major component of the work of Sister Nowatzki is her desire to instill in young people an interest and commitment to participate in government and public policy and to take an active role in the issues that affect them. As a result, we know that her legacy will live on in the Hunter College public service scholars she has trained throughout the years.

Sister Rita Nowatzki is a passionate, empathetic and nurturing Sister of Charity. Her dedicated work to promote social justice will benefit New York for years to come. As much as we will miss her ever-vigilant leadership, we know that her spirit of compassion will continue to grace us. As she begins the next chapter of her life, we thank her wholeheartedly for her tireless work to make our city a better place, and we wish her the very best in the years to come.

HONORING THE GIRL SCOUTS OF AMERICA

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. RADANOVICH. Mr. Speaker, whereas, Tuesday, March 12, 2002, marks the 90th Anniversary of Girl Scouts of the USA, founded by Juliette Gordon Low in 1912 in Savannah, Georgia. Throughout its long and distinguished history, Girl Scouts and Golden Valley Council, the pre-eminent organization for girls, has inspired girls with the highest ideals of character, conduct, and patriotism. Girl Scouting will lead businesses and communities to teach girls the skills needed to take active roles in math, science, and technology careers and to fulfill our country's economic needs. Through Girl Scouting, every girl, everywhere grows strong, gains self-confidence and skills for success, and learns her duty to the world around her. Through participation in Girls' Voices, a national community service project, every girl will learn to use her own voice to address an issue of concern to her and perhaps make a change for the better in her community. Some fifty million women have enjoyed the benefits of the Girl Scouts program, as an American tradition, for 90 years. Now, therefore, I GEORGE RADANOVICH, by virtue of the authority vested in me as a U.S. Representative, 19th District, for the State of California do hereby proclaim the week of March 10–16 as Girl Scout Week.

PROCLAMATION RECOGNIZING FIREFIGHTER SHAWN POWELL—ENGINE NUMBER 207

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. OWENS. Mr. Speaker, as a Tribute to Firefighter Shawn Powell of Engine Number 207, a member of the Vulcan's Society and one of the fallen heroes of September 11, I would like to insert the following proclamation into the record:

Whereas, September 11, 2001 was a day of horror and tragedy that will forever live in the memory Americans, and;

Whereas, more than 3,000 people from many occupations, nationalities, ethnic groups, religions and creeds were brutally murdered by terrorists, and;

Whereas, members of the New York City Fire Department, New York City Police Department, Port Authority and other Public Safety Personnel, through their valiant, courageous and heroic, efforts saved the lives of thousands under unprecedented destructive circumstances, and

Whereas, more than 300 New York City Firefighters lost their lives in the effort to save others, and

Whereas, Congressman Major R. Owens and the people of the 11th Congressional District salute the bravery and dedication of all who gave their full measure of devotion, and;

Whereas, we deem it appropriate to highlight the courage and valor of individuals and groups in a variety of forms and ceremonies: Now therefore be it

Resolved: That on this 10th Day of March, Two Thousand and Two, Congressman Major R. Owens, and representative of the people of the 11th Congressional District, pause to salute the sacrifices of these honored men, and to offer their heartfelt condolences to families of these African American Firefighters who died at the World Trade Center on September 11, 2001.

That the text of this resolution shall be placed in the Congressional Record of the United States House Representatives.

Given by my hand and seal this 10th day of March, Two Thousand and Two in the Year of our Lord.

IN TRIBUTE TO JOSEPH WATTS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. RANGEL. Mr. Speaker, on March 19, 2002 the Council of Senior and Centers and Services of New York City will host a surprise retirement party for Joseph Watts. At the risk of spoiling the surprise, I rise today to pay my personal tribute to a remarkable community leader. Mr. Joseph Watts has proven to be an exceptional person committed to the pursuit of a successful career and giving back to the community throughout his life. In 1962 he graduated from the American Academy of Funeral Service in the State of New York and embarked upon a successful career in Funeral Service. Mr. Watts has contributed a great deal to the comfort of the bereaved in New York. Since the 1970's he has been a member of the Board of Directors of the Metropolitan Funeral Directors Association and Regional Governor of District 6 of the New York State Funeral Directors Association. He has also served as an often honored and recognized leader of many national and international associations of Funeral Directors. These professional honors have recognized the extraordinary contribution that Mr. Watt has made throughout his professional life to his chosen profession and to his community as well.

Among the professional honors Mr. Watts received are: New York State Funeral Director of the Year in 1981; a report for President Carter on Funeral Industry and Federal Trade Commission with impact on small businesses; the International Order of the Golden Rule for ''Service to the Community and Profession''; honored by the White House On Social Security: ''The Long View—The Effect of Social Security Reforms on the Homeless, Poor and

Children''; and International Funeral Directors Association award as Funeral Director of the Decade.

His excellent reputation in his field has led him to be appointed to various positions in different organizations, such as Chairman of the New York State Funeral Directors Advisory Board, Vice-President of the Council of Senior Centers and Services of New York City, and Board Member of Retired Senior Volunteer People (R.S.V.P.).

Mr. Watts has been an important part of many community associations such as the Rotary Club in Upper Manhattan, the Washington Heights/Inwood Chamber of Commerce, the Washington Heights/Inwood Development Corporation and many others. In every organization of which he is a member, Mr. Watts has given his time to leave a positive mark on the communities or people he has worked with. His legacy has been so extraordinary in these communities that he has been honored by most of them.

The Harlem Boys Choir has honored Mr. Watts for the Creation of Adopt a Child in 1984. He also received the Washington Heights/Inwood Chamber of Commerce Man of the Year Award in 1984. In 1985 he received the Community Resident Award from the Police Department of New York City for donation of Police Vests to the 34th Precinct.

Mr. Watts' exemplary career and many contributions make him much deserving of the honor and tribute that will be paid to him by his many friends and colleagues on the 19th of March of 2002.

IN HONOR OF DORIS S. SCHWAB

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. KUCINICH. Mr. Speaker, I rise today in recognition of Doris S. Schwab, who is retiring after 30 years as Executive Director of Senior Citizen Resources, Inc. Ms. Schwab's unwavering commitment to Cleveland's senior community has been invaluable. Her generosity, intelligence, and unselfish dedication will be greatly missed.

For over 30 years Ms. Schwab has worked tirelessly to create much needed resources to serve Cleveland's senior citizens. In 1971 she organized and established the Crestview Senior Center, a Multi-purpose Center serving the elderly in collaboration with the Cleveland Jaycees. In the same year she became Executive Director of its parent organization, Senior Citizen Resources, Inc.

Over the next few years Ms. Schwab worked diligently to expand the Center by creating new sites throughout the Cleveland area. In 1978 she piloted a site called Brighton Center. By 1979 she secured funding for and established a second Multi-purpose Center, Deaconess-Krafft, which was built on the Deaconess Hospital Campus. Between 1976 and 1981 she piloted a site in the Southwestern area of Cleveland at the Brooklyn Heights United Church of Christ and Brooklyn Acres. She secured a Community Development Block Grant to fund and establish a third site operating one day a week at the City of Cleveland-owned Estabrook Recreation Center. Throughout the 1980s she also worked with Deaconess Hospital and MetroHealth Medical Center to establish their programs serving senior citizens.

Between 1998 and 2000 as a result of Ms. Schwab's dedication to the senior community, funding in the amount of $332,000 was secured for the renovation and construction of the Memphis Fulton Senior Center and administration offices of Senior Citizen Resources, Inc., Crestview Senior Center relocated to this new site. By this time the centers were serving over 3,000 senior citizens yearly in the Old Brooklyn community of Cleveland. Today the centers continue to thrive as a result of Doris S. Schwab's vision, leadership and unwavering commitment.

I ask my colleagues to join me in rising to honor Doris S. Schwab and her truly remarkable accomplishments for the senior community of Cleveland, Ohio.

REPEAL OF GINNIE MAE FEE INCREASE

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. LAFALCE. Mr. Speaker, yesterday, I introduced H.R. 3926, a bill to repeal the scheduled increase in the Ginnie Mae guarantee fee that is scheduled to take place in October, 2004. The purpose of this repeal is to prevent what amounts to an unwarranted and unnecessary tax increase on homeownership.

The 1998 Higher Education Act Amendments included a provision unrelated to education which would prospectively increase by 50 percent the annual fee that the Government National Mortgage Association, also known as Ginnie Mae, charges each year on mortgage loans.

Ginnie Mae facilitates an efficient secondary market for Federal Housing Administration, Rural Housing Service, and Veterans Administration single family mortgage loans, by guaranteeing the timely payment of principal and interest on such loans. In exchange for this guarantee, Ginnie Mae charges an annual fee of six basis points on each mortgage loan, which is generally passed along to the borrower. The risk is minimal, since Ginnie Mae's function is to advance funds in the case of default, for which Ginnie Mae is subsequently made whole either through restored mortgage payments or through the federal guarantee by FHA, RHS, or VA on the underlying mortgage loan.

The Administration's fiscal year 2003 budget concludes, with regard to Ginnie Mae, that ''Fee collections, interest and other income are expected to exceed expenses by $834 million in 2002 and $808 million in 2003.'' For the purposes of credit scoring, Ginnie Mae is projected to make a profit for the taxpayers [negative credit subsidy] of $398 million in fiscal year 2003.

Given the substantial profits that Ginnie Mae makes each year, and the low risk that is taken to make such profits, the 50 percent increase in fees from six basis points to nine basis points that is scheduled to take place in 2004 is both unnecessary and unwarranted. This scheduled increase would perpetuate a regrettable trend in recent years of diverting housing resources, such as FHA profits and Section 8 rescissions, to non-housing purposes.

Moreover, since the fee increase is likely to be passed along to borrowers, the effect will be to raise mortgage rates for low- and moderate income homebuyers, including notably veterans and rural residents. Over the life of a loan, this can translate into thousands of dollars of additional mortgage interest payments.

Therefore, we should repeal this unnecessary and harmful tax increase on homeownership before it takes place. H.R. 3926 does precisely that.

PROCLAMATION RECOGNIZING, SALUTING AND COMMENDING FIREFIGHTER TAREL COLEMAN—SQUAD NO. 252

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. OWENS. Mr. Speaker, as a Tribute to Firefighter Tarel Coleman of Squad Number 2 a member of the Vulcan's Society and one of the fallen heroes of September 11th, I would like to insert the following proclamation into the RECORD:

Whereas, September 11, 2001 was a day of horror and tragedy that will forever live in the memory of Americans, and;

Whereas, more than 3,000 people from many occupations, nationalities, ethnic groups, religions; and creeds were brutally murdered by terrorists, and;

Whereas, members of the New York City Fire Department, New York City Police Department, Port Authority and other Public Safety Personnel, through their valiant, courageous and heroic efforts saved the lives of thousands under unprecedented destructive circumstances, and;

Whereas, more than 300 New York City Firefighters lost their lives in the effort to save others, and;

Whereas, Congressman MAJOR R. OWENS and the people of the 11th Congressional District salute bravery and dedication of all who gave their full measure of devotion, and;

Whereas, we deem it appropriate to highlight the courage and valor of individuals and groups in a variety of forms and ceremonies: Now therefore be it

Resolved: That on this 10th Day of March, Two Thousand and Two, Congressman MAJOR R. OWENS, and representative of the people of the 11th Congressional District, pause to salute the sacrifices of these honored men, and to offer their heartfelt condolences to families of these African American Firefighters who died at the World Trade Center on September 11, 2001.

That the text of this resolution shall be placed in the CONGRESSIONAL RECORD of the United States House of Representatives.

Given by my hand and seal this 10th day of March, Two Thousand and Two in the Year of our Lord.

TRIBUTE TO ROY COLANNINO

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. MARKEY. Mr. Speaker, I ask that the House of Representatives take this opportunity

to honor Roy Colannino, Police Chief of the great city of Revere, Massachusetts, and a highly distinguished member of our Nation's law enforcement community. Chief Colannino recently retired from the Revere Police Department after dedicating 37 years of his life to the cause of protecting the safety of his fellow citizens and the community at large.

Chief Colannino joined the Revere Police Department in 1965 as a member of the Police Reserves, and was immediately recognized as a bright and energetic addition to the force. During his 37-year career, he served as Patrolman, Sergeant, Lieutenant, Captain and Chief. While working full time and raising a family, Chief Colannino continued his education at Northeastern University in Boston where he earned a Bachelors Degree in Criminal Justice in 1981. As he ascended the ranks of the Revere Police Department, he earned high accolades from his superior officers and the deep respect of his fellow colleagues at each stage of his career with the force. As the executive law enforcement officer in Revere, Chief Colannino developed a highly successful community-policing program that joined the Revere Police Department with the city's community leaders in an innovative and effective new partnership. His commitment to incorporate his officer corps into the fabric of every neighborhood has been particularly beneficial for this diverse community.

Mr. Speaker, since September 11, 2001, our nation has rightfully reflected on the incredible service our police and fire professionals provide to our communities. Roy Colannino exemplifies that service and the sacrifices these men and women, and their families, endure for us on a daily basis. He has served the City of Revere, the Commonwealth of Massachusetts and our nation at an incomparable level of professionalism, and dedication and human caring for nearly four decades. I ask that my colleagues in the United States House of Representatives join me in wishing him all the best in his retirement.

CHRISTOPHER BLAHA—HERO AVENGER

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. ACKERMAN. Mr. Speaker, I rise today to thank and praise Army Lieutenant Christopher Blaha for his heroic actions in the defense of our nation. I would like to share with my fellow colleagues the following two articles describing Lieutenant Blaha's incredible service in our fight against terrorism. September 11, 2001 was a horrific day for the United States, yet brave men, such as Lieutenant Blaha, show us all that the spirit of America has not, and will not, be broken. Mr. Speaker, we will prevail.

[From the New York Post, Mar. 11, 2002]

FRONTLINE GI'S BATTLE CRY FOR BUDDIES KILLED IN WTC ATTACK—HERO AVENGER

(By John Lehmann)

On every grenade he threw at the al Qaeda fighters, New Yorker Christopher Blaha wrote the name of the best friend he lost to terrorists on Sept. 11.

Also burned into the Army lieutenant's mind was the memory of a second buddy, who died trying to save lives at the World Trade Center.

After a fierce eight-day fight in remote Afghan mountains, 24-year-old Blaha, from Great Neck, L.I., returned to safety yesterday and immediately spoke of his two lost pals, Andrew Stergiopoulos, who worked for bond firm Cantor Fitzgerald, and FDNY firefighter Jonathan Ielpi.

''There was definitely a vindictive side to it—I can go back and tell their families everything we did.'' Blaha said, as he rested at the Bagram air base near Kandahar.

As his fellow soldiers cheered the returning troops, Blaha, fighting with the Army's 10th Mountain Division based in upstate New York, told how he had written Stergiopoulos' name on his grenades.

Blaha's mom, Cooky said her son had formed a bond for life with Steriopoulos as the pair grew up in Great Neck, playing ice hockey for a community team, the Great Neck Bruins.

John Hughes, the father of skating gold-medalist Sarah Hughes, also played on the team. ''Andrew and Chris were real close—I'm just so proud of what he's done,'' Cooky Blaha told The Post.

Steriopoulos' brother, George, said from his home in Great Neck that his family was ''touched'' by Blaha's words. ''It's been very hard,'' he said. ''It would have been Andrew's 24th birthday on March 7.''

''I saw Chris going off to boot camp, and we've been hoping that he's OK. That's really touching, what he said.''

Ielpi, a 29-year New York City firefighter with two young sons, had known the Blaha family for years, having attended St. Aloysius elementary school in Great Neck with Christopher Blaha's eldest brother, Jack.

Ielpi's mom, Anne, said last night her family had been thinking of Blaha during his Afghanistan mission and was hoping he returned safely.

''We've known the family for years and we think it's great if he can get a little retaliation,'' she said. ''It means a lot to everyone.''

Blaha had told his mom before leaving for Uzbekistan in January that he would dedicate his mission to his friends.

''He's just a kid from Great Neck really, but he rang this morning and told me he had been ordering in the planes with the bombs and I couldn't believe it—he's made us all proud,'' she said.

[From the News Day, Mar. 12, 2002]

A MESSAGE WITH EVERY GRENADE—HOW SOLDIER FROM LI REMEMBERS A FRIEND

(By Keiko Morris)

Mourners have remembered those lost on Sept. 11 with flowers, letters, balloons released into the sky and eulogies. 2nd Lt. Chris Blaha had his own way.

He wrote the name of a childhood friend, who died in the terrorist attacks, on every grenade he lobbed at enemy Taliban and al-Qaida positions.

Blaha, a 24-year-old Army officer from Great Neck, marked the end of an intense battle with an excited call to his mother on Sunday, using a reporter's satellite phone. He told his mom about his role in Operation Anaconda, the most recent U.S.-led military offensive in Afghanistan.

He said he was filthy, cold and unshaven, but safe. He told her that he directed a B–52 where to drop bombs on enemy positions. And he told her about the grenades—every one in memory of his friend, Andrew Stergiopoulos, 23, who worked at Cantor Fitzgerald.

''Chris was in Ranger School on 911,'' said his mother. Cooky Blaha, an office manager who lives in Great Neck. ''I had to tell him . . .'' He was infuriated. she remembered.

''Now he feels like he can do something about it,'' she said. ''I'm proud of him.''

Stergiopoulos was not the only childhood friend of Blaha's to die in the attacks. Jonathan Ielpi, 29, a New York City firefighter and father of two, was friends with Blaha's older brother, Jack. Blaha went into battle with the memory of both in his heart, his mother said.

Blaha went to Hofstra University and graduated in December 2000 on an ROTC scholarship. He went directly to basic training and later to an Army Ranger School at Fort Benning in Georgia. He left for Uzbekistan in January and was sent to Afghanistan in late February, his mother said. That was about the last time she heard from him until Sunday.

''I was a little worried when those guys got killed and I thought things weren't going too well,'' Cooky Blaha said. ''. . . He's a little, short, tough kid. He shops at Nordstroms, wears Armani. He drives a Porsche. He's a Great Neck kid, so I was worried. But he did great.''

All three knew each other since they were affectionately known as ''rink rats,'' young Great Neck skaters who either play hockey or take up figure skating. They all played for the Great Neck Bruins in a youth hockey program.

The Great Neck Bruins retired both Ielpi's and Stergiopoulos' numbers and a banner was hung at the Parkwood Ice Rink as a permanent memorial, said Anne Ielpi, the mother of Jonathan Ielpi. Saddle Rock Bridge, the place where everyone went to stare at the burning towers on Sept. 11, was renamed the 9–11 Memorial Bridge.

Anne Ielpi heard of Blaha's tribute from a friend on Sunday morning.

''I said, 'Good for him, keep on throwing them,''' Ielpi said. ''Knowing that someone is over there doing something in my son's name, it gives me solace.''

PROCLAMATION RECOGNIZING, SALUTING AND COMMENDING FIREFIGHTER RONNIE HENDERSON—ENGINE NO. 279

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. OWENS. Mr. Speaker, as a Tribute to Firefighter Ronnie Henderson of Engine Number 279, a member of the Vulcan's Society and one of the fallen heroes of September 11th, I would like to insert the following proclamation into the RECORD:

Whereas, September 11, 2001 was a day of horror and tragedy that will forever live in the memory of Americans, and;

Whereas, More than 3,000 people from many occupations, nationalities, ethnic groups, religions and creeds were brutally murdered by terrorists, and;

Whereas, Members of the New York City Fire Department, New York City Police Department, Port Authority and other Public Safety Personnel, through their valiant, courageous and heroic efforts saved the lives of thousands under unprecedented destructive circumstances, and;

Whereas, More than 300 New York City Firefighters lost their lives in the effort to save others, and;

Whereas, Congressman Major R. Owens and the people of the 11th Congressional District salute the bravery and dedication of all who gave their full measure of devotion, and;

Whereas, We deem it appropriate to highlight the courage and valor of individuals

and groups in a variety of forms and ceremonies. Now therefore be it

Resolved: That on this 10th Day of March, Two Thousand and Two, Congressman Major R. Owens, and representatives of the people of the 11th Congressional District, pause to salute the sacrifices of these honored men, and to offer their heartfelt condolences to families of these African American Firefighters who died at the World Trade Center on September 11, 2001.

That the text of this resolution shall be placed in the Congressional Record of the United States House of Representatives.

Given by my hand and seal this 10th day of March, Two Thousand and Two in the Year of our Lord.

PERSONAL EXPLANATION

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. ORTIZ. Mr. Speaker, I was not present on the following rollcall votes. Had I been present I would have voted: Rollcall 53 (HR 1885)—Yea; Rollcall 54 (journal vote)—Yea; Rollcall 55 (H.J. Res. 367: Ordering the Previous Question)—No.

TRIBUTE TO ZACH JORDAN AND THE BOYS AND GIRLS CLUBS OF NORTHERN COLORADO

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. SCHAFFER. Mr. Speaker, I rise today to congratulate Mr. Zach Jordan of Loveland, Colorado. The Boys and Girls Clubs of Larimer County recently recognized Zach as Youth of the Year.

Zach has been a member of the Boys and Girls Club for four years and enjoys participating in pool tournaments and football. In an interview with the Loveland ''Reporter-Herald,'' Zach said, ''the club keeps me out of trouble, a lot of my friends are always getting into trouble with the people they hang out with.'' The guest speaker at the breakfast awards was Tom Sutherland, a former political prisoner in Lebanon who was encouraged by the contributions of the Boys and Girls clubs to keep children active and safe.

Boys and Girls Clubs are dedicated to helping youth reach their fullest potential by providing positive activities designed to promote productive citizenship and creating healthy relationships with community adults. Boys and Girls Clubs are excellent places for youth to participate in activities with their peers. I am pleased to recognize the achievements of Larimer County youth who participate in such a well-respected program.

I ask the House to join me in extending congratulations to Mr. Zach Jordan and the Larimer County Boys and Girls Club for their contribution to improving the lives of Northern Colorado Youth.

RECOGNIZING THE DELTA-MONTROSE ELECTRICAL ASSOCIATION

HON. TOM UDALL

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 13, 2002

Mr. UDALL of New Mexico. Mr. Speaker, I wish to insert into the RECORD a March 5, 2001 BusinessWeek article that highlights the work of the Delta-Montrose Electrical Association (DMEA), a rural energy cooperative in southwestern Colorado.

The DMEA has been around since 1938, yet it is reinventing itself to be able to address 21st century challenges of deregulation and technological change. Its investments in research and development have resulted in innovative services it can offer its customers in the way of combined heating and cooling and fuel cell power for rural areas. In the near future, DMEA hopes to use Internet connectivity to optimize customers' energy use and reduce costs.

As the article points out, instead of trying to dominate the market, DMEA's co-op culture means that DMEA shares what it knows with other cooperatives around the country. I hope DMEA's good ideas and hard work get the attention they deserve.

CUTTING EDGE IN RURAL COLORADO?

(By Hal Clifford)

In 5 or 10 years, your relationship with your electrical utility may be different from what it is now. For a fixed fee, the power company might heat and cool your home with a geothermal heat pump it has buried in your backyard. Or your utility may offer to sell you electricity from a superclean fuel cell it installs in your garage, then buy back any excess juice you don't consume. The power company might even link itself via the Internet to your most energy-hungry appliances—maybe your air conditioner or water heater—so that it can switch them to a power-saver mode when necessary.

You might expect these sorts of high-tech innovations to pop up in energy-starved Silicon Valley, the brainchild of some tech-savvy venture capitalist. You'd be wrong. First out of the gate is the Delta-Montrose Electrical Assn. (DMEA), a 64-year old rural energy cooperative in southwestern Colorado. Any many of the new options are quickly gaining popularity with the co-op's 28,000 members.

By focusing on energy services such as heating and cooling, rather than straightforward power generation, DMEA is transforming its once-quiet business. Faster than most power players, DMEA is plugging into new technologies. In some cases, it's also forming partnerships with companies developing promising technologies—an unusual step for a once-unadventurous co-op. ''I think they're one of the most innovative co-ops in the country,'' says Peggy Plate, an energy services manager for the Energy Dept.'s Western Area Power Administration. If these strategies pay off, big utilities may soon find themselves looking to DMEA for tips on how to prosper in a new era of energy deregulation.

NEW WAVE

For now, Delta-Montrose is no more than a speck on anyone's radar. But the co-op is intensely focused on finding creative ways to deliver electric services to its customers. Like many of the other 950 or so consumer-owned electric cooperatives in the U.S., DMEA dates back to the Depression (table, page 106D). Its roots, modest size, and simple mission nurtured a conservative business culture. But in 1997, the co-op's managers and board took the measure of the coming wave of deregulation and the pace of technological change and decided to get ahead of the curve. ''We began investing hundred of thousands of dollars in research and development, which for a co-op is unheard of,'' says Edwin H. Marston, the board's president.

DMEA's first big innovation, in 1997, was a combined heating and cooling service dubbed Co-Z GeoExchange. For a fixed, year-round price, DMEA equips customers' homes and businesses with a geothermal heat pump. This device is unlike conventional furnaces and air conditioners, which heat air by means of combustion and chill it through mechanical compression. Instead, the pump circulates fluid through pipes buried underground. Even when it's cold out, the earth only a few feet below ground is always around 58F in Colorado. In winter, the pump pulls heat out of the ground and pushes it into the home. The earth's warmth is then distributed through the building, typically via an air-duct system. In cooling mode, this process is reversed.

It's a simple technology that can deliver big savings. Under a Co-Z agreement, a customer pays about $100 per month and is guaranteed a comfortable house. DMEA estimates that a 2,000-square-foot home might cost $2,645 per year to heat with propane. A Co-Z GeoExchange home can be heated for around $1,600—a savings of 40%.

So far, the service is a winner. Between late 1998 and the end of 2000, DMEA installed 115 GeoExchange systems, about half of them under Co-Z service contracts. This year, it expects to install an additional 75 to 100. The venture is already profitable, and DMEA expects that to continue. Managers say that retained earnings (akin to profits for a nonprofit co-op) on Co-Z should grow tenfold by 2005, to $478,000, from $46,000 last year. Indeed, the Co-Z contracts deliver profit margins in excess of 50%—good business in an industry that typically sees a 4% return on investment.

DMEA puts these retained earnings to work by paying down debt and developing other technologies. Fuel cells, which convert propane or hydrogen into electricity, attracted DMEA's attention because many of its customers live off the grid, in sparsely populated rural areas. True, fuel-cell power is expensive: At 25¢ to 30¢ per kilowatt hour, it's four times the average cost of power for DMEA's wire-connected residential customers. But since building out new power lines can cost $20,000 to $60,000 per mile, it's sometimes cheaper to install a fuel cell on site than to string a few miles of wire.

Once the co-op grasped this logic, it went looking for a fuel-cell maker interested in rural markets. In early 1998, the search led to a partnership with H Power Corp., a Clifton (N.J.) manufacturer of proton exchange membrane (PEM) fuel cells. Then, DMEA took things one step further. It put H Power together with Energy Co-Opportunity (ECO), an arm of Cooperative Finance Corp., based in Herndon, VA., which serves as a bank for electrical co-ops. The two got on so well that ECO invested $15 million in H Power and inked an $81 million deal to buy 12,300 4.5-kilowatt fuel cells—H Power's largest order to date—to be delivered to member co-ops over the next two years. Last March, H Power repaid DMEA's favor by siting its first out-of-the-laboratory test unit in the co-op's Montrose (Colo.) headquarters. DMEA, meanwhile, plans to begin leasing the fuel cells to its customers this fall.

In 1998, DMEA began work on another leg of its reinvention strategy: Internet

connectivity. ''It's our job to be on our tippy toes to get our customers the best,'' says the co-op's general manager, Daniel R. McClendon. Sixty years ago, that meant bringing electricity to farmers and ranchers. Today, the equivalent of lights in the milk shed is fiber-optic connectivity. So DMEA took a 6% position in REANET, a telecom startup formed by two other electric co-ops.

NET SAVVY

In addition to providing Web connectivity and e-mail, DMEA hopes to use the Net to optimize customers' energy use and reduce their costs. The co-op is serving as a test bed for technology from Mainstreet Networks Inc. Modified by a small attachment made by the Morgan Hill (Calif.) startup, a homeowner's electrical meter becomes an Internet communications point through which utility managers can power down energy-hungry appliances at a distance. DMEA points out that during a recent spike in power prices, it could have saved $48 per home had it been able to turn down their water heaters for just one hour. DMEA expects to roll this program out in the next six months.

Further out, DMEA is trying to repeat the matchmaker role it played with H Power. In 1999, DMEA invested in CoEnergies LLC, a Traverse City (Mich.) startup that modifies existing central air conditioners. In effect, it turns them into ground-based heat-pump systems by the addition of a buried ground loop, similar to the GeoExchange heat pump. In many regions this retrofit could replace conventional furnaces. ''This machine has huge energy-savings potential around the country, but nobody knows about it,'' says Paul S. Bony, DMEA's marketing manager, who has a unit installed at his own house. ''We're talking terawatts.'' Now he's seeking investors.

The flurry of developments at DMEA distinguishes it not just from other co-ops but also from many of the better-known for-profit players that are preoccupied with building power plants. Size has something to do with DMEA's agility. But it's the cooperative culture that is key. The co-op's staff sees itself as running a nonprofit skunk works that helps their owner-customers and those of other co-ops. ''We used to have a circle drawn around our membership,'' says Business Development Manager Steven M. Metheny. ''Now it's wide open—whatever we can do, in whatever markets there are.''

Delta-Montrose's strategic punch lies in the institutional structure. Rather than trying to grow and dominate a market, co-op managers say their job is to share what they know with the nation's other co-ops, which provide electricity to 34 million people in 46 states. ''They're doing a lot of work that the other co-ops are going to benefit from,'' says the Energy Dept.'s Plate. And just maybe, the big city power companies will, too.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, March 14, 2002 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 15

9:30 a.m.
Health, Education, Labor, and Pensions
To hold hearings to examine child care improvement issues.
SD–430

1:30 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2003 for the Department of Energy.
SD–138

MARCH 18

10 a.m.
Governmental Affairs
International Security, Proliferation and Federal Services Subcommittee
To hold hearings on Federal workplace reform proposals.
SD–342

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2003 for the National Security Administration, nuclear reactors, and nuclear proliferation.
SD–124

MARCH 19

9:30 a.m.
Armed Services
To hold hearings to examine the worldwide threat to United States interests (to be followed by closed hearings in SH–219).
SH–216

Banking, Housing, and Urban Affairs
To hold oversight hearings to examine accounting and investor protection issues raised by the fall of the Enron Corporation and by other public companies.
SD–538

10 a.m.
Appropriations
Commerce, Justice, State, and the Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2003 for the National Oceanic and Atmospheric Administration, the Small Business Administration, and the Federal Trade Commission.
SD–138

Governmental Affairs
International Security, Proliferation and Federal Services Subcommittee
To continue hearings to examine pending calendar business.
SD–342

Judiciary
To hold hearings to examine pending judicial nominations.
SD–226

2:15 p.m.
Foreign Relations
Business meeting to consider pending calendar business.
S–116, Capitol

2:30 p.m.
Finance
Social Security and Family Policy Subcommittee
Health, Education, Labor, and Pensions
Children and Families Subcommittee
To hold joint hearings to examine working families and child care issues.
SD–215

Armed Services
SeaPower Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense, focusing on maximizing fleet presence capability, ship procurement, and research and development.
SR–222

Environment and Public Works
To hold hearings to examine mobility, congestion, and intermodalism, focusing on fresh ideas for transportation demand, access, mobility, and program flexibility.
SD–406

Appropriations
Military Construction Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2003 for the Department of the Navy and Air Force military construction.
SD–138

Commerce, Science, and Transportation
To hold hearings on the nomination of Vice Admiral Thomas Collins to be Commandant of the United States Coast Guard.
SR–253

Health, Education, Labor, and Pensions
Public Health Subcommittee
To hold hearings on women's health issues.
SD–430

3 p.m.
Commerce, Science, and Transportation
Oceans, Atmosphere, and Fisheries Subcommittee
To hold oversight hearings to examine the budget of the United States Coast Guard.
SR–253

MARCH 20

9:30 a.m.
Governmental Affairs
To hold hearings to examine issues with respect to the collapse of the Enron Corporation, focusing on credit rating agencies.
SD–342

Armed Services
Personnel Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense, focusing on recruiting and retention in the military services.
SR–232A

Commerce, Science, and Transportation
To hold hearings to examine competition in the local telecommunications marketplace.
SR–253

10 a.m.
Judiciary
Technology, Terrorism, and Government Information Subcommittee
To hold hearings to examine identity theft and information protection.
SD–226

Appropriations
Defense Subcommittee
To hold closed hearings to examine an overview of intelligence programs.
S–407, Capitol

Health, Education, Labor, and Pensions
Business meeting to markup S. 1992, to amend the Employee Retirement Income Security Act of 1974 to improve diversification of plan assets for participants in individual account plans, to improve disclosure, account access, and accountability under individual account plans; and S. 1335, to support business incubation in academic settings.
SD–430

Banking, Housing, and Urban Affairs
To continue oversight hearings to examine accounting and investor protection issues raised by the fall of the Enron Corporation and by other public companies.
SD–538

Environment and Public Works
To hold hearings to examine legislative initiatives that would impose limits on the shipments of out-of-State municipal solid waste and authorize State and local governments to exercise flow control.
SD–406

1:30 p.m.
Appropriations
Treasury and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2003 for the Office of Management and Budget.
SD–192

2 p.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of American Ex-Prisoners of War, the Vietnam Veterans of America, the Retired Officers Association, the National Association of State Directors of Veterans Affairs, and AMVETS.
345, Cannon Building

2:30 p.m.
Armed Services
Strategic Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense, focusing on national security space programs and strategic programs.
SR–232A

Intelligence
To hold closed hearings to examine pending intelligence matters.
SH–219

MARCH 21

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings to examine airport capacity expansion plans in the Chicago area.
SR–253

10 a.m.

Appropriations

Commerce, Justice, State, and the Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 2003 for the Federal Bureau of Investigation, Immigration and Naturalization Service, and the Drug Enforcement Administration, all of the Department of Justice.

SD–116

Armed Services

Readiness and Management Support Subcommittee

To hold hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense and the Future Years Defense Program, focusing on the readiness of U. S. Armed Forces for all assigned missions.

SR–232A

Indian Affairs

To hold hearings on S. 958, to provide for the use and distribution of the funds awarded to the Western Shoshone identifiable group under Indian Claims Commission Docket Numbers 326–A–1, 326–A–3, 326–K.

SR–485

2:30 p.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings to examine federal research and development issues.

SR–253

Appropriations

District of Columbia Subcommittee

To hold hearings on proposed budget estimates for fiscal year 2003 for the District of Columbia Courts, Court Services, and Offender Supervision Agency.

SD–192

APRIL 10

10:30 a.m.

Judiciary

Antitrust, Competition and Business and Consumer Rights Subcommittee

To hold hearings to examine cable competition, focusing on the ATT-Comcast merger.

SD–226

CANCELLATIONS

MARCH 19

9:30 a.m.

Armed Services

To hold hearings on worldwide threats to United States interests; to be followed by closed hearings (in Room SH–219).

SH–216

Daily Digest

Highlights

The House passed H.R. 2341, Class Action Fairness Act.

Senate

Chamber Action

Routine Proceedings, pages S1799–S1870

Measures Introduced: Two bills were introduced, as follows: S. 2011–2012. **Page S1857**

Energy Policy Act: Senate continued consideration of S. 517, to authorize funding for the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, taking action on the following amendments proposed thereto:

Pages S1805–40, S1841–50

Adopted:

By 62 yeas to 38 nays (Vote No. 47), Levin Amendment No. 2997 (to Amendment No. 2917), to provide alternative provisions to better encourage increased use of alternative fueled and hybrid vehicles. **Pages S1812–28**

By 56 yeas to 44 nays (Vote No. 48), Miller Amendment No. 2998 (to Amendment No. 2917), to prohibit the increase of the average fuel economy standard for pickup trucks. **Page S1830**

Thomas/Bingaman/Murkowski Amendment No. 3000 (to Amendment No. 2917), to clarify FERC merger market-based rate, and refund authority, and to strike the transmission interconnection provision. **Pages S1835–36**

Thomas/Bingaman/Murkowski Amendment No. 3001 (to Amendment No. 2917), to clarify provisions on access to transmission by intermittent generators and make conforming changes. **Pages S1836–37**

Thomas/Bingaman/Murkowski Amendment No. 3002 (to Amendment No. 2917), to require states to consider requiring time-of-use metering. **Page S1837**

Thomas/Bingaman/Murkowski) Amendment No. 3003 (to Amendment No. 2917), to require states to consider adopting the federal net metering standard. **Page S1837**

Thomas/Bingaman/Murkowski Amendment No. 3004 (to Amendment No. 2917), to clarify state authority to protect electric consumers. **Page S1837**

Thomas/Bingaman/Murkowski Amendment No. 3005 (to Amendment No. 2917), to clarify the requirement for the federal government to purchase renewable fuels. **Pages S1837–38**

Thomas/Bingaman/Murkowski Amendment No. 3006 (to Amendment No. 2917), to make conforming changes in the table of contents. **Page S1838**

Campbell/Brownback Amendment No. 3007 (to Amendment No. 2917), to strike the section establishing a program to provide assistance for State programs to retire fuel-inefficient motor vehicles.

Pages S1838–40, S1841–43, S1845–46

Domenici Amendment No. 3009 (to Amendment No. 2917), to establish an Office within the Department of Energy to explore alternative management strategies for spent nuclear fuel. **Pages S1846–47**

Bingaman (for Landrieu) Amendment No. 3010 (to Amendment No. 2917), to include biobased polymers and chemicals in the biofuels program.

Page S1848

Bingaman (for Landrieu) Amendment No. 3011 (to Amendment No. 2917), to direct the Secretary of Energy to study designs for high temperature hydrogen-producing nuclear reactors. **Page S1848**

Pending:

Daschle/Bingaman Further Modified Amendment No. 2917, in the nature of a substitute. **Page S1805**

Feinstein Amendment No. 2989 (to Amendment No. 2917), to provide regulatory oversight over energy trading markets. **Page S1805**

Kerry/McCain Amendment No. 2999 (to Amendment No. 2917), to provide for increased average fuel economy standards for passenger automobiles and light trucks. **Pages S1830–34**

A unanimous-consent agreement was reached providing for the recognition of Senator Thomas to offer an amendment with respect to reliability, on Thursday, March 14, 2002. **Page S1867**

Campaign Finance Reform: Senate began consideration of the motion to proceed to consideration of

H.R. 2356, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform. **Page S1840**

A motion was entered to close further debate on the motion to proceed to consideration of the bill and, in accordance with the provisions of the Standing Rules of the Senate, a cloture vote will occur on Friday, March 15, 2002. **Page S1840**

Subsequently, the motion to proceed to consideration of the bill was withdrawn. **Page S1840**

Messages From the President: Senate received the following messages from the President of the United States:

Transmitting, pursuant to law, the Periodic Report on the National Emergency with Respect to Iran; to the Committee on Banking, Housing, and Urban Affairs. (PM–75) **Page S1856**

Transmitting, pursuant to law, a report concerning the continuation of the National Emergency with Respect to Iran beyond March 15, 2002; to the Committee on Banking, Housing, and Urban Affairs. (PM–76) **Page S1856**

Nominations Confirmed: Senate confirmed the following nominations:

Louis Kincannon, of Virginia, to be Director of the Census.

Jeanette J. Clark, of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of fifteen years. **Page S1870**

Nominations Received: Senate received the following nominations:

Harold D. Stratton, of New Mexico, to be Chairman of the Consumer Product Safety Commission.

Harold D. Stratton, of New Mexico, to be a Commissioner of the Consumer Product Safety Commission for the remainder of the term expiring October 26, 2006.

David A. Gross, of Maryland, for the rank of Ambassador during his tenure of service as Deputy Assistant Secretary of State for International Communications and Information Policy in the Bureau of Economic and Business Affairs and U.S. Coordinator for International Communications and Information Policy.

Michael Pack, of Maryland, to be a Member of the National Council on the Humanities for a term expiring January 26, 2004.

David Phillip Gonzales, of Arizona, to be United States Marshal for the District of Arizona for the term of four years.

Edward Zahren, of Colorado, to be United States Marshal for the District of Colorado for the term of four years.

Charles M. Sheer, of Missouri, to be United States Marshal for the Western District of Missouri for the term of four years.

Gorden Edward Eden, Jr., of New Mexico, to be United States Marshal for the District of New Mexico for the term of four years.

John Lee Moore, of Texas, to be United States Marshal for the Eastern District of Texas for the term of four years.

William P. Kruziki, of Wisconsin, to be United States Marshal for the Eastern District of Wisconsin for the term of four years.

2 Air Force nominations in the rank of general.

1 Marine Corps nomination in the rank of general.

Routine lists in the Air Force, Army. **Page S1869**

Messages From the House: **Page S1857**

Measures Referred: **Page S1857**

Measures Read First Time: **Page S1867**

Executive Communications: **Page S1857**

Additional Cosponsors: **Pages S1857–58**

Statements on Introduced Bills/Resolutions: **Page S1858**

Additional Statements: **Pages S1855–56**

Amendments Submitted: **Pages S1857–66**

Authority for Committees to Meet: **Pages S1866–67**

Privilege of the Floor: **Page S1867**

Record Votes: Two record votes were taken today. (Total—48) **Pages S1827–28, S1830**

Adjournment: Senate met at 9 a.m., and adjourned at 5:48 p.m., until 9:30 a.m., on Thursday, March 14, 2002. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S1869).

Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS—COMMERCE

Committee on Appropriations: Subcommittee on Commerce, Justice, State, and the Judiciary concluded hearings on proposed budget estimates for fiscal year 2003 for the Department of Commerce, after receiving testimony from Donald L. Evans, Secretary of Commerce.

APPROPRIATIONS—LIBRARY OF CONGRESS/CRS

Committee on Appropriations: Subcommittee on Legislative Branch concluded hearings on proposed budget estimates for fiscal year 2003, after receiving testimony in behalf of funds for their respective activities

from James H. Billington, Librarian of Congress, Donald L. Scott, Deputy Librarian of Congress, and Daniel P. Mulhollan, Director, Congressional Research Service, all of the Library of Congress.

APPROPRIATIONS—HOUSING AND URBAN DEVELOPMENT

Committee on Appropriations: Subcommittee on VA, HUD, and Independent Agencies concluded hearings on proposed budget estimates for fiscal year 2003 for the Department of Housing and Urban Development, after receiving testimony from Mel Martinez, Secretary of Housing and Urban Development.

DEFENSE AUTHORIZATION

Committee on Armed Services: Subcommittee on Personnel concluded hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense Health Program, after receiving testimony from William Winkenwerder, Jr., Assistant Secretary for Health Affairs and Thomas F. Carrato, Executive Director, TRICARE Management Activity, both of the Department of Defense; Rear Adm. (Lower Half) Richard A. Mayo, USN, Command Surgeon for the United States Pacific Command; Brig. Gen. Charles B. Green, USAF, Command Surgeon for the United States Transportation Command; Col. Ronald A. Maul, USA, Command Surgeon for the United States Central Command; Capt. Richard B. Hall II, USN, Command Surgeon for the United States European Command; and Col. Stephen L. Jones, USA, Command Surgeon for the United States Southern Command.

DEFENSE AUTHORIZATION

Committee on Armed Services: Subcommittee on Strategic concluded hearings hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense and the Future Years Defense Program, focusing on Ballistic Missile Defense acquisition policy and oversight, after receiving testimony from E. C. Aldridge, Under Secretary for Acquisition, Technology and Logistics, Thomas P. Christie, Director of Operational Test and Evaluation, and Lt. Gen. Ronald T. Kadish, USAF, Director, Missile Defense Agency, all of the Department of Defense.

TRANSPORTATION EQUITY ACT

Committee on Banking, Housing, and Urban Affairs: Committee concluded oversight hearings on the implementation and reauthorization of the public transportation provisions of the Transportation Equity Act for the 21st Century (TEA–21) (105–178), after receiving testimony from Norman Y. Mineta, Secretary of Transportation; John Inglish, Utah Transit Authority, Salt Lake City; and William W. Millar, American Public Transportation Association, and Dale J. Marsico, Community Transportation Association of America, both of Washington, D.C.

NOMINATION

Committee on Commerce, Science, and Transportation: Committee concluded hearings on the nomination of Robert Watson Cobb, of Maryland, to be Inspector General, National Aeronautics and Space Administration, after the nominee testified and answered questions in his own behalf.

GREENHOUSE GAS EMISSIONS

Committee on Environment and Public Works: Committee concluded hearings to examine the economic and environmental risks associated with increasing greenhouse gas emissions, focusing on the potential impact of growing anthropogenic emissions of greenhouse gases into the atmosphere, after receiving testimony from F. Sherwood Rowland, University of California, Irvine Department of Chemistry, Irvine; Roger A. Pielke, Jr., University of Colorado Center for Science and Technology Policy Research, Boulder; David R. Legates, University of Delaware Center for Climatic Research, Newark; Sallie Baliunas, Harvard-Smithsonian Center for Astrophysics, Cambridge, Massachusetts; Martin Whittaker, Innovest Strategic Value Advisors, Inc., Ontario, Canada; and Jack D. Cogen, Natsource, New York, New York.

WAR ON TERRORISM

Committee on Foreign Relations: Committee met in closed session to receive a briefing on the war on terrorism from Richard L. Armitage, Deputy Secretary of State.

NOMINATION

Committee on Foreign Relations: Committee concluded hearings on the nomination of Robert Patrick John Finn, of New York, to be Ambassador to Afghanistan, after the nominee testified and answered questions in his own behalf.

PUBLIC HEALTH/NATURAL RESOURCES

Committee on Governmental Affairs: Committee concluded hearings to examine the Federal implementation of environmental laws as they apply to public health and natural resources, after receiving testimony from Connecticut Attorney General Richard Blumenthal, Hartford; Richard J. Dove, Waterkeeper Alliance, New Bern, North Carolina; Kenneth Green, Reason Public Policy Institute, Los Angeles, California; Donald Newhouse, Guardians of the Rural Environment, Yarnell, Arizona; Hope Sieck, Greater Yellowstone Coalition, Bozeman, Montana; and Stephen C. Torbit, National Wildlife Federation Rocky Mountain Natural Resource Center, Boulder,

Colorado, on behalf of the Wyoming Outdoor Council and Biodiversity Associates.

DRUGS AND TERRORISM

Committee on the Judiciary: Subcommittee on Technology, Terrorism, and Government Information concluded hearings to examine the worldwide connection between drugs and terrorism, focusing on identification and investigation of criminal and terrorist groups, after receiving testimony from Asa Hutchinson, Administrator, Drug Enforcement Administration, Department of Justice; Richard Newcomb, Director, Office of Foreign Assets Control, Department of the Treasury; R. Rand Beers, Assistant Secretary, Bureau for International Narcotics and Law Enforcement Affairs, and Francis X. Taylor, Coordinator for Counter Terrorism, both of the Department of State; Curtis W. Kamman, former U.S. Ambassador to Colombia; and R. Grant Smith, Johns Hopkins University School of Advanced International Studies/Central Asia Caucasus Institute, Washington, D.C., former U. S. Ambassador to Tajikistan, Michael Shifter, Georgetown University School of Foreign Service Center for Latin American Studies, and Martha Brill Olcott, Carnegie Endowment for International Peace, all of Washington, D.C.

INTELLIGENCE

Select Committee on Intelligence: Committee held closed hearings on intelligence matters, receiving testimony from officials of the intelligence community.

Committee recessed subject to call.

House of Representatives

Chamber Action

Measures Introduced: 13 public bills, H.R. 3951–3963; 1 private bill, H.R. 3964 and; 3 resolutions, H. Con. Res. 349, and H. Res. 368–369 were introduced. **Pages H906–07**

Reports Filed: No reports were filed today.

Speaker Pro Tempore: Read a letter from the Speaker wherein he appointed Representative Simpson to act as Speaker pro tempore for today. **Page H835**

Guest Chaplain: The prayer was offered by the guest Chaplain, LCDR Bryan K. Finch, Chaplain, U.S. Coast Guard Training Center, Yorktown, Virginia. **Pages H835–36**

Journal Vote: Agreed to the Speaker's approval of the Journal of Tuesday, March 12 by a yea-and-nay vote of 355 yeas to 45 nays with 1 voting "present," Roll No. 54. **Pages H837–38**

Presidential Messages: Read the following messages from the President:

Continuation of National Emergency re Iran: Message wherein he transmitted a notice stating that it is necessary to continue the national emergency declared with respect to Iran and maintain in force comprehensive sanctions against Iran to respond to this threat—referred to the Committee on International Relations and ordered printed (H. Doc. 107–187); and **Pages H846–47**

Six Month Periodic Report on National Emergency re Iran: Message wherein he transmitted a 6-month periodic report on the national emergency with respect to Iran that was declared in Executive Order 12957 of March 15, 1995—referred to the Committee on International Relations and ordered printed (H. Doc. 107–188). **Page H847**

Class Action Fairness Act: The House passed H.R. 2341, to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, to outlaw certain practices that provide inadequate settlements for class members, to assure that attorneys do not receive a disproportionate amount of settlements at the expense of class members, to provide for clearer and simpler information in class action settlement notices, to assure prompt consideration of interstate class actions, to amend title 28, United States Code, and to allow the application of the principles of Federal diversity jurisdiction to interstate class actions by a yea-and-nay vote of 233 yeas to 190 nays, Roll No. 62. **Pages H885–86**

Rejected the Sandlin of Texas motion to recommit the bill to the Committee on the Judiciary with instructions to report it back with an amendment that prohibits defendants who are knowing participants in conspiracies to hijack aircraft or commit acts of terrorism to remove a class action to Federal court by a recorded vote of 191 ayes to 235 noes, Roll No. 61. **Pages H884–85**

Pursuant to the rule, the amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the bill, H. Rept.

107–370, was considered as an original bill for the purpose of amendment. **Page H857**

Agreed To:

Nadler amendment No. 2, printed in H. Rept. 107–375, as modified, that prohibits any order, opinion, or record of the court from being sealed or subjected to a protective order unless the court finds that the sealing or protective order is narrowly tailored, consistent with the protection of public health and safety, and is in the public interest;

Pages H859–60

Keller amendment No. 4, printed in H. Rept. 107–375, as modified, that requires courts with jurisdiction over a plaintiff class action to disclose their fees to each plaintiff if there is a settlement or judgment for the plaintiffs; and **Page H863**

Hart amendment No. 9, printed in H. Rept. 107–375, as modified, that directs the Judicial Conference of the United States with the assistance of the Director of the Federal Judicial Center and the Director of the Administrative Office of the United States Courts to prepare and transmit to the Committees on the Judiciary of the Senate and House of Representatives a report on class action settlements in the Federal courts, within 12 months after the date of enactment. **Pages H879–82**

Rejected:

Waters amendment No. 3, printed in H. Rept. 107–375, as modified, that sought to deem a party in a class action suit as admitting any fact with respect to which a discovery order was issued when that party withholds or destroys material subject to the order (rejected by a recorded vote of 174 ayes to 251 noes, Roll No. 56); **Page H872**

Lofgren amendment No. 5, printed in H. Rept. 107–375, as modified, that sought to strike the provision that deems a civil action to be a class action if the plaintiff acts for the interests of its members (who are not named parties to the action) or for the interests of the general public, seeks a remedy of damages, restitution, disgorgement, or any other form of monetary relief, and is not a State attorney general (rejected by a recorded vote of 194 ayes to 231 noes, Roll No.57); **Pages H872–73**

Conyers amendment No. 6, printed in H. Rept. 107–375, as modified, that sought to treat a foreign corporation which acquires a domestic corporation as being incorporated in the State where the domestic corporation was organized (rejected by a recorded vote of 202 ayes to 223 noes, Roll No.58);

Pages H873–74

Jackson-Lee amendment No. 7, printed in H. Rept. 107–375, as modified, that sought to prohibit a party from removing a class action to a district court if the party has been found by a court to have knowingly altered, destroyed, or misrepresented records or documents (rejected by a recorded vote of 177 ayes to 248 noes, Roll No. 59); and

Pages H882–83

Frank amendment No. 8, printed in H. Rept. 107–375, as modified, that sought to require Federal courts which refuse to certify a class action under rule 23 of the Federal rules of Civil Procedure to remand all aspects of the action to the State court from which it was removed (rejected by a recorded vote of 191 ayes to 234 noes, Roll No. 60).

Pages H883–84

H. Res. 367, the rule that provided for consideration of the bill was agreed to by voice vote. Earlier, agreed to order the previous question by a yea-and-nay vote of 221 yeas to 198 nays, Roll No. 55.

Page H846

Discharge Petition: Pursuant to Clause 2 of Rule XV, Representative Israel filed a motion to discharge the Committee on Rules from the consideration of H. Res. 352, providing for consideration of H.R. 3341, to provide a short-term enhanced safety net for Americans losing their jobs and to provide our Nation's economy with a necessary boost.

Quorum Calls—Votes: Three yea-and-nay votes and six recorded votes developed during the proceedings of the House today and appear on pages H837–38, H846, H872, H872–73, H873–74, H882–83, H883–84, H885, and H885–86. There were no quorum calls.

Adjournment: The House met at 10 a.m. and adjourned at 9:12 p.m.

Committee Meetings

AGRICULTURE, RURAL DEVELOPMENT, AND FDA APPROPRIATIONS

Committee on Appropriations: Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies held a hearing on Farm and Foreign Agricultural Services. Testimony was heard from the following officials of the USDA: Stephen B. Dewhurst, Budget Officer; J. B. Penn, Under Secretary, Farm and Foreign Agricultural Services; James Little, Administrator, Farm Service Agency; Ross Davidson, Administrator, Risk Management Agency; Ellen Terpstra, Administrator, Foreign Agricultural Service; and Mary Chambliss, Acting General Sales Manager.

COMMERCE, JUSTICE, STATE AND JUDICIARY APPROPRIATIONS

Committee on Appropriations: Subcommittee on Commerce, Justice, State and Judiciary held a hearing on

Supreme Court, and on Small Business Administration. Testimony was heard from the following Associate Justices of the Supreme Court: Anthony M. Kennedy; and Clarence Thomas; and Hector V. Barreto, Administrator, SBA.

DEFENSE APPROPRIATIONS

Committee on Appropriations: Subcommittee on Defense held a hearing on Defense Transformation. Testimony was heard from the following officials of the Department of Defense: E. C. Aldridge, Under Secretary, Defense; and Vice Adm. Arthur Cebrowski, (Ret.) Director, Force Transformation.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS

Committee on Appropriations: Subcommittee on Energy and Water Development held a hearing on Department of Energy-Science, Nuclear Energy and Renewable Energy. Testimony was heard from Robert Card, Under Secretary, Energy, Science and Environment, Department of Energy.

FOREIGN OPERATIONS APPROPRIATIONS

Committee on Appropriations: Subcommittee on Foreign Operations, Export Financing and Related Programs held a hearing on Administrator of Agency for International Development. Testimony was heard from Andrew S. Natsios, Administrator, AID, Department of State.

INTERIOR APPROPRIATIONS

Committee on Appropriations: Subcommittee on Interior held a hearing on Forest Service. Testimony was heard from Dale N. Bosworth, Chief, Forest Service, USDA.

LABOR, HHS AND EDUCATION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, and Education held a hearing on National Institutes of Health Fiscal Year 2003 Budget Overview. Testimony was heard from Ruth L. Kirschstein, M.D., Acting Director, NIH, Department of Health and Human Services.

MILITARY CONSTRUCTION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Military Construction held a hearing on Housing Privatization. Testimony was heard from the following officials of the Department of Defense: Ray Dubois, Deputy Under Secretary, Installations and Environment; Geoffrey Prosch, Principal Deputy Assistant Secretary, Department of the Army; H.T. Johnson, Assistant Secretary, Installations and Environment; and Jimmy Dishner, Deputy Secretary, Installations, both with the Department of the Navy.

TRANSPORTATION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Transportation held a hearing on FAA. Testimony was heard from the following officials of the Department of Transportation: Kenneth M. Mead, Inspector General; and Jane F. Garvey, Administrator, FAA.

TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS

Committee on Appropriations: Subcommittee on Treasury, Postal Service and General Government held a hearing on GSA, and on U.S. Postal Service. Testimony was heard from Stephen A. Perry, Administrator, GSA; and John E. Potter, Postmaster General and CEO, U.S. Postal Service.

VA, HUD AND INDEPENDENT AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on Veterans' Affairs, Housing and Urban Development, and Independent Agencies held a hearing on Office of Science Technology Policy, and on Department of Defense—Civil, Cemeterial Expenses, Army. Testimony was heard from John H. Marburger III, Director, Office of Science and Technology Policy; and Les Brownlee, Under Secretary, Department of the Army.

ENERGY DEPARTMENT BUDGET REQUEST

Committee on Armed Services: Held a hearing on the fiscal year 2003 Department of Energy budget request. Testimony was heard from Spencer Abraham, Secretary of Energy.

NATIONAL DEFENSE AUTHORIZATION BUDGET REQUEST

Committee on Armed Services: Subcommittee on Military Personnel held a hearing on the fiscal year 2002 National Defense Authorization budget request. Testimony was heard from the following officials of the Department of Defense: David S. Chu, Under Secretary, Personnel and Readiness; Lt. Gen. John M. LeMoyne, USA, Deputy Chief of Staff, U.S. Army; Vice Adm. Norbert R. Ryan, Jr., USN, Chief of Naval Personnel; and Lt. Gen. Garry L. Parks, USMC, Deputy Commandant, Manpower and Reserve Affairs, U.S. Marine Corps, both with the Department of the Navy; Lt. Gen. Richard E. Brown III, USAF, Deputy Chief of Staff, Personnel, US Air Force; Craig W. Duehring, Principal Deputy Assistant Secretary (Reserve Affairs); Lt. Gen. Russell C. Davis, USAF, Chief National Guard Bureau; Lt. Gen. Thomas J. Plewes, Chief, U.S. Army Reserve; Vice Adm. John B. Totushek, Chief, Naval Reserve; Lt. Gen. James E. Sherrard III, Chief, Air Force Reserve; Maj. Gen. Dennis M. McCarthy, Commander, Marine Forces Reserve; Lt. Gen. Roger C. Schultz,

Director, Army National Guard; Brig. Gen. David A. Brubaker, Deputy Director, Air National Guard; and representatives of veterans organizations.

COMPETITIVE SOURCING

Committee on Armed Services: Subcommittee on Military Readiness held a hearing on competitive sourcing/outscourcing/A–76 and strategic sourcing. Testimony was heard from Angela B. Styles, Administrator, Federal Procurement Policy, OMB; and the following officials of the Department of Defense: Michael M. Wynne, Principal Deputy Under Secretary (Acquisition, Technology and Logistics); Mario P. Fiori, Assistant Secretary (Installations and Environment), Department of the Army; H.T. Johnson, Assistant Secretary (Installations and Environment), Department of the Navy; and Michael Dominguez, Assistant Secretary (Manpower and Reserve Affairs), Department of the Air Force.

BUDGET RESOLUTION FISCAL YEAR 2003

Committee on the Budget: Began markup of the Fiscal Year 2003 Budget Resolution.

EDUCATION SCIENCES REFORM ACT

Committee on Education and the Workforce: Subcommittee on Education Reform approved for full Committee action, as amended, H.R. 3801, Education Sciences Reform Act of 2002.

ASSESSING MENTAL HEALTH PARITY

Committee on Education and the Workforce: Subcommittee on Employer-Employee Relations held a hearing on ''Assessing Mental Health Parity: Implications for Patients and Employers.'' Testimony was heard from Representatives Roukema and Kennedy of Rhode Island, and public witnesses.

HHS HEALTH CARE PRIORITIES

Committee on Energy and Commerce: Subcommittee on Health held a hearing entitled ''The 2003 Budget: A Review of the HHS Health Care Priorities.'' Testimony was heard from Tommy G. Thompson, Secretary of Health and Human Services.

CORPORATE AND AUDITING ACCOUNTABILITY, RESPONSIBILITY, AND TRANSPARENCY ACT

Committee on Financial Services: Held a hearing on H.R. 3763, Corporate and Auditing Accountability, Responsibility, and Transparency Act of 2002. Testimony was heard from Roderick M. Hills, former Chairman, SEC; and public witnesses.

Hearings continue March 20.

GOVERNMENT PURCHASE CARDS—USE AND ABUSE

Committee on Government Reform: Subcommittee on Government Efficiency, Financial Management, and Intergovernmental Affairs held a hearing on ''The Use and Abuse of Government Purchase Cards.'' Testimony was heard from Senator Grassley; Gregory D. Kutz, Director, Financial Management and Assurance, GAO; and the following officials of the Department of Defense: Tina Jones, Deputy Under Secretary, Financial Management; Deidre A. Lee, Director, Defense Procurement, Office of the Under Secretary, Acquisition, Technology and Logistics; Capt. Patricia Miller, USN, Commanding Officer, Space and Naval Warfare Systems Center; and Capt. James Barrett; USN, Commanding Officer, Navy Public Works Center, both in San Diego, California; and a public witness.

TRANSATLANTIC RELATIONS

Committee on International Relations: Subcommittee on Europe held a hearing on U.S. and Europe: The Bush Administration and Transatlantic Relations. Testimony was heard from A. Elizabeth Jones, Assistant Secretary, Bureau of European and Eurasian Affairs, Department of State.

OVERSIGHT—KLAMATH RIVER BASIN THREATENED FISHES

Committee on Resources: Held an oversight hearing on the National Academy of Science Interim Report on Endangered and Threatened Fishes in the Klamath River Basin. Testimony was heard from Sue Ellen Wooldridge, Deputy Chief of Staff, Department of the Interior; William T. Hogarth, Assistant Administrator, Fisheries, National Marine Fisheries Service, NOAA, Department of Commerce; and a public witness.

ENERGY PIPELINE RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACT

Committee on Science: Subcommittee on Energy held a hearing on the Energy Pipeline Research, Development, and Demonstration Act. Testimony was heard from public witnesses.

NSF BUDGET

Committee on Science: Subcommittee on Research held a hearing on the NSF Budget: How Should We Determine Future Levels? Testimony was from public witnesses.

SUBSIDY RATE CALCULATION

Committee on Small Business: Held a hearing on "Subsidy Rate Calculation: Unfair Tax on Small Business." Testimony was heard from Nancy Dorn, Deputy Director, OMB; Hector V. Barreto, Jr., Administrator, SBA; and public witnesses.

OVERSIGHT—PORT SECURITY

Committee on Transportation and Infrastructure: Subcommittee on Coast Guard and Maritime Transportation held an oversight hearing on Port Security: Shipping Containers. Testimony was heard from Capt. Anthony Regalbuto, USCG, Chief, Port Security, U.S. Coast Guard, Department of Transportation; Richard Larrabee, Director, Post Commerce, Port Authority of New York and New Jersey; and public witnesses.

WATER QUALITY FINANCING ACT

Committee on Transportation and Infrastructure: Subcommittee on Water Resources and Environment held a hearing on the Water Quality Financing Act of 2002. Testimony was heard from Benjamin H. Grumbles, Deputy Assistant Administrator, Water, EPA; and public witnesses.

DVA INFORMATION PROGRAM

Committee on Veterans' Affairs: Subcommittee on Oversight and Investigations held a hearing on the Department of Veterans Affairs Information program, with a review of VA's integrated systems architecture plan, Veterans Benefits Administration's VETSNET program, information security, Veterans Health Administration's Decision Support Systems, and the Government Computer-Based Patient Record Program. Testimony was heard from David L. McClure, Director, Accounting and Information Management Issues, GAO; from the following officials of the Department of Veterans Affairs: Richard Griffin, Inspector General; and John A. Gauss, Assistant Secretary, Information Technology; and a public witness.

BUDGET VIEWS AND ESTIMATES

Committee on Ways and Means: Approved Committee Budget Views and Estimates for Fiscal Year 2003 for submission to the Committee on the Budget.

UNMANNED VEHICLE PROGRAMS

Permanent Select Committee on Intelligence: Subcommittee on Technical and Tactical Intelligence met in executive session to hold a hearing on Unmanned Vehicle Programs. Testimony was heard from departmental witnesses.

NEW PUBLIC LAWS

(For last listing of Public Laws, see DAILY DIGEST *of March 12, 2002, p. D215)*

S. 1206, to reauthorize the Appalachian Regional Development Act of 1965. Signed on March 12, 2002. (Public Law 107–149)

H.R. 1892, to amend the Immigration and Nationality Act to provide for the acceptance of an affidavit of support from another eligible sponsor if the original sponsor has died and the Attorney General has determined for humanitarian reasons that the original sponsor's classification petition should not be revoked. Signed on March 13, 2002. (Public Law 107–150)

H.R. 3699, to revise certain grants for continuum of care assistance for homeless individual and families. Signed on March 13, 2002. (Public Law 107–151)

COMMITTEE MEETINGS FOR THURSDAY, MARCH 14, 2002

(Committee meetings are open unless otherwise indicated)

Senate

Special Committee on Aging: to hold hearings to examine the current economy and its impact on seniors, focusing on funds for Medicaid, health, and senior services, 9:30 a.m., SD–628.

Committee on Appropriations: Subcommittee on Agriculture, Rural Development, and Related Agencies, to hold hearings to examine farm economy and rural sector issues, 10 a.m., SD–138.

Subcommittee on Treasury and General Government, to hold hearings on proposed budget estimates for fiscal year 2003 for the Department of the Treasury, 2 p.m., SD–138.

Subcommittee on Labor, Health and Human Services, and Education, to hold hearings on proposed budget estimates for fiscal year 2003 for the Department of Education, 2:30 p.m., SD–124.

Subcommittee on District of Columbia, to hold hearings to examine regional emergency planning for the Nation's Capital, 2:30 p.m., SD–192.

Committee on Armed Services: to hold hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense, focusing on the atomic energy defense activities of the Department of Energy, 9:30 a.m., SH–216.

Subcommittee on Airland, to hold hearings to examine proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense, focusing on Army modernization and transformation, 2:30 p.m., SR–222.

Committee on Banking, Housing, and Urban Affairs: to resume oversight hearings to examine accounting and investor protection issues raised by the Enron situation, and other public companies, focusing on the accounting profession, audit quality and independence, and formulation of accounting principles, 10 a.m., SD–538.

Full Committee, to hold hearings on the nominations of JoAnn Johnson, of Iowa, and Deborah Matz, of New York, each to be a Member of the National Credit Union Administration Board, 3 p.m., SD–538.

Committee on Commerce, Science, and Transportation: to hold hearings on S. 1991, to establish a national rail passenger transportation system, reauthorize Amtrak, and improve security and service on Amtrak, 9:30 a.m., SR–253.

Committee on Finance: Subcommittee on Health Care, to hold hearings to examine reimbursement and access to prescription drugs under Medicare Part B, 10 a.m., SD–215.

Committee on Foreign Relations: to hold hearings on the nomination of Richard Monroe Miles, of South Carolina, to be Ambassador to Georgia; the nomination of James W. Pardew, of Arkansas, to be Ambassador to the Republic of Bulgaria; the nomination of Peter Terpeluk, Jr., of Pennsylvania, to be Ambassador to Luxembourg; and the nomination of Lawrence E. Butler, of Maine, to be Ambassador to The Former Yugoslav Republic of Macedonia, 2 p.m., SD–419.

Committee on Health, Education, Labor, and Pensions: to hold hearings to examine the future of American steel, focusing on ensuring the viability of the industry and the health care and retirement security for workers, 2 p.m., SD–430.

Committee on Indian Affairs: to hold hearings on the President's budget request for Indian programs for fiscal year 2003, 10 a.m., SR–485.

Committee on the Judiciary: to hold hearings to examine competition, innovation, and public policy concerning digital creative works, 10 a.m., SD–106.

Full Committee, business meeting to consider S. 1356, to establish a commission to review the facts and circumstances surrounding injustices suffered by European Americans, Europeans Latin Americans, and European refugees during World War II; S. 924, to provide reliable officers, technology, education, community prosecutors, and training in our neighborhoods; S. Res. 207, designating March 31, 2002, and March 31, 2003, as "National Civilian Conservation Corps Day"; S. Res. 206, designating the week of March 17 through March 23, 2002 as "National Inhalants and Poison Prevention Week"; S. Res. 221, to commemorate and acknowledge the dedication and sacrifice made by the men and women who have lost their lives while serving as law enforcement officers; and pending nominations, 2 p.m., SD–106.

Committee on Veterans' Affairs: to hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of the Gold Star Wives of America, the Fleet Reserve Association, the Air Force Sergeants Association, and the Retired Enlisted Association, 10 a.m., 345 Cannon Building.

Full Committee, to hold hearings on the nomination of Robert H. Roswell, of Florida, to be Under Secretary for Health, and the nomination of Daniel L. Cooper, of Pennsylvania, to be Under Secretary for Benefits, both of the Department of Veterans Affairs, 2 p.m., SR–418.

House

Committee on Appropriations, Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies, on Food Safety and Inspection Service, 9:30 a.m., 2362A Rayburn.

Subcommittee on Commerce, Justice, State and Judiciary, on State Department-International Organizations, 10 a.m., and on NOAA, 2 p.m., H–309 Capitol.

Subcommittee on Defense, on Fiscal Year 2003 Army Budget Overview, 9:30 a.m., H–140 Capitol.

Subcommittee on Energy and Water Development, on Department of Energy-Nuclear Waste Management and Disposal, 10 a.m., 2362B Rayburn.

Subcommittee on Interior, oversight hearing on Bureau of Indian Affairs, and Office of Special Trustee for American Indians, 10 a.m., B–308 Rayburn.

Subcommittee on Labor, Health and Human Service and Education, on National Institutes of Health Panel: From Bench to Bedside and Beyond, 9:45 a.m., 2358 Rayburn.

Subcommittee on Transportation, on Member of Congress, 10 a.m., 2358 Rayburn.

Subcommittee on Treasury, Postal Service and General Government on OMB, 10 a.m., and on Executive Office of the President, 2 p.m., 2359 Rayburn.

Subcommittee on VA, HUD and Independent Agencies, on Community Development Financial Institutions, 10 a.m., and on National Institute of Environmental Health Services, 11 a.m., H–143 Capitol.

Committee on Armed Services, to continue hearings on the fiscal year 2003 National Defense Authorization budget request, 9:30 a.m., 2118 Rayburn.

Special Oversight Panel on the Merchant Marine, hearing on the fiscal year 2003 Maritime Administration Authorization budget request, 8 a.m., 2212 Rayburn.

Subcommittee on Military Readiness, hearing on environmental and encroachment issues, 2 p.m., 2118 Rayburn.

Committee on Energy and Commerce, Subcommittee on Oversight and Investigations, to continue hearings on the Financial Collapse of Enron Corp., focusing on Enron's inside and outside counsel, 10 a.m., 2322 Rayburn.

Committee on Financial Services, Subcommittee on Financial Institutions and Consumer Credit, hearing on the Financial Services Regulatory Relief Act of 2002, 9:30 a.m., 2128 Rayburn.

Subcommittee on Housing and Community Opportunity, to consider H.R. 2941, Brownfields Redevelopment Enhancement Act; followed by a hearing entitled "Review of the Community Development Block Grant Program," 10 a.m., 2220 Rayburn.

Committee on Government Reform, to consider the following: H.R. 3340, to amend title 5, United States Code, to allow certain catch-up contributions to the Thrift Savings Plan to be made by participants age 50 or over; H.R. 3921, Acquisition Streamling Improvement Act; the Federal Property Asset Management Reform Act of 2002; the Freedom to Telecommute Act of 2002; the Digital Tech Corps Act of 2001; and a draft report entitled "Justice Undone: Clemency Decisions in the Clinton White House," 10 a.m., 2154 Rayburn.

Committee on International Relations, hearing on the Afghanistan Freedom Support Act of 2002, 10 a.m., 2172 Rayburn.

Committee on the Judiciary, Subcommittee on Courts, the Internet, and Intellectual Property, oversight hearing on "Patent Law and Non-Profit Research Collaboration," 9 a.m., 2141 Rayburn.

Subcommittee on Crime, hearing on the Office of Justice Programs Part Three-Waste, Fraud and Abuse, 2 p.m., 2237 Rayburn.

Committee on Resources, Subcommittee on Energy and Mineral Resources, oversight hearing on "FY 2003 U.S. Geological Survey, Minerals Management Service and Office of Surface Mining Reclamation & Enforcement Budgets," 10 a.m., 1309 Longworth.

Subcommittee on Fisheries Conservation, Wildlife and Oceans, the Subcommittee on National Parks, Recreation and Public Lands and the Subcommittee on Forests and Forest Health, joint hearing on H.R. 3558, Species Protection and Conservation of the Environment Act, 10 a.m., 1334 Longworth.

Committee on Science, Subcommittee on Environment, Technology, and Standards, to mark up H.R. 3389, National Sea Grant College Program Act Amendments of 2002; followed by a hearing on Technology Administration: Review and Reauthorization, 10 a.m., 2318 Rayburn.

Committee on Transportation and Infrastructure, Subcommittee on Aviation and the Subcommittee on Railroads, joint oversight hearing on Reauthorization of the National Transportation Safety Board, 10 a.m., 2167 Rayburn.

Subcommittee on Coast Guard and Maritime Transportation, oversight hearing on Financial Responsibility for Port Security, 2 p.m., 2167 Rayburn.

Committee on Ways and Means, to mark up H.R. 3669, Employee Retirement Savings Bill of Rights, 9:30 a.m., 1100 Longworth.

Subcommittee on Health, hearing on Rationalizing Medicare Supplemental Insurance, 2:15 p.m., 1100 Longworth.

Permanent Select Committee on Intelligence, executive, meeting with a former member of the National Commission terrorism, 11:30 a.m., and, executive, meeting with the British House of Commons Northern Ireland Affairs Committee, 2:30 p.m.,

Joint Meetings

Joint Meetings: Senate Committee on Veterans' Affairs, to hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of the Gold Star Wives of America, the Fleet Reserve Association, the Air Force Sergeants Association, and the Retired Enlisted Association, 10 a.m., 345 Cannon Building.

Next Meeting of the SENATE

9:30 a.m., Thursday, March 14

Senate Chamber

Program for Thursday: Senate will continue consideration of S. 517, Energy Policy Act.

Next Meeting of the HOUSE OF REPRESENTATIVES

10 a.m., Thursday, March 14

House Chamber

Program for Thursday: Consideration of H.R. 2146, Two Strikes and You're Out Child Protection Act (open rule, one hour of debate).

Extensions of Remarks, as inserted in this issue

HOUSE

Ackerman, Gary L., N.Y., E341
Barcia, James A., Mich., E335
Bonior, David E., Mich., E329, E330, E331, E333
Callahan, Sonny, Ala., E331
Cooksey, John, La., E338
Forbes, J. Randy, Va., E338
Gilman, Benjamin A., N.Y., E335
Holt, Rush D., N.J., E336
Kucinich, Dennis J., Ohio, E340
LaFalce, John J., N.Y., E340
Lantos, Tom, Calif., E332, E334
McCarthy, Carolyn, N.Y., E329, E330
Markey, Edward J., Mass., E340
Nadler, Jerrold, N.Y., E339
Ortiz, Solomon P., Tex., E333, E342
Owens, Major R., N.Y., E334, E335, E335, E336, E337, E338, E338, E339, E340, E341
Radanovich, George, Calif., E339
Rangel, Charles B., N.Y., E334, E337, E339
Schaffer, Bob, Colo., E342
Schiff, Adam B., Calif., E332
Shays, Christopher, Conn., E332
Shimkus, John, Ill., E333
Solis, Hilda L., Calif., E334, E338
Thompson, Mike, Calif., E331
Udall, Mark, Colo., E329, E330
Udall, Tom, N.M., E342
Visclosky, Peter J., Ind., E337
Weiner, Anthony D., N.Y., E333

Congressional Record The public proceedings of each House of Congress, as reported by the Official Reporters thereof, are printed pursuant to directions of the Joint Committee on Printing as authorized by appropriate provisions of Title 44, United States Code, and published for each day that one or both Houses are in session, excepting very infrequent instances when two or more unusually small consecutive issues are printed at one time. ¶Public access to the Congressional Record is available online through *GPO Access,* a service of the Government Printing Office, free of charge to the user. The online database is updated each day the Congressional Record is published. The database includes both text and graphics from the beginning of the 103d Congress, 2d session (January 1994) forward. It is available through GPO Access at www.gpo.gov/gpoaccess. Customers can also access this information with WAIS client software, via telnet at swais.access.gpo.gov, or dial-in using communications software and a modem at (202) 512–1661. Questions or comments regarding this database or GPO Access can be directed to the GPO Access User Support Team at: E-Mail: gpoaccess@gpo.gov; Phone 1–888–293–6498 (toll-free), 202–512–1530 (D.C. area); Fax: 202–512–1262. The Team's hours of availability are Monday through Friday, 7:00 a.m. to 5:30 p.m., Eastern Standard Time, except Federal holidays. ¶The Congressional Record paper and 24x microfiche will be furnished by mail to subscribers, free of postage, at the following prices: paper edition, $211.00 for six months, $422.00 per year, or purchased for $5.00 per issue, payable in advance; microfiche edition, $141.00 per year, or purchased for $1.50 per issue payable in advance. The semimonthly Congressional Record Index may be purchased for the same per issue prices. To place an order for any of these products, visit the U.S. Government Online Bookstore at: bookstore.gpo.gov. Mail orders to: Superintendent of Documents, P.O. Box 371954, Pittsburgh, PA 15250–7954, or phone orders to (866) 512–1800 (toll free), (202) 512–1800 (D.C. Area), or fax to (202) 512–2250. Remit check or money order, made payable to the Superintendent of Documents, or use VISA, MasterCard, Discover, American Express, or GPO Deposit Account. ¶Following each session of Congress, the daily Congressional Record is revised, printed, permanently bound and sold by the Superintendent of Documents in individual parts or by sets. ¶With the exception of copyrighted articles, there are no restrictions on the republication of material from the Congressional Record.