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House of Representatives

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

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
April 2, 2003.

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

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

PRAYER

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

Lord God, in ancient days as armies gathered and You stood in the midst of war, You called forth Jeremiah and named him Your prophet. Be with Your people now and give the leaders of government prophetic wisdom to make right judgments and be discerning in lasting justice.

Attune our hearts that we may hear Jeremiah's calling as spoken to us today; that seeing with the eyes of his vision we may make Your will our own.

''The Word of the Lord came to me: Before I formed you in the womb, I knew you as my very own; before you were born, I consecrated you. I appointed you prophet to the nations.''

Lord God, before You, as individuals and as a Nation, we are summoned now and forever. Amen.

THE JOURNAL

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

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

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.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed bills of the following titles in which the concurrence of the House is requested:

S. 704. An act to amend title 10, United States Code, to increase the amount of the death gratuity payable with respect to deceased members of the Armed Forces.

S. 711. An act to amend title 37, United States Code, to alleviate delay in the payment of the Selected Reserve reenlistment bonus to members of Selected Reserve who are mobilized.

S. 712. An act to amend title 10, United States Code, to provide Survivor Benefit Plan annuities for surviving spouses of Reserves not eligible for retirement who die from a cause incurred or aggravated while on inactive-duty training.

S. 718. An act to provide a monthly allotment of free telephone calling time to members of the United States armed forces stationed outside the United States who are directly supporting military operations in Iraq or Afghanistan.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 10 one-minutes per side.

CONCERNING IRAQ'S TREATMENT OF AMERICAN PRISONERS OF WAR

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

Mr. RYUN of Kansas. Mr. Speaker, it is said that you can judge a government by the way it treats the weak. In recent days we have all seen the images of American GIs holding Iraqi children, rushing them out of harm's way. We currently hold thousands of Iraqi prisoners of war. We are treating them humanely, giving them food and water. We will openly welcome the International Red Cross to monitor the health and well-being of these prisoners. We demand nothing less from the Iraqi regime in its treatment of our seven American POWs.

Looking back to the first Gulf War, we remember that our POWs were subject to mock executions, beatings and public humiliation. Let the Iraqi military be warned: America will hold those responsible who mistreat any American service man or woman regardless of the orders they may have received from above.

EXPRESSING GRATITUDE TO LOU DINUZZO OF WATERVLIET, NEW YORK

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

Mr. MCNULTY. Mr. Speaker, during this time of war, our thoughts are constantly with our active duty military personnel overseas, and also with all of the men and women who wore the uniform of the United States military through the years. One of those veterans is my friend Lou DiNuzzo of Watervliet, New York, an Air Force lieutenant during World War II. Thankfully Lou returned home safely, and with his wife Edna raised a beautiful

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family to carry on in their fine traditions. Lou rendered outstanding community service for many years as a member of the Watervliet City Council, and for the past 15 years has served as an unpaid volunteer in my Albany congressional office. Lately, Mr. Speaker, Lou DiNuzzo has faced very serious health challenges. He has met those challenges with the same courage and grace with which he has faced all of the other challenges in his life.

Members have heard me many times on this floor say that my first two priorities when I get up in the morning are to thank God for my life and veterans for my way of life. Mr. Speaker, when I said my morning prayers today, I was thankful for a great many things, but first and foremost on this day I am grateful that Lou DiNuzzo is my friend.

AT&T PLAYS D.C. REGULATORY GAME

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

Mr. BONILLA. Mr. Speaker, I am very worried about one of the greatest assaults that is currently underway against America's telecommunications industry. We have seen some remarkable changes in the past 5 years with the growth of wireless technology and the Internet, but what about the future?

Today we are not seeing America's telecom companies making investments in their products and services. We are not seeing companies hire new people and training them. We are not seeing healthy competition between companies. What we are seeing day after day in the telecom industry are attack ads from AT&T trying to stifle competition for their own benefit.

These are very difficult times for American business. One would think that in this current environment, every major corporation would be focused on their people, their products and their future; but sadly you cannot open a newspaper, turn on a radio or watch television without being bombarded by these negative ads that are being run under disguise and being run by a bogus group called Voices for Choices.

Why in the world would AT&T be running these millions of dollars in ads in Washington, D.C.? They do not promote any products, service, or any kind of private sector growth.

My conclusion is that after seeing these ads that AT&T believes that their future relies on Washington and regulation. I hope the Chamber recognizes that these ads are just bogus and they are an attempt to play the D.C. regulatory game. This game is ruining the telecommunications industry. We must not be fooled by the tactics of those companies that feel that playing games is more important than focusing on legitimate business.

COMMENDING MARQUETTE'S TRIP TO THE 2003 FINAL FOUR

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

Mr. KLECZKA. Mr. Speaker, I rise to congratulate the Marquette University men's basketball team for their sensational season this year, one that will not soon be forgotten. With Coach Tom Crean at the helm and players like Dwayne Wade, Travis Diener, Robert Jackson and Steve Novak patrolling the hardwood, Marquette has enjoyed a remarkable year and has earned a well-deserved berth in the NCAA Final Four.

Now that the Golden Eagles have a chance to win their first championship since 1977, when Al McGuire was coaching them and the team was named the Warriors, only the Kansas Jayhawks stand in their way of reaching the title game.

To demonstrate my utmost confidence in Marquette, Mr. Speaker, I made a friendly wager with the gentleman from Kansas (Mr. MOORE) that the Golden Eagles will beat the Jayhawks in the national semifinals. I am putting Wisconsin bratwurst, an assortment of Wisconsin's finest cheeses and a case of Milwaukee-brewed Sprecher root beer on the line. It is too bad my friend from Kansas will not get the opportunity to enjoy them, for I look forward to a wonderful feast of his two slabs of Kansas pork ribs and a jug of Kansas barbecue sauce when Marquette knocks off Kansas to advance to the national championship game.

Mr. Speaker and Members, I join with the entire Marquette community in wishing the Golden Eagles Godspeed and a great victory this Saturday.

MEET CHEMICAL ALI

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

Mr. KIRK. Mr. Speaker, the record of evil compiled by Saddam Hussein and his sons Uday and Qusay is well known. Less well known is the record of his closest adviser. Meet Ali Hasan al-Majid al-Tikriti, better known as Chemical Ali. Chemical Ali is the enforcer of the regime. His presence signals Saddam's most vicious intent. While he was governor of the, quote, Kuwait Province in 1990, he implemented a program to ''Iraqify'' Kuwait through the arrest, torture and execution of Kuwaiti police, military officers and resistance members. In the years since, he has brutally suppressed uprisings by Iraqis in the north and in the south. In 1991 he appeared on Iraqi television, beating, kicking and executing Iraqi opposition prisoners.

Ali earned the name ''Chemical Ali'' because of his tenure as director of the Mukhabarat, the Iraqi Intelligence Service. On March 16, 1988, he ordered the use of chemical weapons against the civilians of Halabja, resulting in the deaths of over 5,000 innocent men, women and children.

Meet Lieutenant General Ali Hasan, a symbol of why the allies fight this war. Removing documented war criminals like this man from positions of power is the right thing to do both for the oppressed people of Iraq and for our global stability.

PORT SECURITY

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

Ms. LORETTA SANCHEZ of California. Mr. Speaker, I rise today to talk about the importance of adequate security at our Nation's ports. On Monday, President Bush visited the Port of Philadelphia to praise our Coast Guard on their increased role at ports and to promote new security under Operation Liberty Shield. However, during this visit, the President failed to mention that the Coast Guard has reported receiving only a fraction of the resources they need to secure these ports, or that the President did not ask for any future port grant funding in either the supplemental spending bill or his fiscal 2004 budget request, no funding to fill in the gaping holes in our port security needs.

Just outside of my district, are two ports, the Port of Los Angeles and the Port of Long Beach. Last year, an estimated 4 million cargo containers passed through those ports, 35 percent of all U.S. international trade. Less than 4 percent of those containers were screened. Our ports of entry are some of the most vulnerable threat risks in our Nation and we need to provide the means and the resources necessary for adequate security.

THE UNITED NATIONS

(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, last week U.N. Secretary-General Kofi Annan expressed his concern for Iraqi civilians during coalition military operations. I share his concern but want to know what he says about Iraq's treatment of civilians. American troops risk their lives to avoid civilian casualties. Saddam Hussein has surrounded himself and his troops with innocent civilians because he knows this is the only way to slow our advance through Iraq. What has Mr. Annan said about Hussein's use of human shields, or of hospitals as military headquarters? Nothing. While American troops are under extreme scrutiny, Saddam Hussein draws none from the United Nations.

The lack of scrutiny during wartime is the same complacency employed by the U.N. since 1991. We should not be surprised but we should keep it in mind

as we think about our role in the U.N. after this war is over.

TRIBUTE TO SERGEANT MORALES AND CORPORAL RODRIGUEZ

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

Mr. ACEVEDO-VILÁ. Mr. Speaker, I rise to pay tribute to two Puerto Rican soldiers who died recently in the Middle East. Sergeant Orlando Morales, a soldier who served in Special Operations in Afghanistan, and who died after being wounded in an ambush last Saturday as part of Operation Enduring Freedom. Sergeant Morales' Special Operations battalion took on hostile fire during a reconnaissance mission. Marine Corporal Robert M. Rodriguez was killed in action on March 27 when his tank crashed into the Euphrates River during combat operations northwest of An Nasiriyah. The United States and Puerto Rico lost true patriots in both these brave men.

While I did not personally know them, there are thousands of dedicated soldiers like them active in the Armed Forces from Puerto Rico and of Puerto Rican descent. My thoughts and prayers are with their families and loved ones and with our troops in the Middle East. I am here today to recognize their sacrifice to the United States and to Puerto Rico.

I want to also take this opportunity to let my colleagues know that Puerto Ricans today, as throughout our history with the U.S., remain in steadfast commitment to our armed services.

We must forever recognize the tens of thousands like Sergeant Morales and Corporal Rodriguez who have died or have been wounded in combat. During the Korean War, General Douglas MacArthur said of the forces of the much-heralded 65th Infantry, the fighting Borinqueneers from Puerto Rico, and I quote, ''They are writing a brilliant record of achievement in battle and I am proud indeed to have them in this command.''

I ask my colleagues to honor these soldiers and to recognize the ongoing Puerto Rican commitment to the United States military.

□ 1015

CONGRATULATIONS TO CARLOS DE LA CRUZ

(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, today I congratulate a man of great honor and integrity, a man who has devoted his life to the cause of serving our community in south Florida, Carlos de la Cruz. Carlos has been selected to receive the 2003 American Red Cross Humanitarian Award for his exceptional contributions to our community. Carlos has had a distinguished career in his endeavor to improve the lives of people across our beloved Nation, while the American Red Cross has a fitting tribute, a well deserving one, for Carlos. A native from Cuba, Carlos along with his lovely wife, Rosa, have been examples of true social responsibility. His work with the Red Cross, United Way, and the Urban League inspires us all.

I join the people in south Florida, the American Red Cross, and all of Carlos's family in soluting his extraordinary work. To Carlos, gracias for his devotion and commitment to our beloved south Florida community. We are a better area for his being there.

MOURNING THE LOSS OF ODELIA ROBINSON

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

Mrs. JONES of Ohio. Mr. Speaker, I rise this morning to mourn the loss of one of the most significant councilwomen in the city of Cleveland, Odelia Robinson. Odelia Robinson is the former councilwoman in Ward 3. She was succeeded by Zachery Reed, one of the people that she nurtured in public life. Odelia Robinson has always been my friend. Prior to coming to the council, she served in a nurturing profession. She was a nurse and in social work. We in the city of Cleveland will miss this great soldier.

I join with all the people of the 11th congressional district to extend our sympathy and condolences to the family of Odelia Robinson.

THE TRADE DEFICIT

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

Mr. DUNCAN. Mr. Speaker, our trade deficit reached an astounding figure of over $400 billion last year. This means we are still losing millions of jobs to other countries. Now in today's Washington Post, there are headlines saying ''White Collar Work a Booming U.S. Export'' and ''More White Collar Work being Shipped Overseas.''

According to this story, one study says by 2015, 3 million white collar jobs and $140 billion in wages will have shifted from the U.S. to other nations. Another headline in today's Post says ''U.S. Manufacturers Cut Back in March.''

The disciples of high tech told us not to worry about losing factory jobs, but now we are losing these economy jobs to China, India, and elsewhere. Is it any wonder that college graduates cannot find good jobs and are going to graduate school while working as waiters and waitresses?

We need to start putting U.S. workers first and end trade agreements and government regulations that force more jobs to other countries. If we do not, Mr. Speaker, the standard of living for most Americans is going to go down, down, down.

JESSICA LYNCH COMING HOME

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

Mrs. CAPITO. Mr. Speaker, this is a good morning to be a West Virginian. We found out last night one of our own is coming home.

Jessica Lynch, a 19-year-old private first class from the 507th Ordnance Maintenance Company is in safe hands right now because of the heroism of her rescuers, the coalition forces. Jessica had been missing for 10 days. She is from Palestine, West Virginia, in Wirt County. Wirt County residents are resilient people who epitomize the can-do spirit of West Virginia, and it was their prayers that brought Jessie home. All of us West Virginians and every American across the Nation can feel the Lynch family's relief now that their daughter is in safe hands.

I stand here today wearing my yellow ribbon because we are waiting for other Americans to come home. We are joyful, thankful, grateful as we see the miraculous rescue of Jessie Lynch.

WAR AND PSYCHOLOGY

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

Mr. STEARNS. Mr. Speaker, I want to quote this morning from an article by Mona Charen, ''War and Psychology,'' in which she says: "'War never solves anything.' So say dozens of callers to C-SPAN'' all day long ''and left-leaning radio programs.''

''The answer to this argument, if you can call it an argument, could almost fit on a bumper sticker. Apart from securing American independence, ending slavery, and defeating Nazism and Communism, 'war has never solved anything,' so the liberals say.

''Anti-war activists tell us that Iraq is a distraction from the more important war against global terrorism. This argument has been dealt a serious blow by the capture of Khalid Sheikh Mohammed.''

Frankly, Mr. Speaker, war does solve many things; but we have to win them, and this one we will win.

PROVIDING FOR CONSIDERATION OF H.R. 743, SOCIAL SECURITY PROTECTION ACT OF 2003

Mr. LINDER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 168 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 168

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in

the House the bill (H.R. 743) to amend the Social Security Act and the Internal Revenue Code of 1986 to provide additional safeguards for Social Security and Supplemental Security Income beneficiaries with representative payees, to enhance program protections, and for other purposes. The bill shall be considered as read for amendment. The amendment recommended by the Committee on Ways and Means now printed in the bill shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, and on any further amendment thereto to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means; (2) the further amendment printed in the report of the Committee on Rules accompanying this resolution, if offered by Representative Green of Texas or his designee, which shall be in order without intervention of any point of order, shall be considered as read, and shall be separately debatable for 40 minutes equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions.

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

Mr. LINDER. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Texas (Mr. FROST), 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.

H. Res. 168 is a modified closed rule that provides 1 hour of debate in the House, equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means.

It waives all points of order against consideration of the bill and provides that the amendment recommended by the Committee on Ways and Means now printed in the bill shall be considered as adopted. H. Res. 168 provides for consideration of the amendment printed in the Committee on Rules report accompanying the resolution, if offered by the gentleman from Texas (Mr. GREEN) or his designee, which shall be considered as read and shall be separately debatable for 40 minutes, equally divided and controlled by the proponent and an opponent.

H. Res. 168 waives all points of order against the amendment printed in the report and provides one motion to recommit with or without instructions.

Mr. Speaker, I urge my colleagues to join me in approving this rule so that the full House can proceed to work its will on the underlying Social Security reform legislation.

On March 5, just about a month ago, the House considered this bill with an amendment under suspension of the rules. A bipartisan majority of the House voted to approve this bill, 249 to 180, but it fell short of the needed two-thirds majority to pass the House under suspension. So today we are bringing it back to the House for further deliberation.

The controversy that arose during initial consideration of H.R. 743 last month dealt with the language in this bill closing the so-called ''last day rule.''

At the recommendation of the General Accounting Office, which estimates that this loophole could cost the Social Security program $450 million, this bill is seeking to eliminate the ''last day rule.'' The ''last day rule'' allows some workers in certain States to switch job classifications on their last day of service, pay Social Security payroll taxes for 1 day, and magically become eligible for Social Security spousal or survivor benefits without the government pension offset being applied to their benefits.

H.R. 743 eliminates this problem by requiring individuals to work in a government job that is covered by Social Security for the last 60 calendar months of employment in order to be exempt from the GPO. This is truly a reasonable proposal which should be promptly enacted into law.

The rule before us makes in order an amendment from the gentleman from Texas (Mr. GREEN) which strikes section 418 from H.R. 743. Section 418 is the segment of the legislation that once and for all eliminates the ''last day rule.'' So this rule will allow the House to choose between two starkly different proposals.

One proposal, H.R. 743, gets rid of this loophole which could cost Social Security almost $500 million. The other proposal, the gentleman from Texas's (Mr. GREEN) amendment, allows this loophole to continue on well into the future, thereby allowing the hemorrhaging of the Social Security program to continue unabated.

I urge my colleagues on both sides of the aisle to support H. Res. 168, a rule that will allow the House to consider and ultimately pass legislation that will improve the lives of millions of senior citizens across the country by strengthening the long-term solvency of the Social Security program.

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

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

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

Mr. FROST. Mr. Speaker, the underlying bill, the Social Security Protection Act, is largely noncontroversial. Its main provisions would deny supplemental security income, SSI, to fugitive felons, make it easier for seniors to get a lawyer for the complicated disability application process, and reform the representative payee program so that seniors are not defrauded. I support all of these reforms, Mr. Speaker.

Unfortunately, this bill also has one very harmful provision. A change in the government pension offset that would hurt teachers, firefighters, police officers and other public servants around the country including in my home State of Texas. Specifically, section 418 of this bill would prevent these hard-working public servants from protecting their retirement benefits from the harsh impact of the government pension offset.

Mr. Speaker, this issue is somewhat complicated, but it affects thousands and thousands of dedicated teachers and other public servants. So I am going to take a minute to explain how it works. Say one was a teacher and their job has a pension plan that is not covered under Social Security. If their spouse's job pays into Social Security, then they are eligible for spousal or survivor's benefit if their spouse dies. But under current law, the government pension offset reduces or eliminates the spousal or survivor's benefits they deserve.

Fortunately, there is a provision in law right now that helps some people in this situation. It allows one to protect their retirement by switching jobs at the end of their career. This ''last day exemption,'' as it is called, has helped many teachers in Texas and other States protect the Social Security benefits they deserve and that they need to retire. However, section 418 of the underlying bill would eliminate this exemption. Instead it would force teachers, police officers, firefighters, and other public servants to work 5 additional years before receiving full spousal benefits.

Mr. Speaker, that is no way to treat hard-working people who have dedicated their entire lives to serving their communities and this Nation. It hurts real people, especially women and lower-income individuals. That is why it is opposed by teachers organizations like the National Education Association and the American Federation of Teachers.

Mr. Speaker, helping teachers and other public servants is not difficult. In the Committee on Rules yesterday, Democrats offered several amendments to fix the GPO problem. One option was offered by the gentleman from Texas (Mr. DOGGETT). His amendment would protect teachers' retirement by reducing the government pension offset from two thirds to one third, and it would protect the Social Security trust fund. Unfortunately, Republicans on the Committee on Rules refused to allow the House to vote on the Doggett amendment. For that reason, I urge Members to join me in opposing the previous question. If we defeat the previous question, I will offer an amendment to the rule that will allow the House to consider the gentleman from Texas's (Mr. DOGGETT) amendment.

Another option, Mr. Speaker, was offered by the gentleman from Texas (Mr. GREEN). His amendment, which will be considered on the floor today as a Democratic substitute, would simply eliminate section 418 so that teachers and other public servants can continue to protect their retirement benefits. The substitute does not affect the rest of the Social Security Protection Act.

So I urge my colleagues to vote ''yes'' on the Green amendment. That way we can support Social Security

fairness for teachers, firefighters, and police officers.

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

□ 1030

Mr. FROST. Mr. Speaker, I yield 6 minutes to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Speaker, what is happening here this morning provides yet another example of the complete indifference of this House Republican leadership to the retirement security of millions of older Americans. Like their pseudo-prescription drug plan, which is not a plan to help seniors but only a scheme to subsidize HMOs and deny seniors their choice of doctors; like their persistence in seeking to privatize and undermine our Social Security system and end the basic guaranteed retirement upon which so many Americans have relied for the last seven decades. Today, Republicans reject the pleas of firefighters, of police officers, of teachers, and of the other public servants who have asked this Congress for years to correct the government pension offset that cuts into their retirement security after they have served America, often at very low wages in very critical jobs.

The Republicans' refusal to permit debate on the amendment that I offered or the amendment that our colleague, the gentleman from Louisiana (Mr. JEFFERSON) offered can only add to the cynicism of those who have strived for so long to have their voices heard in this Congress on this matter and who have yet to even get a vote on the floor, much less passage, of this measure.

Almost 200 Members of this House, including a substantial number of Republicans, have signed on as sponsors to a bill to repeal the government pension offset. The gentleman from Florida (Mr. SHAW), the gentleman from Texas (Mr. CULBERTSON), the gentleman from Kentucky (Mr. LEWIS), the gentleman from Florida (Mr. FOLEY), the gentleman from Georgia (Mr. NORWOOD), and the gentleman from Michigan (Mr. SMITH), Republicans all, and proud of it, sponsored last session and again this session a more modest proposal: Just cut the government pension offset in half and provide half a loaf to those firefighters and teachers. That proposal has been filed again this year as H.R. 75.

Now, for some unknown reason, though he is chairman of the subcommittee with the sole jurisdiction over this matter, the gentleman from Florida (Mr. SHAW) has never even bothered to ask for a hearing on his very own proposal, much less ask for a vote on it, much less bring it to the floor of this House.

So I acted in a very modest way, joined our colleague, the gentleman from Florida (Mr. SHAW) in committee when this measure was forced back to the committee for its first-ever vote, and we offered the bill for the gentleman from Florida (Mr. SHAW).

We were prouder of it than he was. We asked for a vote from him but, more importantly, for the millions of Americans, retirees, near retirees, who serve the public, who are counting on these Republicans to address their retirement security issues, we asked for a vote on their proposal, written not in our words but in the Republican author's words.

And what happened? Well, these Republicans who did not have the slightest intention of ever advancing the proposal that they offered, they all voted against their own proposal. And so in the Committee on Rules, quite naturally, they said they do not want to bring these amendments out here to the floor, because the Republicans will vote against the very proposals that they have been writing to their constituents about and that they are sponsoring.

This kind of total contradiction is what makes so many Americans question whether this institution, this House of Representatives, is the people's House and whether it is doing the people's business.

Mr. Speaker, it is very interesting that though he has been largely in charge here for the last eight years, our colleague, the gentleman from Texas, now the Republican majority leader, says he agrees with our position, not their position. He wrote one constituent recently: ''I strongly believe that the GPO is an unfair and misguided piece of legislation. It undercuts the people who have spent their entire working life paying into the Social Security system by denying them their fair share of the hard-earned money they contributed. Married couples should be able to share those benefits with their spouses.''

I could not have said it better myself.

But words will not solve the problems of these teachers, firefighters, and police officers. This House can solve the problem. This House can solve it by voting today to support the previous question so we can get action on the floor. Words will not make any difference to the people out there who are counting on us. Letters and e-mails to constituents will not make any difference. A vote on the House floor to correct this problem, to adopt verbatim the Republican legislation and do it here on the floor of the House will respond to the needs of people across this country.

Mr. Speaker, there are those who help us provide security, security for our families, and they deserve a little retirement security. The Republicans know how to fix this problem; they have war-gamed against the enemy that undermines the retirement security. All they have to do is pass the relevant provisions of the Shaw bill and we want to give them that opportunity to pass a Republican piece of legislation. For once, a piece of legislation that will strengthen retirement security instead of undermining it like their prescription drug and privatized Social Security schemes.

We ask them to join with us today in a key vote, the first vote on the government pension offset by supporting the leadership of the gentleman from Texas (Mr. FROST) on the previous question. We will provide real retirement security coverage to the people of this country, not just political coverage, which is apparently all the authors of this legislation originally had in mind.

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

Mr. Speaker, I urge a ''no'' vote on the previous question. If the previous question is defeated, I will offer an amendment to the rule that will allow the House to consider the Doggett pension offset amendment that was voted down in the Committee on Rules yesterday. The Doggett amendment would reduce the government pension offset of Social Security spousal and survivors benefits from two-thirds to one-third of the government pension. It would hold the trust fund harmless for the cost of the benefit improvement by making annual transfers from the general funds to the Social Security Trust Fund.

Mr. Speaker, I ask unanimous consent to insert the text of the previous question immediately prior to the vote.

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

There was no objection.

Mr. FROST. Mr. Speaker, vote ''no'' on the previous question so we can help all those who are unfairly penalized in their pension benefits simply because one spouse is a government employee and one works for the private sector. Let us support those who go into public service, not punish them.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in opposition to the previous question on H.R. 743. I will vote no on this motion, I will vote in favor of the Green amendment. The bill failed when it was first brought to the floor earlier, because of a controversial provision (section 418) and was an abuse of the suspension procedure, which is intended for non-controversial legislation.

Section 418, which modifies an exemption to the Social Security Government Pension Offset (GPO) remains in the bill. The GPO is designed to treat workers who are not covered by Social Security (some federal, state and local government employees) the same as workers who are covered by Social Security and therefore pay FICA taxes. Texas teachers benefit from the use of the exemption. The Texas teachers' pension system is uniquely suited to use of this exemption.

I have heard from many teachers in Houston who do not want me to support H.R. 743. The National Education Association supports the Green substitute that would strike Section 418 from the Social Security Protection Act (H.R. 743).

NEA strongly opposes Section 418, which would prevent teachers from protecting their retirement benefits from the harsh impacts of the Government Pension Offset (GPO).

The GPO unfairly reduces the retirement benefits of public employees who have dedicated their lives to serving their communities

and their country. Educators are shocked to learn that their decision to enter the education profession—often at considerable financial sacrifice—has caused them to lose benefits they counted on.

Instead of addressing what is clearly a response to a larger issue of unfairness, we strongly believe that Congress should focus on remedying the underlying problem by repealing the Government Pension Offset. Addressing the broader issue would make provisions such as Section 418 unnecessary.

The House rejected H.R. 743 last month because of Section 418. Now, supporters are bringing the bill back to the floor for yet another vote. The Green substitute offers an important opportunity to strike this controversial and unfair provision from an otherwise noncontroversial bill.

I urge my colleagues to vote against the previous question, and to vote in support of the Green substitute. I strongly urge my colleagues to reject H.R. 743 as currently written and instead to support the Green substitute.

The material previously referred to by Mr. FROST is as follows:

PREVIOUS QUESTION FOR H. RES. 168—SOCIAL SECURITY PROTECTION ACT

In the resolution strike ''and (3)'' and insert the following:

''(3) the further amendment printed in Sec. 2 of the resolution if offered by Representative Doggett of Texas or his designee, which shall be in order without intervention of any point of order, shall be considered as read, and shall be separately debatable for 60 minutes equally divided and controlled by the proponent and an opponent; and (4)''.

Sec. 2. (Insert text of the amendment):

AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 743, AS REPORTED

OFFERED BY MR. DOGGETT OF TEXAS

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Social Security Protection Act of 2003''.

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title and table of contents.

TITLE I—PROTECTION OF BENEFICIARIES

Subtitle A—Representative Payees

Sec. 101. Authority to reissue benefits misused by organizational representative payees.
Sec. 102. Oversight of representative payees.
Sec. 103. Disqualification from service as representative payee of persons convicted of offenses resulting in imprisonment for more than 1 year or fleeing prosecution, custody, or confinement.
Sec. 104. Fee forfeiture in case of benefit misuse by representative payees.
Sec. 105. Liability of representative payees for misused benefits.
Sec. 106. Authority to redirect delivery of benefit payments when a representative payee fails to provide required accounting.

Subtitle B—Enforcement

Sec. 111. Civil monetary penalty authority with respect to wrongful conversions by representative payees.

TITLE II—PROGRAM PROTECTIONS

Sec. 201. Civil monetary penalty authority with respect to knowing withholding of material facts.
Sec. 202. Issuance by Commissioner of Social Security of receipts to acknowledge submission of reports of changes in work or earnings status of disabled beneficiaries.
Sec. 203. Denial of title II benefits to persons fleeing prosecution, custody, or confinement, and to persons violating probation or parole.
Sec. 204. Requirements relating to offers to provide for a fee a product or service available without charge from the Social Security Administration.
Sec. 205. Refusal to recognize certain individuals as claimant representatives.
Sec. 206. Penalty for corrupt or forcible interference with administration of Social Security Act.
Sec. 207. Use of symbols, emblems, or names in reference to social security or medicare.
Sec. 208. Disqualification from payment during trial work period upon conviction of fraudulent concealment of work activity.
Sec. 209. Authority for judicial orders of restitution.

TITLE III—ATTORNEY FEE PAYMENT SYSTEM IMPROVEMENTS

Sec. 301. Cap on attorney assessments.
Sec. 302. Extension of attorney fee payment system to title XVI claims.

TITLE IV—MISCELLANEOUS AND TECHNICAL AMENDMENTS

Subtitle A—Amendments Relating to the Ticket to Work and Work Incentives Improvement Act of 1999

Sec. 401. Application of demonstration authority sunset date to new projects.
Sec. 402. Expansion of waiver authority available in connection with demonstration projects providing for reductions in disability insurance benefits based on earnings.
Sec. 403. Funding of demonstration projects provided for reductions in disability insurance benefits based on earnings.
Sec. 404. Availability of Federal and State work incentive services to additional individuals.
Sec. 405. Technical amendment clarifying treatment for certain purposes of individual work plans under the Ticket to Work and Self-Sufficiency Program.

Subtitle B—Miscellaneous Amendments

Sec. 411. Elimination of transcript requirement in remand cases fully favorable to the claimant.
Sec. 412. Nonpayment of benefits upon removal from the United States.
Sec. 413. Reinstatement of certain reporting requirements.
Sec. 414. Clarification of definitions regarding certain survivor benefits.
Sec. 415. Clarification respecting the FICA and SECA tax exemptions for an individual whose earnings are subject to the laws of a totalization agreement partner.
Sec. 416. Coverage under divided retirement system for public employees in Kentucky.
Sec. 417. Compensation for the Social Security Advisory Board.
Sec. 418. 60-month period of employment requirement for application of government pension offset exemption.
Sec. 419. Government pension offset reduced from two-thirds to one-third of the government pension.

Subtitle C—Technical Amendments

Sec. 421. Technical correction relating to responsible agency head.
Sec. 422. Technical correction relating to retirement benefits of ministers.
Sec. 423. Technical corrections relating to domestic employment.
Sec. 424. Technical corrections of outdated references.
Sec. 425. Technical correction respecting self-employment income in community property States.

TITLE I—PROTECTION OF BENEFICIARIES

Subtitle A—Representative Payees

SEC. 101. AUTHORITY TO REISSUE BENEFITS MISUSED BY ORGANIZATIONAL REPRESENTATIVE PAYEES.

(a) TITLE II AMENDMENTS.—

(1) REISSUANCE OF BENEFITS.—Section 205(j)(5) of the Social Security Act (42 U.S.C. 405(j)(5)) is amended by inserting after the first sentence the following new sentences: ''In any case in which a representative payee that—

''(A) is not an individual (regardless of whether it is a 'qualified organization' within the meaning of paragraph (4)(B)); or

''(B) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title VIII, title XVI, or any combination of such titles;

misuses all or part of an individual's benefit paid to such representative payee, the Commissioner of Social Security shall certify for payment to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of such benefit so misused. The provisions of this paragraph are subject to the limitations of paragraph (7)(B).''.

(2) MISUSE OF BENEFITS DEFINED.—Section 205(j) of such Act (42 U.S.C. 405(j)) is amended by adding at the end the following new paragraph:

''(8) For purposes of this subsection, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person and converts such payment, or any part thereof, to a use other than for the use and benefit of such other person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this paragraph.''.

(b) TITLE VIII AMENDMENTS.—

(1) REISSUANCE OF BENEFITS.—Section 807(i) of the Social Security Act (42 U.S.C. 1007(i)) (as amended by section 209(b)(1) of this Act) is amended further by inserting after the first sentence the following new sentences: ''In any case in which a representative payee that—

''(A) is not an individual; or

''(B) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title II, title XVI, or any combination of such titles;

misuses all or part of an individual's benefit paid to such representative payee, the Commissioner of Social Security shall pay to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of such benefit so misused. The provisions of this paragraph are subject to the limitations of subsection (l)(2).''.

(2) MISUSE OF BENEFITS DEFINED.—Section 807 of such Act (42 U.S.C. 1007) is amended by adding at the end the following new subsection:

''(j) MISUSE OF BENEFITS.—For purposes of this title, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another

person under this title and converts such payment, or any part thereof, to a use other than for the use and benefit of such person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this subsection.''.

(3) TECHNICAL AMENDMENT.—Section 807(a) of such Act (42 U.S.C. 1007(a)) is amended, in the first sentence, by striking ''for his or her benefit'' and inserting ''for his or her use and benefit''.

(c) TITLE XVI AMENDMENTS.—

(1) REISSUANCE OF BENEFITS.—Section 1631(a)(2)(E) of such Act (42 U.S.C. 1383(a)(2)(E)) is amended by inserting after the first sentence the following new sentences: ''In any case in which a representative payee that—

''(i) is not an individual (regardless of whether it is a 'qualified organization' within the meaning of subparagraph (D)(ii)); or

''(ii) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title II, title VIII, or any combination of such titles;

misuses all or part of an individual's benefit paid to the representative payee, the Commissioner of Social Security shall pay to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of the benefit so misused. The provisions of this subparagraph are subject to the limitations of subparagraph (H)(ii).''.

(2) EXCLUSION OF REISSUED BENEFITS FROM RESOURCES.—Section 1613(a) of such Act (42 U.S.C. 1382b(a)) is amended—

(A) in paragraph (12), by striking ''and'' at the end;

(B) in paragraph (13), by striking the period and inserting ''; and''; and

(C) by inserting after paragraph (13) the following new paragraph:

''(14) for the 9-month period beginning after the month in which received, any amount received by such individual (or spouse) or any other person whose income is deemed to be included in such individual's (or spouse's) income for purposes of this title as restitution for benefits under this title, title II, or title VIII that a representative payee of such individual (or spouse) or such other person under section 205(j), 807, or 1631(a)(2) has misused.''.

(3) MISUSE OF BENEFITS DEFINED.—Section 1631(a)(2)(A) of such Act (42 U.S.C. 1383(a)(2)(A)) is amended by adding at the end the following new clause:

''(iv) For purposes of this paragraph, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person and converts such payment, or any part thereof, to a use other than for the use and benefit of such other person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this clause.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to any case of benefit misuse by a representative payee with respect to which the Commissioner makes the determination of misuse on or after January 1, 1995.

SEC. 102. OVERSIGHT OF REPRESENTATIVE PAYEES.

(a) CERTIFICATION OF BONDING AND LICENSING REQUIREMENTS FOR NONGOVERNMENTAL ORGANIZATIONAL REPRESENTATIVE PAYEES.—

(1) TITLE II AMENDMENTS.—Section 205(j) of the Social Security Act (42 U.S.C. 405(j)) is amended—

(A) in paragraph (2)(C)(v), by striking ''a community-based nonprofit social service agency licensed or bonded by the State'' in subclause (I) and inserting ''a certified community-based nonprofit social service agency (as defined in paragraph (9))'';

(B) in paragraph (3)(F), by striking ''community-based nonprofit social service agencies'' and inserting ''certified community-based nonprofit social service agencies (as defined in paragraph (9))'';

(C) in paragraph (4)(B), by striking ''any community-based nonprofit social service agency which is bonded or licensed in each State in which it serves as a representative payee'' and inserting ''any certified community-based nonprofit social service agency (as defined in paragraph (9))''; and

(D) by adding after paragraph (8) (as added by section 101(a)(2) of this Act) the following new paragraph:

''(9) For purposes of this subsection, the term 'certified community-based nonprofit social service agency' means a community-based nonprofit social service agency which is in compliance with requirements, under regulations which shall be prescribed by the Commissioner, for annual certification to the Commissioner that it is bonded in accordance with requirements specified by the Commissioner and that it is licensed in each State in which it serves as a representative payee (if licensing is available in such State) in accordance with requirements specified by the Commissioner. Any such annual certification shall include a copy of any independent audit on such agency which may have been performed since the previous certification.''.

(2) TITLE XVI AMENDMENTS.—Section 1631(a)(2) of such Act (42 U.S.C. 1383(a)(2)) is amended—

(A) in subparagraph (B)(vii), by striking ''a community-based nonprofit social service agency licensed or bonded by the State'' in subclause (I) and inserting ''a certified community-based nonprofit social service agency (as defined in subparagraph (I))'';

(B) in subparagraph (D)(ii)—

(i) by striking ''or any community-based'' and all that follows through ''in accordance'' in subclause (II) and inserting ''or any certified community-based nonprofit social service agency (as defined in subparagraph (I)), if the agency, in accordance'';

(ii) by redesignating items (aa) and (bb) as subclauses (I) and (II), respectively (and adjusting the margination accordingly); and

(iii) by striking ''subclause (II)(bb)'' and inserting ''subclause (II)''; and

(C) by adding at the end the following new subparagraph:

''(I) For purposes of this paragraph, the term 'certified community-based nonprofit social service agency' means a community-based nonprofit social service agency which is in compliance with requirements, under regulations which shall be prescribed by the Commissioner, for annual certification to the Commissioner that it is bonded in accordance with requirements specified by the Commissioner and that it is licensed in each State in which it serves as a representative payee (if licensing is available in the State) in accordance with requirements specified by the Commissioner. Any such annual certification shall include a copy of any independent audit on the agency which may have been performed since the previous certification.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the first day of the thirteenth month beginning after the date of the enactment of this Act.

(b) PERIODIC ONSITE REVIEW.—

(1) TITLE II AMENDMENT.—Section 205(j)(6) of such Act (42 U.S.C. 405(j)(6)) is amended to read as follows:

''(6)(A) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner shall provide for the periodic onsite review of any person or agency located in the United States that receives the benefits payable under this title (alone or in combination with benefits payable under title VIII or title XVI) to another individual pursuant to the appointment of such person or agency as a representative payee under this subsection, section 807, or section 1631(a)(2) in any case in which—

''(i) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals;

''(ii) the representative payee is a certified community-based nonprofit social service agency (as defined in paragraph (9) of this subsection or section 1631(a)(2)(I)); or

''(iii) the representative payee is an agency (other than an agency described in clause (ii)) that serves in that capacity with respect to 50 or more such individuals.

''(B) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to subparagraph (A) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in such reviews and any corrective action taken or planned to be taken to correct such problems, and shall include—

''(i) the number of such reviews;

''(ii) the results of such reviews;

''(iii) the number of cases in which the representative payee was changed and why;

''(iv) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

''(v) the number of cases discovered in which there was a misuse of funds;

''(vi) how any such cases of misuse of funds were dealt with by the Commissioner;

''(vii) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

''(viii) such other information as the Commissioner deems appropriate.''.

(2) TITLE VIII AMENDMENT.—Section 807 of such Act (as amended by section 101(b)(2) of this Act) is amended further by adding at the end the following new subsection:

''(k) PERIODIC ONSITE REVIEW.—(1) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner may provide for the periodic onsite review of any person or agency that receives the benefits payable under this title (alone or in combination with benefits payable under title II or title XVI) to another individual pursuant to the appointment of such person or agency as a representative payee under this section, section 205(j), or section 1631(a)(2) in any case in which—

''(A) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals; or

''(B) the representative payee is an agency that serves in that capacity with respect to 50 or more such individuals.

''(2) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to paragraph (1) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this

title. Each such report shall describe in detail all problems identified in such reviews and any corrective action taken or planned to be taken to correct such problems, and shall include—

''(A) the number of such reviews;

''(B) the results of such reviews;

''(C) the number of cases in which the representative payee was changed and why;

''(D) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

''(E) the number of cases discovered in which there was a misuse of funds;

''(F) how any such cases of misuse of funds were dealt with by the Commissioner;

''(G) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

''(H) such other information as the Commissioner deems appropriate.''.

(3) TITLE XVI AMENDMENT.—Section 1631(a)(2)(G) of such Act (42 U.S.C. 1383(a)(2)(G)) is amended to read as follows:

''(G)(i) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner shall provide for the periodic onsite review of any person or agency that receives the benefits payable under this title (alone or in combination with benefits payable under title II or title VIII) to another individual pursuant to the appointment of the person or agency as a representative payee under this paragraph, section 205(j), or section 807 in any case in which—

''(I) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals;

''(II) the representative payee is a certified community-based nonprofit social service agency (as defined in subparagraph (I) of this paragraph or section 205(j)(9)); or

''(III) the representative payee is an agency (other than an agency described in subclause (II)) that serves in that capacity with respect to 50 or more such individuals.

''(ii) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to clause (i) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in the reviews and any corrective action taken or planned to be taken to correct the problems, and shall include—

''(I) the number of the reviews;

''(II) the results of such reviews;

''(III) the number of cases in which the representative payee was changed and why;

''(IV) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

''(V) the number of cases discovered in which there was a misuse of funds;

''(VI) how any such cases of misuse of funds were dealt with by the Commissioner;

''(VII) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

''(VIII) such other information as the Commissioner deems appropriate.''.

SEC. 103. DISQUALIFICATION FROM SERVICE AS REPRESENTATIVE PAYEE OF PERSONS CONVICTED OF OFFENSES RESULTING IN IMPRISONMENT FOR MORE THAN 1 YEAR OR FLEEING PROSECUTION, CUSTODY, OR CONFINEMENT.

(a) TITLE II AMENDMENTS.—Section 205(j)(2) of the Social Security Act (42 U.S.C. 405(j)(2)) is amended—

(1) in subparagraph (B)(i)—

(A) by striking ''and'' at the end of subclause (III);

(B) by redesignating subclause (IV) as subclause (VI); and

(C) by inserting after subclause (III) the following new subclauses:

''(IV) obtain information concerning whether such person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year,

''(V) obtain information concerning whether such person is a person described in section 202(x)(1)(A)(iv), and'';

(2) in subparagraph (B), by adding at the end the following new clause:

''(iii) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, social security account number, and photograph (if applicable) of any person investigated under this paragraph, if the officer furnishes the Commissioner with the name of such person and such other identifying information as may reasonably be required by the Commissioner to establish the unique identity of such person, and notifies the Commissioner that—

''(I) such person is described in section 202(x)(1)(A)(iv),

''(II) such person has information that is necessary for the officer to conduct the officer's official duties, and

''(III) the location or apprehension of such person is within the officer's official duties.'';

(3) in subparagraph (C)(i)(II), by striking ''subparagraph (B)(i)(IV),,'' and inserting ''subparagraph (B)(i)(VI)'' and striking ''section 1631(a)(2)(B)(ii)(IV)'' and inserting ''section 1631(a)(2)(B)(ii)(VI)''; and

(4) in subparagraph (C)(i)—

(A) by striking ''or'' at the end of subclause (II);

(B) by striking the period at the end of subclause (III) and inserting a comma; and

(C) by adding at the end the following new subclauses:

''(IV) such person has previously been convicted as described in subparagraph (B)(i)(IV), unless the Commissioner determines that such certification would be appropriate notwithstanding such conviction, or

''(V) such person is person described in section 202(x)(1)(A)(iv).''.

(b) TITLE VIII AMENDMENTS.—Section 807 of such Act (42 U.S.C. 1007) is amended—

(1) in subsection (b)(2)—

(A) by striking ''and'' at the end of subparagraph (C);

(B) by redesignating subparagraph (D) as subparagraph (F); and

(C) by inserting after subparagraph (C) the following new subparagraphs:

''(D) obtain information concerning whether such person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year;

''(E) obtain information concerning whether such person is a person described in section 804(a)(2); and'';

(2) in subsection (b), by adding at the end the following new paragraph:

''(3) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, social security account number, and photograph (if applicable) of any person investigated under this subsection, if the officer furnishes the Commissioner with the name of such person and such other identifying information as may reasonably be required by the Commissioner to establish the unique identity of such person, and notifies the Commissioner that—

''(A) such person is described in section 804(a)(2),

''(B) such person has information that is necessary for the officer to conduct the officer's official duties, and

''(C) the location or apprehension of such person is within the officer's official duties.''; and

(3) in subsection (d)(1)—

(A) by striking ''or'' at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting a semicolon; and

(C) by adding at the end the following new subparagraphs:

''(D) such person has previously been convicted as described in subsection (b)(2)(D), unless the Commissioner determines that such payment would be appropriate notwithstanding such conviction; or

''(E) such person is a person described in section 804(a)(2).''.

(c) TITLE XVI AMENDMENTS.—Section 1631(a)(2)(B) of such Act (42 U.S.C. 1383(a)(2)(B)) is amended—

(1) in clause (ii)—

(A) by striking ''and'' at the end of subclause (III);

(B) by redesignating subclause (IV) as subclause (VI); and

(C) by inserting after subclause (III) the following new subclauses:

''(IV) obtain information concerning whether the person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year;

''(V) obtain information concerning whether such person is a person described in section 1611(e)(4)(A); and'';

(2) in clause (iii)(II)—

(A) by striking ''clause (ii)(IV)'' and inserting ''clause (ii)(VI)''; and

(B) by striking ''section 205(j)(2)(B)(i)(IV)'' and inserting ''section 205(j)(2)(B)(i)(VI)'';

(3) in clause (iii)—

(A) by striking ''or'' at the end of subclause (II);

(B) by striking the period at the end of subclause (III) and inserting a semicolon; and

(C) by adding at the end the following new subclauses:

''(IV) the person has previously been convicted as described in clause (ii)(IV) of this subparagraph, unless the Commissioner determines that the payment would be appropriate notwithstanding the conviction; or

''(V) such person is a person described in section 1611(e)(4)(A).''; and

(4) by adding at the end the following new clause:

''(xiv) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any

Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, social security account number, and photograph (if applicable) of any person investigated under this subparagraph, if the officer furnishes the Commissioner with the name of such person and such other identifying information as may reasonably be required by the Commissioner to establish the unique identity of such person, and notifies the Commissioner that—

''(I) such person is described in section 1611(e)(4)(A),

''(II) such person has information that is necessary for the officer to conduct the officer's official duties, and

''(III) the location or apprehension of such person is within the officer's official duties.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the thirteenth month beginning after the date of the enactment of this Act.

(e) REPORT TO THE CONGRESS.—The Commissioner of Social Security, in consultation with the Inspector General of the Social Security Administration, shall prepare a report evaluating whether the existing procedures and reviews for the qualification (including disqualification) of representative payees are sufficient to enable the Commissioner to protect benefits from being misused by representative payees. The Commissioner shall submit the report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate no later than 270 days after the date of the enactment of this Act. The Commissioner shall include in such report any recommendations that the Commissioner considers appropriate.

SEC. 104. FEE FORFEITURE IN CASE OF BENEFIT MISUSE BY REPRESENTATIVE PAYEES.

(a) TITLE II AMENDMENTS.—Section 205(j)(4)(A)(i) of the Social Security Act (42 U.S.C. 405(j)(4)(A)(i)) is amended—

(1) in the first sentence, by striking ''A'' and inserting ''Except as provided in the next sentence, a''; and

(2) in the second sentence, by striking ''The Secretary'' and inserting the following: ''A qualified organization may not collect a fee from an individual for any month with respect to which the Commissioner of Social Security or a court of competent jurisdiction has determined that the organization misused all or part of the individual's benefit, and any amount so collected by the qualified organization for such month shall be treated as a misused part of the individual's benefit for purposes of paragraphs (5) and (6). The Commissioner''.

(b) TITLE XVI AMENDMENTS.—Section 1631(a)(2)(D)(i) of such Act (42 U.S.C. 1383(a)(2)(D)(i)) is amended—

(1) in the first sentence, by striking ''A'' and inserting ''Except as provided in the next sentence, a''; and

(2) in the second sentence, by striking ''The Commissioner'' and inserting the following: ''A qualified organization may not collect a fee from an individual for any month with respect to which the Commissioner of Social Security or a court of competent jurisdiction has determined that the organization misused all or part of the individual's benefit, and any amount so collected by the qualified organization for such month shall be treated as a misused part of the individual's benefit for purposes of subparagraphs (E) and (F). The Commissioner''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any month involving benefit misuse by a representative payee in any case with respect to which the Commissioner of Social Security or a court of competent jurisdiction makes the determination of misuse after 180 days after the date of the enactment of this Act.

SEC. 105. LIABILITY OF REPRESENTATIVE PAYEES FOR MISUSED BENEFITS.

(a) TITLE II AMENDMENTS.—Section 205(j) of the Social Security Act (42 U.S.C. 405(j)) (as amended by sections 101 and 102) is amended further—

(1) by redesignating paragraphs (7), (8), and (9) as paragraphs (8), (9), and (10), respectively;

(2) in paragraphs (2)(C)(v), (3)(F), and (4)(B), by striking ''paragraph (9)'' and inserting ''paragraph (10)'';

(3) in paragraph (6)(A)(ii), by striking ''paragraph (9)'' and inserting ''paragraph (10)''; and

(4) by inserting after paragraph (6) the following new paragraph:

''(7)(A) If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of an individual's benefit that was paid to such representative payee under this subsection, the representative payee shall be liable for the amount misused, and such amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of such overpayments. Subject to subparagraph (B), upon recovering all or any part of such amount, the Commissioner shall certify an amount equal to the recovered amount for payment to such individual or such individual's alternative representative payee.

''(B) The total of the amount certified for payment to such individual or such individual's alternative representative payee under subparagraph (A) and the amount certified for payment under paragraph (5) may not exceed the total benefit amount misused by the representative payee with respect to such individual.''.

(b) TITLE VIII AMENDMENT.—Section 807 of such Act (as amended by section 102(b)(2)) is amended further by adding at the end the following new subsection:

''(l) LIABILITY FOR MISUSED AMOUNTS.—

''(1) IN GENERAL.—If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of a qualified individual's benefit that was paid to such representative payee under this section, the representative payee shall be liable for the amount misused, and such amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of such overpayments. Subject to paragraph (2), upon recovering all or any part of such amount, the Commissioner shall make payment of an amount equal to the recovered amount to such qualified individual or such qualified individual's alternative representative payee.

''(2) LIMITATION.—The total of the amount paid to such individual or such individual's alternative representative payee under paragraph (1) and the amount paid under subsection (i) may not exceed the total benefit amount misused by the representative payee with respect to such individual.''.

(c) TITLE XVI AMENDMENTS.—Section 1631(a)(2) of such Act (42 U.S.C. 1383(a)(2)) (as amended by section 102(b)(3)) is amended further—

(1) in subparagraph (G)(i)(II), by striking ''section 205(j)(9)'' and inserting ''section 205(j)(10)''; and

(2) by striking subparagraph (H) and inserting the following:

''(H)(i) If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of an individual's benefit that was paid to the representative payee under this paragraph, the representative payee shall be liable for the amount misused, and the amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of the overpayments. Subject to clause (ii), upon recovering all or any part of the amount, the Commissioner shall make payment of an amount equal to the recovered amount to such individual or such individual's alternative representative payee.

''(ii) The total of the amount paid to such individual or such individual's alternative representative payee under clause (i) and the amount paid under subparagraph (E) may not exceed the total benefit amount misused by the representative payee with respect to such individual.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to benefit misuse by a representative payee in any case with respect to which the Commissioner of Social Security or a court of competent jurisdiction makes the determination of misuse after 180 days after the date of the enactment of this Act.

SEC. 106. AUTHORITY TO REDIRECT DELIVERY OF BENEFIT PAYMENTS WHEN A REPRESENTATIVE PAYEE FAILS TO PROVIDE REQUIRED ACCOUNTING.

(a) TITLE II AMENDMENTS.—Section 205(j)(3) of the Social Security Act (42 U.S.C. 405(j)(3)) (as amended by sections 102(a)(1)(B) and 105(a)(2)) is amended—

(1) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(2) by inserting after subparagraph (D) the following new subparagraph:

''(E) In any case in which the person described in subparagraph (A) or (D) receiving payments on behalf of another fails to submit a report required by the Commissioner of Social Security under subparagraph (A) or (D), the Commissioner may, after furnishing notice to such person and the individual entitled to such payment, require that such person appear in person at a field office of the Social Security Administration serving the area in which the individual resides in order to receive such payments.''.

(b) TITLE VIII AMENDMENTS.—Section 807(h) of such Act (42 U.S.C. 1007(h)) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(2) by inserting after paragraph (2) the following new paragraph:

''(3) AUTHORITY TO REDIRECT DELIVERY OF BENEFIT PAYMENTS WHEN A REPRESENTATIVE PAYEE FAILS TO PROVIDE REQUIRED ACCOUNTING.—In any case in which the person described in paragraph (1) or (2) receiving benefit payments on behalf of a qualified individual fails to submit a report required by the Commissioner of Social Security under paragraph (1) or (2), the Commissioner may, after furnishing notice to such person and the qualified individual, require that such person appear in person at a United States Government facility designated by the Social Security Administration as serving the area in which the qualified individual resides in order to receive such benefit payments.''.

(c) TITLE XVI AMENDMENT.—Section 1631(a)(2)(C) of such Act (42 U.S.C. 1383(a)(2)(C)) is amended by adding at the end the following new clause:

''(v) In any case in which the person described in clause (i) or (iv) receiving payments on behalf of another fails to submit a report required by the Commissioner of Social Security under clause (i) or (iv), the Commissioner may, after furnishing notice to the person and the individual entitled to the payment, require that such person appear in person at a field office of the Social Security Administration serving the area in which the individual resides in order to receive such payments.''.

(d) EFFECTIVE DATE.—The amendment made by this section shall take effect 180 days after the date of the enactment of this Act.

Subtitle B—Enforcement

SEC. 111. CIVIL MONETARY PENALTY AUTHORITY WITH RESPECT TO WRONGFUL CONVERSIONS BY REPRESENTATIVE PAYEES.

(a) IN GENERAL.—Section 1129(a) of the Social Security Act (42 U.S.C. 1320a–8) is amended by adding at the end the following new paragraph:

''(3) Any person (including an organization, agency, or other entity) who, having received, while acting in the capacity of a representative payee pursuant to section 205(j), 807, or 1631(a)(2), a payment under title II, VIII, or XVI for the use and benefit of another individual, converts such payment, or any part thereof, to a use that such person knows or should know is other than for the use and benefit of such other individual shall be subject to, in addition to any other penalties that may be prescribed by law, a civil money penalty of not more than $5,000 for each such conversion. Such person shall also be subject to an assessment, in lieu of damages sustained by the United States resulting from the conversion, of not more than twice the amount of any payments so converted.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to violations committed after the date of the enactment of this Act.

TITLE II—PROGRAM PROTECTIONS

SEC. 201. CIVIL MONETARY PENALTY AUTHORITY WITH RESPECT TO KNOWING WITHHOLDING OF MATERIAL FACTS.

(a) TREATMENT OF WITHHOLDING OF MATERIAL FACTS.—

(1) CIVIL PENALTIES.—Section 1129(a)(1) of the Social Security Act (42 U.S.C. 1320a–8(a)(1)) is amended—

(A) by striking ''who'' in the first sentence and inserting ''who—'';

(B) by striking ''makes'' in the first sentence and all that follows through ''shall be subject to,'' and inserting the following:

''(A) makes, or causes to be made, a statement or representation of a material fact, for use in determining any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title VIII or XVI, that the person knows or should know is false or misleading,

''(B) makes such a statement or representation for such use with knowing disregard for the truth, or

''(C) omits from a statement or representation for such use, or otherwise withholds disclosure of, a fact which the person knows or should know is material to the determination of any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title VIII or XVI, if the person knows, or should know, that the statement or representation with such omission is false or misleading or that the withholding of such disclosure is misleading,

shall be subject to,'';

(C) by inserting ''or each receipt of such benefits or payments while withholding disclosure of such fact'' after ''each such statement or representation'' in the first sentence;

(D) by inserting ''or because of such withholding of disclosure of a material fact'' after ''because of such statement or representation'' in the second sentence; and

(E) by inserting ''or such a withholding of disclosure'' after ''such a statement or representation'' in the second sentence.

(2) ADMINISTRATIVE PROCEDURE FOR IMPOSING PENALTIES.—Section 1129A(a) of such Act (42 U.S.C. 1320a–8a(a)) is amended—

(A) by striking ''who'' the first place it appears and inserting ''who—''; and

(B) by striking ''makes'' and all that follows through ''shall be subject to,'' and inserting the following:

''(1) makes, or causes to be made, a statement or representation of a material fact, for use in determining any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title XVI that the person knows or should know is false or misleading,

''(2) makes such a statement or representation for such use with knowing disregard for the truth, or

''(3) omits from a statement or representation for such use, or otherwise withholds disclosure of, a fact which the person knows or should know is material to the determination of any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title XVI, if the person knows, or should know, that the statement or representation with such omission is false or misleading or that the withholding of such disclosure is misleading,

shall be subject to,''.

(b) CLARIFICATION OF TREATMENT OF RECOVERED AMOUNTS.—Section 1129(e)(2)(B) of such Act (42 U.S.C. 1320a–8(e)(2)(B)) is amended by striking ''In the case of amounts recovered arising out of a determination relating to title VIII or XVI,'' and inserting ''In the case of any other amounts recovered under this section,''.

(c) CONFORMING AMENDMENTS.—

(1) Section 1129(b)(3)(A) of such Act (42 U.S.C. 1320a–8(b)(3)(A)) is amended by striking ''charging fraud or false statements''.

(2) Section 1129(c)(1) of such Act (42 U.S.C. 1320a–8(c)(1)) is amended by striking ''and representations'' and inserting '', representations, or actions''.

(3) Section 1129(e)(1)(A) of such Act (42 U.S.C. 1320a–8(e)(1)(A)) is amended by striking ''statement or representation referred to in subsection (a) was made'' and inserting ''violation occurred''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations committed after the date on which the Commissioner implements the centralized computer file described in section 202.

SEC. 202. ISSUANCE BY COMMISSIONER OF SOCIAL SECURITY OF RECEIPTS TO ACKNOWLEDGE SUBMISSION OF REPORTS OF CHANGES IN WORK OR EARNINGS STATUS OF DISABLED BENEFICIARIES.

Effective as soon as possible, but not later than 1 year after the date of the enactment of this Act, until such time as the Commissioner of Social Security implements a centralized computer file recording the date of the submission of information by a disabled beneficiary (or representative) regarding a change in the beneficiary's work or earnings status, the Commissioner shall issue a receipt to the disabled beneficiary (or representative) each time he or she submits documentation, or otherwise reports to the Commissioner, on a change in such status.

SEC. 203. DENIAL OF TITLE II BENEFITS TO PERSONS FLEEING PROSECUTION, CUSTODY, OR CONFINEMENT, AND TO PERSONS VIOLATING PROBATION OR PAROLE.

(a) IN GENERAL.—Section 202(x) of the Social Security Act (42 U.S.C. 402(x)) is amended—

(1) in the heading, by striking ''Prisoners'' and all that follows and inserting the following: ''Prisoners, Certain Other Inmates of Publicly Funded Institutions, Fugitives, Probationers, and Parolees'';

(2) in paragraph (1)(A)(ii)(IV), by striking ''or'' at the end;

(3) in paragraph (1)(A)(iii), by striking the period at the end and inserting a comma;

(4) by inserting after paragraph (1)(A)(iii) the following:

''(iv) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State, or

''(v) is violating a condition of probation or parole imposed under Federal or State law.

In the case of an individual from whom such monthly benefits have been withheld pursuant to clause (iv) or (v), the Commissioner may, for good cause shown, pay such withheld benefits to the individual.''; and

(5) in paragraph (3), by adding at the end the following new subparagraph:

''(C) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, Social Security number, and photograph (if applicable) of any beneficiary under this title, if the officer furnishes the Commissioner with the name of the beneficiary, and other identifying information as reasonably required by the Commissioner to establish the unique identity of the beneficiary, and notifies the Commissioner that—

''(i) the beneficiary—

''(I) is described in clause (iv) or (v) of paragraph (1)(A); and

''(II) has information that is necessary for the officer to conduct the officer's official duties; and

''(ii) the location or apprehension of the beneficiary is within the officer's official duties.''.

(b) REGULATIONS.—Not later than the first day of the first month that begins on or after the date that is 9 months after the date of the enactment of this Act, the Commissioner of Social Security shall promulgate regulations governing payment by the Commissioner, for good cause shown, of withheld benefits, pursuant to the last sentence of section 202(x)(1)(A) of the Social Security Act (as amended by subsection (a)).

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the first day of the first month that begins on or after the date that is 9 months after the date of the enactment of this Act.

SEC. 204. REQUIREMENTS RELATING TO OFFERS TO PROVIDE FOR A FEE A PRODUCT OR SERVICE AVAILABLE WITHOUT CHARGE FROM THE SOCIAL SECURITY ADMINISTRATION.

(a) IN GENERAL.—Section 1140 of the Social Security Act (42 U.S.C. 1320b–10) is amended—

(1) in subsection (a), by adding at the end the following new paragraph:

''(4)(A) No person shall offer, for a fee, to assist an individual to obtain a product or service that the person knows or should know is provided free of charge by the Social Security Administration unless, at the time the offer is made, the person provides to the individual to whom the offer is tendered a notice that—

''(i) explains that the product or service is available free of charge from the Social Security Administration, and

''(ii) complies with standards prescribed by the Commissioner of Social Security respecting the content of such notice and its placement, visibility, and legibility.

''(B) Subparagraph (A) shall not apply to any offer—

''(i) to serve as a claimant representative in connection with a claim arising under title II, title VIII, or title XVI; or

''(ii) to prepare, or assist in the preparation of, an individual's plan for achieving self-support under title XVI.''; and

(2) in the heading, by striking ''PROHIBITION OF MISUSE OF SYMBOLS, EMBLEMS, OR NAMES IN REFERENCE'' and inserting ''PROHIBITIONS RELATING TO REFERENCES''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to offers of assistance made after the sixth month ending after the Commissioner of Social Security promulgates final regulations prescribing the standards applicable to the notice required to be provided in connection with such offer. The Commissioner shall promulgate such final regulations within 1 year after the date of the enactment of this Act.

SEC. 205. REFUSAL TO RECOGNIZE CERTAIN INDIVIDUALS AS CLAIMANT REPRESENTATIVES.

Section 206(a)(1) of the Social Security Act (42 U.S.C. 406(a)(1)) is amended by inserting after the second sentence the following: ''Notwithstanding the preceding sentences, the Commissioner, after due notice and opportunity for hearing, (A) may refuse to recognize as a representative, and may disqualify a representative already recognized, any attorney who has been disbarred or suspended from any court or bar to which he or she was previously admitted to practice or who has been disqualified from participating in or appearing before any Federal program or agency, and (B) may refuse to recognize, and may disqualify, as a non-attorney representative any attorney who has been disbarred or suspended from any court or bar to which he or she was previously admitted to practice. A representative who has been disqualified or suspended pursuant to this section from appearing before the Social Security Administration as a result of collecting or receiving a fee in excess of the amount authorized shall be barred from appearing before the Social Security Administration as a representative until full restitution is made to the claimant and, thereafter, may be considered for reinstatement only under such rules as the Commissioner may prescribe.''.

SEC. 206. PENALTY FOR CORRUPT OR FORCIBLE INTERFERENCE WITH ADMINISTRATION OF SOCIAL SECURITY ACT.

Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.) is amended by inserting after section 1129A the following new section:

''ATTEMPTS TO INTERFERE WITH ADMINISTRATION OF SOCIAL SECURITY ACT

''SEC. 1129B. Whoever corruptly or by force or threats of force (including any threatening letter or communication) attempts to intimidate or impede any officer, employee, or contractor of the Social Security Administration (including any State employee of a disability determination service or any other individual designated by the Commissioner of Social Security) acting in an official capacity to carry out a duty under this Act, or in any other way corruptly or by force or threats of force (including any threatening letter or communication) obstructs or impedes, or attempts to obstruct or impede, the due administration of this Act, shall be fined not more than $5,000, imprisoned not more than 3 years, or both, except that if the offense is committed only by threats of force, the person shall be fined not more than $3,000, imprisoned not more than 1 year, or both. In this subsection, the term 'threats of force' means threats of harm to the officer or employee of the United States or to a contractor of the Social Security Administration, or to a member of the family of such an officer or employee or contractor.''.

SEC. 207. USE OF SYMBOLS, EMBLEMS, OR NAMES IN REFERENCE TO SOCIAL SECURITY OR MEDICARE.

(a) IN GENERAL.—Section 1140(a)(1) of the Social Security Act (42 U.S.C. 1320b–10(a)(1)) is amended—

(1) in subparagraph (A), by inserting '' 'Centers for Medicare & Medicaid Services','' after '' 'Health Care Financing Administration','', by striking ''or 'Medicaid', '' and inserting '' 'Medicaid', 'Death Benefits Update', 'Federal Benefit Information', 'Funeral Expenses', or 'Final Supplemental Plan','' and by inserting '' 'CMS','' after '' 'HCFA','';

(2) in subparagraph (B), by inserting ''Centers for Medicare & Medicaid Services,'' after ''Health Care Financing Administration,'' each place it appears; and

(3) in the matter following subparagraph (B), by striking ''the Health Care Financing Administration,'' each place it appears and inserting ''the Centers for Medicare & Medicaid Services,''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to items sent after 180 days after the date of the enactment of this Act.

SEC. 208. DISQUALIFICATION FROM PAYMENT DURING TRIAL WORK PERIOD UPON CONVICTION OF FRAUDULENT CONCEALMENT OF WORK ACTIVITY.

(a) IN GENERAL.—Section 222(c) of the Social Security Act (42 U.S.C. 422(c)) is amended by adding at the end the following new paragraph:

''(5) Upon conviction by a Federal court that an individual has fraudulently concealed work activity during a period of trial work from the Commissioner of Social Security by—

''(A) providing false information to the Commissioner of Social Security as to whether the individual had earnings in or for a particular period, or as to the amount thereof;

''(B) receiving disability insurance benefits under this title while engaging in work activity under another identity, including under another social security account number or a number purporting to be a social security account number; or

''(C) taking other actions to conceal work activity with an intent fraudulently to secure payment in a greater amount than is due or when no payment is authorized,

no benefit shall be payable to such individual under this title with respect to a period of disability for any month before such conviction during which the individual rendered services during the period of trial work with respect to which the fraudulently concealed work activity occurred, and amounts otherwise due under this title as restitution, penalties, assessments, fines, or other repayments shall in all cases be in addition to any amounts for which such individual is liable as overpayments by reason of such concealment.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to work activity performed after the date of the enactment of this Act.

SEC. 209. AUTHORITY FOR JUDICIAL ORDERS OF RESTITUTION.

(a) AMENDMENTS TO TITLE II.—Section 208 of the Social Security Act (42 U.S.C. 408) is amended—

(1) by redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively; and

(2) by inserting after subsection (a) the following new subsection:

''(b)(1) Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Social Security Administration.

''(2) Sections 3612, 3663, and 3664 of title 18, United States Code, shall apply with respect to the issuance and enforcement of orders of restitution under this subsection. In so applying such sections, the Social Security Administration shall be considered the victim.

''(3) If the court does not order restitution, or orders only partial restitution, under this subsection, the court shall state on the record the reasons therefor.''.

(b) AMENDMENTS TO TITLE VIII.—Section 807(i) of such Act (42 U.S.C. 1007(i)) is amended—

(1) by striking ''(i) RESTITUTION.—In any case where'' and inserting the following:

''(i) RESTITUTION.—

''(1) IN GENERAL.—In any case where''; and

(2) by adding at the end the following new paragraph:

''(2) COURT ORDER FOR RESTITUTION.—

''(A) IN GENERAL.—Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Social Security Administration.

''(B) RELATED PROVISIONS.—Sections 3612, 3663, and 3664 of title 18, United States Code, shall apply with respect to the issuance and enforcement of orders of restitution under this paragraph. In so applying such sections, the Social Security Administration shall be considered the victim.

''(C) STATED REASONS FOR NOT ORDERING RESTITUTION.—If the court does not order restitution, or orders only partial restitution, under this paragraph, the court shall state on the record the reasons therefor.''.

(c) AMENDMENTS TO TITLE XVI.—Section 1632 of such Act (42 U.S.C. 1383a) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

''(b)(1) Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Social Security Administration.

''(2) Sections 3612, 3663, and 3664 of title 18, United States Code, shall apply with respect to the issuance and enforcement of orders of restitution under this subsection. In so applying such sections, the Social Security Administration shall be considered the victim.

''(3) If the court does not order restitution, or orders only partial restitution, under this subsection, the court shall state on the record the reasons therefor.''.

(d) SPECIAL ACCOUNT FOR RECEIPT OF RESTITUTION PAYMENTS.—Section 704(b) of such Act (42 U.S.C. 904(b)) is amended by adding at the end the following new paragraph:

''(3)(A) Except as provided in subparagraph (B), amounts received by the Social Security Administration pursuant to an order of restitution under section 208(b), 807(i), or 1632(b)

shall be credited to a special fund established in the Treasury of the United States for amounts so received or recovered. The amounts so credited, to the extent and in the amounts provided in advance in appropriations Acts, shall be available to defray expenses incurred in carrying out titles II, VIII, and XVI.

''(B) Subparagraph (A) shall not apply with respect to amounts received in connection with misuse by a representative payee (within the meaning of sections 205(j), 807, and 1631(a)(2)) of funds paid as benefits under title II, VIII, or XVI. Such amounts received in connection with misuse of funds paid as benefits under title II shall be transferred to the Managing Trustee of the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, as determined appropriate by the Commissioner of Social Security, and such amounts shall be deposited by the Managing Trustee into such Trust Fund. All other such amounts shall be deposited by the Commissioner into the general fund of the Treasury as miscellaneous receipts.''.

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall apply with respect to violations occurring on or after the date of the enactment of this Act.

TITLE III—ATTORNEY FEE PAYMENT SYSTEM IMPROVEMENTS

SEC. 301. CAP ON ATTORNEY ASSESSMENTS.

(a) IN GENERAL.—Section 206(d)(2)(A) of the Social Security Act (42 U.S.C. 406(d)(2)(A)) is amended—

(1) by inserting '', except that the maximum amount of the assessment may not exceed the greater of $75 or the adjusted amount as provided pursuant to the following two sentences'' after ''subparagraph (B)''; and

(2) by adding at the end the following new sentence: ''In the case of any calendar year beginning after the amendments made by section 301 of the Social Security Protection Act of 2003 take effect, the dollar amount specified in the preceding sentence (including a previously adjusted amount) shall be adjusted annually under the procedures used to adjust benefit amounts under section 215(i)(2)(A)(ii), except such adjustment shall be based on the higher of $75 or the previously adjusted amount that would have been in effect for December of the preceding year, but for the rounding of such amount pursuant to the following sentence. Any amount so adjusted that is not a multiple of $1 shall be rounded to the next lowest multiple of $1, but in no case less than $75.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to fees for representation of claimants which are first required to be certified or paid under section 206 of the Social Security Act on or after the first day of the first month that begins after 180 days after the date of the enactment of this Act.

SEC. 302. EXTENSION OF ATTORNEY FEE PAYMENT SYSTEM TO TITLE XVI CLAIMS.

(a) IN GENERAL.—Section 1631(d)(2) of the Social Security Act (42 U.S.C. 1383(d)(2)) is amended—

(1) in subparagraph (A), in the matter preceding clause (i)—

(A) by striking ''section 206(a)'' and inserting ''section 206'';

(B) by striking ''(other than paragraph (4) thereof)'' and inserting ''(other than subsections (a)(4) and (d) thereof)''; and

(C) by striking ''paragraph (2) thereof'' and inserting ''such section'';

(2) in subparagraph (A)(i), by striking ''in subparagraphs (A)(ii)(I) and (C)(i),'' and inserting ''in subparagraphs (A)(ii)(I) and (D)(i) of subsection (a)(2)'', and by striking ''and'' at the end;

(3) by striking subparagraph (A)(ii) and inserting the following:

''(ii) by substituting, in subsections (a)(2)(B) and (b)(1)(B)(i), the phrase 'section 1631(a)(7)(A) or the requirements of due process of law' for the phrase 'subsection (g) or (h) of section 223';

''(iii) by substituting, in subsection (a)(2)(C)(i), the phrase 'under title II' for the phrase 'under title XVI';

''(iv) by substituting, in subsection (b)(1)(A), the phrase 'pay the amount of such fee' for the phrase 'certify the amount of such fee for payment' and by striking, in subsection (b)(1)(A), the phrase 'or certified for payment'; and

''(v) by substituting, in subsection (b)(1)(B)(ii), the phrase 'deemed to be such amounts as determined before any applicable reduction under section 1631(g), and reduced by the amount of any reduction in benefits under this title or title II made pursuant to section 1127(a)' for the phrase 'determined before any applicable reduction under section 1127(a))'.''; and

(4) by striking subparagraph (B) and inserting the following new subparagraphs:

''(B) Subject to subparagraph (C), if the claimant is determined to be entitled to past-due benefits under this title and the person representing the claimant is an attorney, the Commissioner of Social Security shall pay out of such past-due benefits to such attorney an amount equal to the lesser of—

''(i) so much of the maximum fee as does not exceed 25 percent of such past-due benefits (as determined before any applicable reduction under section 1631(g) and reduced by the amount of any reduction in benefits under this title or title II pursuant to section 1127(a)), or

''(ii) the amount of past-due benefits available after any applicable reductions under sections 1631(g) and 1127(a).

''(C)(i) Whenever a fee for services is required to be paid to an attorney from a claimant's past-due benefits pursuant to subparagraph (B), the Commissioner shall impose on the attorney an assessment calculated in accordance with clause (ii).

''(ii)(I) The amount of an assessment under clause (i) shall be equal to the product obtained by multiplying the amount of the representative's fee that would be required to be paid by subparagraph (B) before the application of this subparagraph, by the percentage specified in subclause (II), except that the maximum amount of the assessment may not exceed $75. In the case of any calendar year beginning after the amendments made by section 302 of the Social Security Protection Act of 2003 take effect, the dollar amount specified in the preceding sentence (including a previously adjusted amount) shall be adjusted annually under the procedures used to adjust benefit amounts under section 215(i)(2)(A)(ii), except such adjustment shall be based on the higher of $75 or the previously adjusted amount that would have been in effect for December of the preceding year, but for the rounding of such amount pursuant to the following sentence. Any amount so adjusted that is not a multiple of $1 shall be rounded to the next lowest multiple of $1, but in no case less than $75.

''(II) The percentage specified in this subclause is such percentage rate as the Commissioner determines is necessary in order to achieve full recovery of the costs of determining and approving fees to attorneys from the past-due benefits of claimants, but not in excess of 6.3 percent.

''(iii) The Commissioner may collect the assessment imposed on an attorney under clause (i) by offset from the amount of the fee otherwise required by subparagraph (B) to be paid to the attorney from a claimant's past-due benefits.

''(iv) An attorney subject to an assessment under clause (i) may not, directly or indirectly, request or otherwise obtain reimbursement for such assessment from the claimant whose claim gave rise to the assessment.

''(v) Assessments on attorneys collected under this subparagraph shall be deposited in the Treasury in a separate fund created for this purpose.

''(vi) The assessments authorized under this subparagraph shall be collected and available for obligation only to the extent and in the amount provided in advance in appropriations Acts. Amounts so appropriated are authorized to remain available until expended, for administrative expenses in carrying out this title and related laws.''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to fees for representation of claimants which are first required to be certified or paid under section 1631(d)(2) of the Social Security Act on or after the first day of the first month that begins after 270 days after the date of the enactment of this Act.

(2) SUNSET.—Such amendments shall not apply with respect to fees for representation of claimants in the case of any claim for benefits with respect to which the agreement for representation is entered into after 5 years after the date on which the Commissioner of Social Security first implements the amendments made by this section.

(c) STUDY REGARDING FEE-WITHHOLDING FOR NON-ATTORNEY REPRESENTATIVES.—

(1) STUDY.—As soon as practicable after the date of the enactment of this Act, the Comptroller General of the United States shall undertake a study regarding fee-withholding for non-attorney representatives representing claimants before the Social Security Administration.

(2) MATTERS TO BE STUDIED.—In conducting the study under this subsection, the Comptroller General shall—

(A) compare the non-attorney representatives who seek fee approval for representing claimants before the Social Security Administration to attorney representatives who seek such fee approval, with regard to—

(i) their training, qualifications, and competency,

(ii) the type and quality of services provided, and

(iii) the extent to which claimants are protected through oversight of such representatives by the Social Security Administration or other organizations, and

(B) consider the potential results of extending to non-attorney representatives the fee withholding procedures that apply under titles II and XVI of the Social Security Act for the payment of attorney fees, including the effect on claimants and program administration.

(3) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report detailing the results of the Comptroller General's study conducted pursuant to this subsection.

TITLE IV—MISCELLANEOUS AND TECHNICAL AMENDMENTS

Subtitle A—Amendments Relating to the Ticket to Work and Work Incentives Improvement Act of 1999

SEC. 401. APPLICATION OF DEMONSTRATION AUTHORITY SUNSET DATE TO NEW PROJECTS.

Section 234 of the Social Security Act (42 U.S.C. 434) is amended—

(1) in the first sentence of subsection (c), by striking ''conducted under subsection (a)'' and inserting ''initiated under subsection (a) on or before December 17, 2004''; and

(2) in subsection (d)(2), by amending the first sentence to read as follows: ''The authority to initiate projects under the preceding provisions of this section shall terminate on December 18, 2004.''.

SEC. 402. EXPANSION OF WAIVER AUTHORITY AVAILABLE IN CONNECTION WITH DEMONSTRATION PROJECTS PROVIDING FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS.

Section 302(c) of the Ticket to Work and Work Incentives Improvement Act of 1999 (42 U.S.C. 434 note) is amended by striking ''(42 U.S.C. 401 et seq.),'' and inserting ''(42 U.S.C. 401 et seq.) and the requirements of section 1148 of such Act (42 U.S.C. 1320b–19) as they relate to the program established under title II of such Act,''.

SEC. 403. FUNDING OF DEMONSTRATION PROJECTS PROVIDED FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS.

Section 302(f) of the Ticket to Work and Work Incentives Improvement Act of 1999 (42 U.S.C. 434 note) is amended to read as follows:

''(f) EXPENDITURES.—Administrative expenses for demonstration projects under this section shall be paid from funds available for the administration of title II or XVIII of the Social Security Act, as appropriate. Benefits payable to or on behalf of individuals by reason of participation in projects under this section shall be made from the Federal Disability Insurance Trust Fund and the Federal Old-Age and Survivors Insurance Trust Fund, as determined appropriate by the Commissioner of Social Security, and from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, as determined appropriate by the Secretary of Health and Human Services, from funds available for benefits under such title II or XVIII.''.

SEC. 404. AVAILABILITY OF FEDERAL AND STATE WORK INCENTIVE SERVICES TO ADDITIONAL INDIVIDUALS.

(a) FEDERAL WORK INCENTIVES OUTREACH PROGRAM.—

(1) IN GENERAL.—Section 1149(c)(2) of the Social Security Act (42 U.S.C. 1320b–20(c)(2)) is amended to read as follows:

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' means an individual—

''(A) who is a disabled beneficiary as defined in section 1148(k)(2) of this Act;

''(B) who is receiving a cash payment described in section 1616(a) of this Act or a supplementary payment described in section 212(a)(3) of Public Law 93–66 (without regard to whether such payment is paid by the Commissioner pursuant to an agreement under section 1616(a) of this Act or under section 212(b) of Public Law 93–66);

''(C) who, pursuant to section 1619(b) of this Act, is considered to be receiving benefits under title XVI of this Act; or

''(D) who is entitled to benefits under part A of title XVIII of this Act by reason of the penultimate sentence of section 226(b) of this Act.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply with respect to grants, cooperative agreements, or contracts entered into on or after the date of the enactment of this Act.

(b) STATE GRANTS FOR WORK INCENTIVES ASSISTANCE.—

(1) DEFINITION OF DISABLED BENEFICIARY.—Section 1150(g)(2) of such Act (42 U.S.C. 1320b–21(g)(2)) is amended to read as follows:

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' means an individual—

''(A) who is a disabled beneficiary as defined in section 1148(k)(2) of this Act;

''(B) who is receiving a cash payment described in section 1616(a) of this Act or a supplementary payment described in section 212(a)(3) of Public Law 93–66 (without regard to whether such payment is paid by the Commissioner pursuant to an agreement under section 1616(a) of this Act or under section 212(b) of Public Law 93–66);

''(C) who, pursuant to section 1619(b) of this Act, is considered to be receiving benefits under title XVI of this Act; or

''(D) who is entitled to benefits under part A of title XVIII of this Act by reason of the penultimate sentence of section 226(b) of this Act.''.

(2) ADVOCACY OR OTHER SERVICES NEEDED TO MAINTAIN GAINFUL EMPLOYMENT.—Section 1150(b)(2) of such Act (42 U.S.C. 1320b–21(b)(2)) is amended by striking ''secure or regain'' and inserting ''secure, maintain, or regain''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to payments provided after the date of the enactment of this Act.

SEC. 405. TECHNICAL AMENDMENT CLARIFYING TREATMENT FOR CERTAIN PURPOSES OF INDIVIDUAL WORK PLANS UNDER THE TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM.

(a) IN GENERAL.—Section 1148(g)(1) of the Social Security Act (42 U.S.C. 1320b–19) is amended by adding at the end, after and below subparagraph (E), the following new sentence:

''An individual work plan established pursuant to this subsection shall be treated, for purposes of section 51(d)(6)(B)(i) of the Internal Revenue Code of 1986, as an individualized written plan for employment under a State plan for vocational rehabilitation services approved under the Rehabilitation Act of 1973.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in section 505 of the Ticket to Work and Work Incentives Improvement Act of 1999 (Public Law 106–170; 113 Stat. 1921).

Subtitle B—Miscellaneous Amendments

SEC. 411. ELIMINATION OF TRANSCRIPT REQUIREMENT IN REMAND CASES FULLY FAVORABLE TO THE CLAIMANT.

(a) IN GENERAL.—Section 205(g) of the Social Security Act (42 U.S.C. 405(g)) is amended in the sixth sentence by striking ''and a transcript'' and inserting ''and, in any case in which the Commissioner has not made a decision fully favorable to the individual, a transcript''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to final determinations issued (upon remand) on or after the date of the enactment of this Act.

SEC. 412. NONPAYMENT OF BENEFITS UPON REMOVAL FROM THE UNITED STATES.

(a) IN GENERAL.—Paragraphs (1) and (2) of section 202(n) of the Social Security Act (42 U.S.C. 402(n)(1), (2)) are each amended by striking ''or (1)(E)''.

(b) EFFECTIVE DATE.—The amendment made by this section to section 202(n)(1) of the Social Security Act shall apply to individuals with respect to whom the Commissioner of Social Security receives a removal notice from the Attorney General after the date of the enactment of this Act. The amendment made by this section to section 202(n)(2) of the Social Security Act shall apply with respect to removals occurring after the date of the enactment of this Act.

SEC. 413. REINSTATEMENT OF CERTAIN REPORTING REQUIREMENTS.

Section 3003(a)(1) of the Federal Reports Elimination and Sunset Act of 1995 (31 U.S.C. 1113 note) shall not apply to any report required to be submitted under any of the following provisions of law:

(1)(A) Section 201(c)(2) of the Social Security Act (42 U.S.C. 401(c)(2)).

(B) Section 1817(b)(2) of the Social Security Act (42 U.S.C. 1395i(b)(2)).

(C) Section 1841(b)(2) of the Social Security Act (42 U.S.C. 1395t(b)(2)).

(2)(A) Section 221(c)(3)(C) of the Social Security Act (42 U.S.C. 421(c)(3)(C)).

(B) Section 221(i)(3) of the Social Security Act (42 U.S.C. 421(i)(3)).

SEC. 414. CLARIFICATION OF DEFINITIONS REGARDING CERTAIN SURVIVOR BENEFITS.

(a) WIDOWS.—Section 216(c) of the Social Security Act (42 U.S.C. 416(c)) is amended—

(1) by redesignating subclauses (A) through (C) of clause (6) as subclauses (i) through (iii), respectively;

(2) by redesignating clauses (1) through (6) as clauses (A) through (F), respectively;

(3) in clause (E) (as redesignated), by inserting ''except as provided in paragraph (2),'' before ''she was married'';

(4) by inserting ''(1)'' after ''(c)''; and

(5) by adding at the end the following new paragraph:

''(2) The requirements of paragraph (1)(E) in connection with the surviving wife of an individual shall be treated as satisfied if—

''(A) the individual had been married prior to the individual's marriage to the surviving wife,

''(B) the prior wife was institutionalized during the individual's marriage to the prior wife due to mental incompetence or similar incapacity,

''(C) during the period of the prior wife's institutionalization, the individual would have divorced the prior wife and married the surviving wife, but the individual did not do so because such divorce would have been unlawful, by reason of the prior wife's institutionalization, under the laws of the State in which the individual was domiciled at the time (as determined based on evidence satisfactory to the Commissioner of Social Security),

''(D) the prior wife continued to remain institutionalized up to the time of her death, and

''(E) the individual married the surviving wife within 60 days after the prior wife's death.''.

(b) WIDOWERS.—Section 216(g) of such Act (42 U.S.C. 416(g)) is amended—

(1) by redesignating subclauses (A) through (C) of clause (6) as subclauses (i) through (iii), respectively;

(2) by redesignating clauses (1) through (6) as clauses (A) through (F), respectively;

(3) in clause (E) (as redesignated), by inserting ''except as provided in paragraph (2),'' before ''he was married'';

(4) by inserting ''(1)'' after ''(g)''; and

(5) by adding at the end the following new paragraph:

''(2) The requirements of paragraph (1)(E) in connection with the surviving husband of an individual shall be treated as satisfied if—

''(A) the individual had been married prior to the individual's marriage to the surviving husband,

''(B) the prior husband was institutionalized during the individual's marriage to the prior husband due to mental incompetence or similar incapacity,

''(C) during the period of the prior husband's institutionalization, the individual would have divorced the prior husband and married the surviving husband, but the individual did not do so because such divorce would have been unlawful, by reason of the prior husband's institutionalization, under the laws of the State in which the individual was domiciled at the time (as determined

based on evidence satisfactory to the Commissioner of Social Security),

''(D) the prior husband continued to remain institutionalized up to the time of his death, and

''(E) the individual married the surviving husband within 60 days after the prior husband's death.''.

(c) CONFORMING AMENDMENT.—Section 216(k) of such Act (42 U.S.C. 416(k)) is amended by striking ''clause (5) of subsection (c) or clause (5) of subsection (g)'' and inserting ''clause (E) of subsection (c)(1) or clause (E) of subsection (g)(1)''.

(d) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to applications for benefits under title II of the Social Security Act filed during months ending after the date of the enactment of this Act.

SEC. 415. CLARIFICATION RESPECTING THE FICA AND SECA TAX EXEMPTIONS FOR AN INDIVIDUAL WHOSE EARNINGS ARE SUBJECT TO THE LAWS OF A TOTALIZATION AGREEMENT PARTNER.

Sections 1401(c), 3101(c), and 3111(c) of the Internal Revenue Code of 1986 are each amended by striking ''to taxes or contributions for similar purposes under'' and inserting ''exclusively to the laws applicable to''.

SEC. 416. COVERAGE UNDER DIVIDED RETIREMENT SYSTEM FOR PUBLIC EMPLOYEES IN KENTUCKY.

(a) IN GENERAL.—Section 218(d)(6)(C) of the Social Security Act (42 U.S.C. 418(d)(6)(C)) is amended by inserting ''Kentucky,'' after ''Illinois,''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on January 1, 2003.

SEC. 417. COMPENSATION FOR THE SOCIAL SECURITY ADVISORY BOARD.

(a) IN GENERAL.—Subsection (f) of section 703 of the Social Security Act (42 U.S.C. 903(f)) is amended to read as follows:

''Compensation, Expenses, and Per Diem

''(f) A member of the Board shall, for each day (including traveltime) during which the member is attending meetings or conferences of the Board or otherwise engaged in the business of the Board, be compensated at the daily rate of basic pay for level IV of the Executive Schedule. While serving on business of the Board away from their homes or regular places of business, members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall be effective as of January 1, 2003.

SEC. 418. 60-MONTH PERIOD OF EMPLOYMENT REQUIREMENT FOR APPLICATION OF GOVERNMENT PENSION OFFSET EXEMPTION.

(a) WIFE'S INSURANCE BENEFITS.—Section 202(b)(4)(A) of the Social Security Act (42 U.S.C. 402(b)(4)(A)) is amended by striking ''if, on'' and inserting ''if, during any portion of the last 60 months of such service ending with''.

(b) HUSBAND'S INSURANCE BENEFITS.—Section 202(c)(2)(A) of such Act (42 U.S.C. 402(c)(2)(A)) is amended by striking ''if, on'' and inserting ''if, during any portion of the last 60 months of such service ending with''.

(c) WIDOW'S INSURANCE BENEFITS.—Section 202(e)(7)(A) of such Act (42 U.S.C. 402(e)(7)(A)) is amended by striking ''if, on'' and inserting ''if, during any portion of the last 60 months of such service ending with''.

(d) WIDOWER'S INSURANCE BENEFITS.—Section 202(f)(2)(A) of such Act (42 U.S.C. 402(f)(2)(A)) is amended by striking ''if, on'' and inserting ''if, during any portion of the last 60 months of such service ending with''.

(e) MOTHER'S AND FATHER'S INSURANCE BENEFITS.—Section 202(g)(4)(A) of the such Act (42 U.S.C. 402(g)(4)(A)) is amended by striking '''if, on'' and inserting '''if, during any portion of the last 60 months of such service ending with''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to applications for benefits under title II of the Social Security Act filed on or after the first day of the first month that begins after the date of the enactment of this Act, except that such amendments shall not apply in connection with monthly periodic benefits of any individual based on earnings while in service described in section 202(b)(4)(A), 202(c)(2)(A), 202(e)(7)(A), or 202(f)(2)(A) of the Social Security Act (in the matter preceding clause (i) thereof)—

(1) if the last day of such service occurs before the end of the 90-day period following the date of the enactment of this Act, or

(2) in any case in which the last day of such service occurs after the end of such 90-day period, such individual performed such service during such 90-day period which constituted ''employment'' as defined in section 210 of such Act, and all such service subsequently performed by such individual has constituted such ''employment''.

SEC. 419. GOVERNMENT PENSION OFFSET REDUCED FROM TWO-THIRDS TO ONE-THIRD OF THE GOVERNMENT PENSION.

(a) WIFE'S INSURANCE BENEFITS.—Section 202(b)(4)(A) of the Social Security Act (42 U.S.C. 402(b)(4)(A)) is amended by striking ''two-thirds'' and inserting ''one-third''.

(b) HUSBAND'S INSURANCE BENEFITS.—Section 202(c)(2)(A) of such Act (42 U.S.C. 402(b)(2)(A)) is amended by striking ''two-thirds'' and inserting ''one-third''.

(c) WIDOW'S INSURANCE BENEFITS.—Section 202(e)(7)(A) of such Act (42 U.S.C. 402(e)(7)(A)) is amended by striking ''two-thirds'' and inserting ''one-third''.

(d) WIDOWER'S INSURANCE BENEFITS.—Section 202(f)(2)(A) of such Act (42 U.S.C. 402(f)(2)(A)) is amended by striking ''two-thirds'' and inserting ''one-third''.

(e) MOTHER'S AND FATHER'S INSURANCE BENEFITS.—Section 202(g)(4)(A) of such Act (42 U.S.C. 402(g)(4)(A)) is amended by striking ''two-thirds'' and inserting ''one-third''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to benefits for months ending after the date of the enactment of this Act.

(g) ANNUAL REIMBURSEMENT OF TRUST FUND.—There are authorized to be appropriated from time to time to the Federal Old-Age and Survivors Insurance Trust Fund such sums as are necessary for any fiscal year, on account of—

(1) amounts paid or to be paid from such Trust Fund under title II of the Social Security Act solely by reason of the amendments made by this section,

(2) the additional administrative expenses resulting or expected to result therefrom, and

(3) any loss in interest to such Trust Fund resulting from the payment of such amounts, in order to place such Trust Fund in the same position at the end of such fiscal year as the position in which it would have been if the preceding provisions of this section had not been enacted.

Subtitle C—Technical Amendments

SEC. 421. TECHNICAL CORRECTION RELATING TO RESPONSIBLE AGENCY HEAD.

Section 1143 of the Social Security Act (42 U.S.C. 1320b–13) is amended—

(1) by striking ''Secretary'' the first place it appears and inserting ''Commissioner of Social Security''; and

(2) by striking ''Secretary'' each subsequent place it appears and inserting ''Commissioner''.

SEC. 422. TECHNICAL CORRECTION RELATING TO RETIREMENT BENEFITS OF MINISTERS.

(a) IN GENERAL.—Section 211(a)(7) of the Social Security Act (42 U.S.C. 411(a)(7)) is amended by inserting '', but shall not include in any such net earnings from self-employment the rental value of any parsonage or any parsonage allowance (whether or not excluded under section 107 of the Internal Revenue Code of 1986) provided after the individual retires, or any other retirement benefit received by such individual from a church plan (as defined in section 414(e) of such Code) after the individual retires'' before the semicolon.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to years beginning before, on, or after December 31, 1994.

SEC. 423. TECHNICAL CORRECTIONS RELATING TO DOMESTIC EMPLOYMENT.

(a) AMENDMENT TO INTERNAL REVENUE CODE.—Section 3121(a)(7)(B) of the Internal Revenue Code of 1986 is amended by striking ''described in subsection (g)(5)'' and inserting ''on a farm operated for profit''.

(b) AMENDMENT TO SOCIAL SECURITY ACT.—Section 209(a)(6)(B) of the Social Security Act (42 U.S.C. 409(a)(6)(B)) is amended by striking ''described in section 210(f)(5)'' and inserting ''on a farm operated for profit''.

(c) CONFORMING AMENDMENT.—Section 3121(g)(5) of such Code and section 210(f)(5) of such Act (42 U.S.C. 410(f)(5)) are amended by striking ''or is domestic service in a private home of the employer''.

SEC. 424. TECHNICAL CORRECTIONS OF OUTDATED REFERENCES.

(a) CORRECTION OF TERMINOLOGY AND CITATIONS RESPECTING REMOVAL FROM THE UNITED STATES.—Section 202(n) of the Social Security Act (42 U.S.C. 402(n)) (as amended by section 412) is amended further—

(1) by striking ''deportation'' each place it appears and inserting ''removal'';

(2) by striking ''deported'' each place it appears and inserting ''removed'';

(3) in paragraph (1) (in the matter preceding subparagraph (A)), by striking ''under section 241(a) (other than under paragraph (1)(C) thereof)'' and inserting ''under section 237(a) (other than paragraph (1)(C) thereof) or 212(a)(6)(A)'';

(4) in paragraph (2), by striking ''under any of the paragraphs of section 241(a) of the Immigration and Nationality Act (other than under paragraph (1)(C) thereof)'' and inserting ''under any of the paragraphs of section 237(a) of the Immigration and Nationality Act (other than paragraph (1)(C) thereof) or under section 212(a)(6)(A) of such Act'';

(5) in paragraph (3)—

(A) by striking ''paragraph (19) of section 241(a)'' and inserting ''subparagraph (D) of section 237(a)(4)''; and

(B) by striking ''paragraph (19)'' and inserting ''subparagraph (D)''; and

(6) in the heading, by striking ''Deportation'' and inserting ''Removal''.

(b) CORRECTION OF CITATION RESPECTING THE TAX DEDUCTION RELATING TO HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.—Section 211(a)(15) of such Act (42 U.S.C. 411(a)(15)) is amended by striking ''section 162(m)'' and inserting ''section 162(l)''.

(c) ELIMINATION OF REFERENCE TO OBSOLETE 20-DAY AGRICULTURAL WORK TEST.—Section 3102(a) of the Internal Revenue Code of 1986 is amended by striking ''and the employee has not performed agricultural labor for the employer on 20 days or more in the calendar year for cash remuneration computed on a time basis''.

SEC. 425. TECHNICAL CORRECTION RESPECTING SELF-EMPLOYMENT INCOME IN COMMUNITY PROPERTY STATES.

(a) SOCIAL SECURITY ACT AMENDMENT.—Section 211(a)(5)(A) of the Social Security Act (42 U.S.C. 411(a)(5)(A)) is amended by striking ''all of the gross income'' and all that follows and inserting ''the gross income and deductions attributable to such trade or business shall be treated as the gross income and deductions of the spouse carrying on such trade or business or, if such trade or business is jointly operated, treated as the gross income and deductions of each spouse on the basis of their respective distributive share of the gross income and deductions;''.

(b) INTERNAL REVENUE CODE OF 1986 AMENDMENT.—Section 1402(a)(5)(A) of the Internal Revenue Code of 1986 is amended by striking ''all of the gross income'' and all that follows and inserting ''the gross income and deductions attributable to such trade or business shall be treated as the gross income and deductions of the spouse carrying on such trade or business or, if such trade or business is jointly operated, treated as the gross income and deductions of each spouse on the basis of their respective distributive share of the gross income and deductions; and''.

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

Mr. LINDER. 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, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8(a)(2)(f) of rule XX, further proceedings on this question will be postponed.

GENERAL LEAVE

Mr. BACHUS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and insert extraneous materials on the bill H.R. 522, the Federal Deposit Insurance Reform Act of 2003.

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

There was no objection.

FEDERAL DEPOSIT INSURANCE REFORM ACT OF 2003

The SPEAKER pro tempore (Mr. LINDER). Pursuant to the order of the House of Tuesday, April 1, 2003 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. 522.

□ 1039

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. 522) to reform the Federal deposit insurance system, and for other purposes, with Mr. LAHOOD in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, April 1, 2003, the bill is considered as having been read the first time.

Under the rule, the gentleman from Alabama (Mr. BACHUS) and the gentleman from Massachusetts (Mr. FRANK) each will control 30 minutes.

The Chair recognizes the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Mr. Chairman, I yield myself 7 minutes.

Mr. Chairman, I rise in support of H.R. 522, the Federal Deposit Insurance Reform Act of 2003. I want to begin by thanking the gentleman from Ohio (Mr. OXLEY), the chairman of the committee, for his tremendous leadership in steering what is a complex bill through the legislative process. I also want to thank the ranking member of the committee, the gentleman from Massachusetts (Mr. FRANK), for his support of this important piece of legislation. The committee and the Congress in its votes on this legislation in the past, legislation very similar, has shown that it can work together in a very bipartisan manner.

Deposit insurance reform has been thoroughly discussed and debated over the past several years. During the 107th Congress, I introduced comprehensive deposit insurance reform, H.R. 3717. The legislation was a by-product of recommendations by the FDIC in early 2001, industry representatives coming together urging that we take action. The American Banking Association, The Credit Union National Association, Independent Bankers and Financial Services Roundtable, all urging the Federal Reserve, the administration, urging us to take action to reform Federal deposit insurance. We did take action, and the 107th Congress passed H.R. 3717 by a vote of 408 to 18.

Unfortunately, that bill died in the other body.

Earlier this year, I introduced the same legislation. This time it is H.R. 522, the Deposit Insurance Reform Act of 2003. The gentleman from Ohio (Mr. OXLEY) and the gentleman from Massachusetts (Mr. FRANK) joined me in introducing this legislation, along with 57 other cosponsors on both sides of the aisle. It was approved by the Committee on Financial Services by a unanimous voice vote. I am pleased that the Senate now plans to act on similar legislation in the very near future, and that the President's budget for fiscal year 2004 outlines a proposal similar to our legislation.

The legislation is supported not only by American bankers, the Financial Services Roundtable made up of the 100 largest financial corporations in America, but also by the credit unions, the thrift associations, the community bankers, the securities industry, and also by groups that we sometimes do not find on the same side; the American Association of Retired Persons has recently endorsed this legislation.

Federal deposit insurance has been the hallmark of our Nation's banking system for almost 70 years. The reforms made by this legislation will ensure that the system that serves savers and depositors so well for so long will continue for future generations.

What does the legislation do? First, it merges separate insurance funds that currently apply to deposits held by banks on the one hand and savings associations on the other, creating a stronger, more stable fund that benefits banks and thrifts alike.

Second, it changes the ''pro-cyclical'' bias of the current system. In other words, it spreads out over time the assessments to the institutions which results in, by doing this, a more uniform assessment. Presently we have sharply higher premiums served during recessionary times and much lower premiums during good times. Banks can least afford to pay a higher premium during recessions, and we found that out, and this corrects that.

□ 1045

Third, the legislation includes modest increases in the amount of coverage available. The system has gone from 1980 without an increase in coverage. If we took 1980 as our basis and we increased coverage based on inflation, we would go to $200,000. If we went back to 1980, the $100,000, and we increased it based on per capita income, it would actually go to $300,000. So we are proposing $130,000, a very modest increase.

If we went back to 1974, because some have said they should not have raised it in 1980, they should have kept it at the 1974 level, and we increased it for inflation, it would go to $140,000.

Mr. Chairman, there are some who will offer amendments who have actually publicly stated that they do not believe in Federal deposit insurance, one of the gentlemen offering an amendment later on. So there are Members of the body who do not believe that our deposits in banks should be federally insured.

I understand that; but I, for one, disagree with that. I think Americans have come to rely and have a sense of security in knowing that when they put their retirement funds in a bank or thrift that it is federally insured. Particularly in light of the recent volatility on Wall Street, people have, I think, come to rely more and value more the fact that they can put their money in a federally insured financial institution and not lose that money.

All of us have heard from community bankers in our districts about the challenges that they face in competing for deposits with large-money center banks that are perceived by the market, rightly or wrongly, as being too big to fail. By strengthening the deposit insurance system, our legislation will help small neighborhood-based financial institutions across the country, especially in rural areas, continue to play an important role in financing economic development.

The independent bankers have actually said that this legislation is key to maintaining local home-owned banking institutions. The deposits that community banks are able to attract through Federal deposit insurance guarantees are cycled back into local communities in the form of consumer and small business loans. One reason for this legislation is we value the right of every American to go down to his corner financial institution.

My thanks go to the chairman of the committee.

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

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I support this legislation. It is a very useful synthesis of several important elements. It merges the two bank funds. We have had two bank funds because we previously had a separate thrift and commercial system that was undone by earlier events. We deal here to some extent with the complication of newer entities now coming into the system as a result of the previous legislation we adopted repealing the old restrictions on banking.

There is one particular point I want to stress, that is, that an amendment that is included in this, and I thank the gentleman from Alabama (Mr. BACHUS) and the chairman of the committee, the gentleman from Ohio (Mr. OXLEY), for agreeing to this, cosponsored, when we last debated this bill last year when it passed in our body and did not go further, sponsored by our colleague, the gentlewoman from California (Ms. WATERS).

Years ago, two Members, two former Members, a Member from Pennsylvania named Ridge and a Member from New York named Flake, sponsored a bill to get low-income people who are outside the banking system into the banking system. The bankers of America should recognize this for what it is, a great compliment, a tribute to the role that a banking system plays in enhancing the ability of consumers to manage their lives well.

We have people who are victimized by unscrupulous lending practices. We have people who pay too much to do remittances to other countries, hard-working people in this country who are sending money to family elsewhere. We have payday lending exploitation. Getting people into the banking system is a way to resolve that.

The problem was, there was no funding source for that. In this bill there is a funding source. It comes through deposit insurance. I know there are people in the banking industry, with whom I agree on many issues, who do not like that funding source. If they can come up with an equally reliable alternative funding source, I will work with them.

But I want to make clear, this bill is a synthesis. It helps the people in the banking industry, who are a very important part of our economy; and I am all for it for that reason. It also, and there is one provision, does something about equity. I think that is the model we ought to be following. We ought to be doing what we can to enhance the ability of the free market system to create wealth, which it does so well; but we ought also to be looking for opportunities to accompany those moves with smaller measures, generally, in scope, measures that do not cost any great deal of money very often, although sometimes it might be more, that provide some equity, as well.

This bill does both. It is to me a whole joined together; and it will leave here, and I appreciate the support of the leadership of the committee on the majority side, with those two elements conjoined. I do want to note that if it came back and somebody has put asunder what we have joined, the support for this bill would not be what it is. So I thank the gentleman from Alabama for his leadership.

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

Mr. BACHUS. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. TIBERI).

Mr. TIBERI. Mr. Chairman, I rise today in support of H.R. 522, legislation to reform the Federal deposit insurance system. As a member of the Committee on Financial Services, I am pleased to see the House take up this legislation today, and provide my colleague, the gentleman from Alabama, kudos for bringing this measure to the floor and to the debate today.

One of the provisions of H.R. 522 is it increases deposit insurance coverage from $100,000 to $130,000 per account. The hike in coverage limits is most appropriate, as the current ceiling was set in 1980; and inflation has eroded the real value of that coverage by more than 50 percent. Increased coverage limits will be especially helpful to community banks in bringing, and just as importantly keeping, deposits in their institutions that can be used in local economies and local communities.

In addition, the bill would provide $260,000 in coverage for certain retirement products, certain IRAs, certain 401(k)s, a key step in an ongoing effort here in the Capitol to encourage consumers to build their savings. This provision in particular is relevant to our seniors, who benefit by being able to be more savers as they move toward retirement savings and retirement age to the security of the insured deposit system.

Mr. Chairman, I strongly support this provision and urge all of my colleagues to support it, as well, and vote in favor not only of this important piece of legislation, but also against the amendment that will be offered later to move this provision from $130,000 back to $100,000.

Mr. BACHUS. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas (Mr. MORAN).

Mr. MORAN of Kansas. Mr. Chairman, I appreciate the gentleman from Alabama for yielding time to me, and I commend him on his leadership and persistence with regard to this legislation. It has been a long time coming, and I am pleased today to support H.R. 522.

Much of my focus as a Member of Congress has been on what can we do to improve the chances that rural America will survive, what can we do to make certain that the communities across our country and the people who live there have a little prosperity today, but they also are able to preserve that way of life in small-town America for future generations.

One of the concerns that is clearly there and can be demonstrated is the need for credit for small loans, the need for credit for small business, the need for credit for small farmers and ranchers. We must take steps that will strengthen the financial opportunities available for citizens of our communities across the country to save, to set their money aside. This will encourage those individuals to be able to do that in larger amounts, without having to take the necessary risks of investing in some more volatile kind of market or shopping for deposit ability in towns far away.

Perhaps, even more importantly, if we want rural America to survive, if we want small business and agriculture to have an opportunity to succeed, they have to have access to credit. The opportunity that this legislation presents is a step in the right direction toward making certain that credit is available to our creditworthy business owners, farmers, and ranchers.

I commend the committee and thank them for their efforts in this regard. I lend my wholehearted support toward increasing the amount of coverage and making it possible for our communities to have a greater volume of assets on deposit in their local bank.

Mr. BACHUS. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. Mr. Chairman, I rise today in support of H.R. 522, the Federal Deposit Insurance Reform Act of 2003. As a member of the Committee on Financial Services, I want to thank the gentleman from Ohio (Chairman Oxley) and the subcommittee chairman, the gentleman from Alabama (Mr. BACHUS), for their work on this legislation and for acting quickly in this new Congress to address this matter of importance to banks and depositors alike.

This legislation will help create a more stable and a more fair and secure banking system. By combining the Banking Insurance Fund and the Savings Association Insurance Fund into one fund, the risks that a couple of large institutions could fail and impair each fund is greatly reduced.

Merging these funds will help increase fairness in our banking system as well by eliminating the possibility that two institutions of similar sizes would essentially be paying two completely different premiums. Further,

the merged fund will make reporting and accounting less burdensome for both the institutions and the FDIC as well.

Our deposit insurance system plays a vital role in our economic security. This legislation will give the FDIC the necessary flexibility to respond to varying economic conditions and allow them to properly price premiums to reflect actual risk. By eliminating the 23 basis point premium ''rate cliff'' required under current law, more institutions will have more capital to invest in our economy. That means more jobs, more hope, more opportunity.

Mr. Chairman, FDIC Chairman Powell stated in his testimony before the Committee on Financial Services last month that H.R. 522 gives Congress ''an opportunity to remedy flaws in the deposit insurance system before those flaws cause actual damage, either to the banking industry or our economy as a whole.''

As a member of that committee, I am glad to see this body act so expeditiously on this legislation. I urge all of my colleagues to vote for H.R. 522.

Mr. BACHUS. Mr. Chairman, I yield 2 minutes to the gentlewoman from Florida (Ms. GINNY BROWN-WAITE).

Ms. GINNY BROWN-WAITE of Florida. Mr. Chairman, I thank the gentleman for yielding time to me.

I rise today in very strong support of the Federal Deposit Insurance Reform Act of 2003. This very critical legislation increases the standard maximum deposit coverage from $100,000 to $130,000, and then indexes the increase every 5 years to account for inflation.

However, most importantly to the seniors in my district, H.R. 522 calls for a doubling of the maximum deposit coverage for retirement accounts. This would allow seniors to maintain coverage on up to $260,000 in their retirement accounts.

The amendment offered today would strike this coverage without doing it for any good reason. The increases are modest and necessary in this bill. If the coverage limit actually had been keeping pace with inflation, today the standard limit would be about $200,000. This bill proposes an increase to only $130,000.

The FDIC is in great need of these commonsense reforms, and I urge my colleagues to join with me in support of H.R. 522 and to oppose any amendment that would strike the coverage increases.

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Mr. FRANK of Massachusetts. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. Mr. Chairman, I rise in support of H.R. 522. I believe this bill makes important changes to the deposit insurance system to improve its effectiveness and increases incentives for people to save.

I wish to particularly speak in support of the provision in this bill that will require the FDIC to report annually on efforts by insured institutions to increase their deposit base by encouraging unbanked households to enter the conventional finance system and to avail themselves of bank accounts and other conventional services offered by depository institutions.

Unbanked families as defined by this provision are those individuals who rarely, if ever, held a checking account or savings account or other type of conventional account in an insured depository institution. Joining me attaching this provision in committee was the gentleman from Illinois (Mr. GUTIERREZ) and the gentleman from Texas (Mr. HINOJOSA).

Mr. Chairman, too many families lack access to basic fundamental services. It is currently estimated that nearly 10 million American families are unbanked. Unfortunately, for unbanked families there are no real financial alternatives but payday lenders or check cashers, which is often the worst form of financing for a struggling American family.

The Hispanic community particularly struggles with high rates of unbanked families. One recent survey found that 35 percent of Hispanic families did not have a bank account, with that number rising to 42 percent for those Hispanics who are foreign born. With limited access to formal saving tools, it is no surprise that the financial net worth of the median Hispanic family in the United States today is estimated to be zero.

Fortunately, great strides have been made by major financial institutions to increase their presence in the Hispanic community through the use of such things as money remittance technology and the matricula card. It is my hope and expectation that all major depository institutions will look at unbanked minority families as a business opportunity and aggressively attempt to include them in the conventional finance system.

A relationship to a mainstream financial institution has long-term positive economic and financial effects on families and the communities where they reside, fostering their greater integration into the United States economy. The best defense against predatory financing is education and a bank account. The unbanked provision in H.R. 522 is intended to highlight those efforts which are most effective in expanding the banking system to every American family. I urge the passage of this bill.

Mr. BACHUS. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado (Mr. BEAUPREZ).

Mr. BEAUPREZ. Mr. Chairman, I thank the gentleman for yielding me time. I particularly commend him for bringing H.R. 522 to the floor of this body.

Before I was sworn in as a Member of Congress I was a community banker. Our family still operates a community bank back home, and I want to highlight why I am supporting this bill from particularly a community banker's position.

Chairman Powell, Chairman of the FDIC, has indicated that the buying power of the $100,000 that is in reference today has deteriorated since 1980, the last time that FDIC insurance rates were adjusted to just $47,000 currently. Well, the same holds true on the lending side, and that is what I want to focus on is credit availability.

One of the biggest challenges, especially for community banks like I ran back home, was to have adequate deposits to meet credit demand. Now, if the $100,000 in 1980 is representative of $47,000 worth of buying power today, similarly, demand for credit has escalated the same way. Access to those deposits is critical and insurance coverage for those deposits is one of the main criteria for large deposit customers to bring their cash to the bank, knowing that it is covered. They either spread it out among other financial institutions at tremendous burden to them, or they put it in uninsured accounts out in the marketplace, both poor options. They like to establish a relationship and like to keep that relationship. This only makes good sense.

Another reason it makes such good sense is that it is a self-insurance program. The banks pay the premium that guarantees the insurance protection for these deposits.

Mr. Chairman, let me again commend the gentleman for bringing this legislation to the floor of this body. It is legislation I have long supported and long encouraged, and I thank the gentleman from Alabama (Mr. BACHUS) for his leadership on this issue.

Mr. BACHUS. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio (Mr. OXLEY), the chairman of the Committee on Financial Services.

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

Mr. OXLEY. Mr. Chairman, I rise today in strong support of H.R. 522, the Federal Deposit Insurance Reform Act of 2003. Our country has the largest, most complex, most stable banking system in the world. Deposit insurance is one of the major reasons for this stability. And today we will strengthen this system so that it continues to serve as a model for the rest of the world.

Depositors, taxpayers, and depository institutions would be well-served by this legislation which will modernize the Federal deposit insurance system. Federal deposit insurance was created by the Congress in 1934 and it has successfully served the American people for almost 70 years. Public confidence has been maintained, and the stability of the Nation's banking system has been preserved during periods of financial uncertainty.

The deposit insurance system has been significantly modified only twice since 1934, both times in response to the savings and loan crisis of the late 1980s and 1990s. During this crisis the

Federal Government resolved 2,363 failures of insured institutions involving more than $700 billion in assets. As FDIC Chairman Powell has stated, ''There were no bank runs, no panics, no disruptions to financial markets, and no debilitating impact on overall economic activity.''

The existence of the Federal deposit insurance was a critical factor in maintaining public confidence in the banking system during these troubled times. H.R. 522, though technical in nature, seeks to apply the experience of the last decade to today's banking marketplace. It is the 21st century legislation for a 21st century banking industry, and this is it. And while the purpose of deposit insurance remains the same, industry growth, bank expansion from new powers, and the integration of banking and securities activities require that the scope and coverage of deposit insurance evolve so as to reflect the realities of a modern financial services industry. Moreover, the presence of Federal deposit insurance continues to be a key consideration for consumers in their decisions about where they do their banking and what level of deposit risk they are willing to assume.

Mr. Chairman, there is broad consensus in this body, the Bush administration, the Federal banking and thrift regulators, and business and consumer groups in favor of improving and strengthening the deposit insurance system and making it more responsive to the cyclical nature of banking activities and the post-Gramm-Leach-Bliley financial and economic environment. This legislation fulfills our commitment to the American public. Indeed, H.R. 522 was reported out of committee on a voice vote, a testimony to its responsiveness and timeliness. Substantially similar legislation passed this body just last year with over 400 votes.

This legislation is based on the recognition that depositors, savers, and investors have integrated financial needs and that the deposit insurance system must be stronger, more flexible, and adaptable to changing depositor behaviors in real times. The bill provides the FDIC with the necessary supervisory tools to manage the deposit insurance fund in a way that balances all affected interests and allocates the benefits and costs of the system evenly and fairly.

I want to thank the chairman of the Subcommittee on Financial Institutions and Consumer Credit, the gentleman from Alabama (Mr. BACHUS) for taking on this challenging, highly technical legislative process and for engaging all the major stakeholders in developing a bipartisan piece of well-balanced, highly effective legislation.

I also want to thank all of the bipartisan co-sponsors of this important legislation, particularly our distinguished ranking member, the gentleman from Massachusetts (Mr. FRANK), for their good work in this effort. I strongly urge all of my colleagues to support this legislation, and by doing so we ensure the public continues to maintain its confidence in the U.S. financial services industry, by far the most stable in the world.

Mr. Chairman, in scoring last year's deposit insurance reform legislation, the CBO concluded that the bill would decrease net Federal spending by $700 million. This year, presented with a substantially similar piece of legislation reforming the deposit insurance system, the CBO applied a different set of assumptions in performing its analysis of H.R. 522, and concluded that this year's bill would increase net Federal spending by some $1.9 billion.

This large swing between last year's estimate and this year's is attributable in large measure to a change in CBO's calculation of how much premiums the FDIC will be able to collect from insured depository institutions under the two bills. In making this calculation, CBO acknowledged the speculative nature of its analysis, stating that ''it is possible that the FDIC could use its broad discretion [under the legislation] differently than we have assumed and that could result in either fewer or greater premium collections than CBO has estimated.''

The CBO's analysis is grounded in an arbitrary assumption that the FDIC Board will choose not to exercise its authority in a revenue neutral way. This assumption is directly contrary to the consistent congressional testimony of the FDIC that a central goal of deposit insurance reform is revenue neutrality.

In fact, in a letter that the Committee received on March 31, 2003, from the Chairman of the FDIC, the Honorable Don Powell, Chairman Powell stated the FDIC's position that H.R. 522 gives the agency ''appropriate tools and incentives to manage the deposit insurance system such that it will not result in increased net government spending.''

Chairman Powell's letter, which conclusively rebuts the notion that H.R. 522 will have an adverse affect on Federal spending, goes on to state:

> H.R. 522 provides the FDIC with the tools to achieve revenue neutrality in the management of the deposit insurance system. Because any analysis that determines H.R. 522 will result in an increase in net government spending must necessarily rely on assumptions regarding how the FDIC Board will exercise the discretion provided in the legislation, I can assure Congress that the leadership of the FDIC has no intention of managing the deposit insurance system in a way that increases the costs to the government or increases the burden on insured institutions. The costs of the deposit insurance system will continue to be borne by the banking industry, but in a manner that establishes a strong risk-based premium system and avoids the procyclical risks inherent in current law.

The Committee shares the view of the FDIC, the agency that has had responsibility for administering the deposit insurance program since its inception more than 70 years ago, and believes that the CBO analysis of the potential budgetary impact of H.R. 522 is fundamentally flawed.

For the RECORD, I am including a copy of the CBO estimate and the FDIC's response.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 28, 2003.

Hon. MICHAEL G. OXLEY,
Chairman Committee on Financial Services, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 522, the Federal Deposit Insurance Reform Act of 2003.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Mark Hadley and Ken Johnson (for federal costs), and Judith Ruud (for the private-sector impact).

Sincerely,

BARRY B. ANDERSON
for Douglas Holtz-Eakin, Director.

Enclosure.

H.R. 522—Federal Deposit Insurance Reform Act of 2003

Summary: H.R. 522 would amend provisions of banking and credit union law to reform the deposit insurance system. Specifically, the bill would increase insurance coverage for insured accounts from $100,000 per account to $130,000 for most accounts (with higher levels of coverage for retirement accounts and municipal deposits). Over time, the coverage limit for insured deposits would increase to account for inflation. Those provisions of the bill would affect deposits held by banks and thrifts, which are insured by the Federal Deposit Insurance Corporation (FDIC), as well as those held by credit unions, which are insured by the National Credit Union Administration (NCUA). In addition, the bill would merge the Bank Insurance Fund (BIF) and the Savings Association Insurance Fund (SAIF) to create a new Deposit Insurance Fund (DIF) to pay the claims of depositors of failed banks and thrifts. Finally, H.R. 522 would amend the conditions under which banks and thrifts would pay insurance premiums to the FDIC, which administers the funds.

CBO estimates that H.R. 522 would increase the net cost of resolving failed financial institutions by $2.1 billion over the next 10 years. Under the bill, the FDIC and NCUA would offset some of that cost through increased insurance premiums paid by financial institutions. Because H.R. 522 would allow institutions to pay FDIC premiums with credits in lieu of cash, the additional cost of resolving failed financial institutions under the bill would exceed the cash receipts from additional premiums. Consequently, we estimate that the FDIC would bear nearly all of the increased costs of resolving failed institutions during the next five years, when most of the credits would be used. As a result, CBO estimates that a would increase net direct spending by $1.9 billion over the 2004–2013 period.

H.R. 522 contains an intergovernmental mandate as defined in the Unfunded Mandates Reform Act (UMRA). CBO estimates that the mandate would impose no costs on state, local, or tribal governments and, therefore, that it costs would not exceed the threshold established in UMRA ($59 million 2003, adjusted annually for inflation).

The bill contains private-sector mandates as defined by UMRA, primarily because it would necessitate the payment of increased deposit insurance premiums. CBO estimates that the direct cost of those mandates would be below the annual threshold specified in UMRA ($117 million in 2003, adjusted annually for inflation) during the first five years after enactment because the bill would provide credits to certain institutions that would largely offset their insurance premium assessments over the 2004–2008 period. We do not have sufficient information to provide a precise estimate of the aggregate cost of all the mandates in the bill.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 522 is shown in the following table. The costs of this legislation fall within budget function 370 (commerce and housing credit).

	By fiscal year, in billions of dollars—									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
DIRECT SPENDING										
FDIC and NCUA Spending Under Current Law:										
Estimated Budget Authority	*	*	*	*	*	*	*	*	*	*
Estimated Outlays	1.1	1.5	0.9	0.7	0.7	0.8	0.6	0.3	0.1	0.3
Changes in Costs to Resolve Failed Institutions Insured by FDIC and NCUA:										
Estimated Budget Authority	0	0	0	0	0	0	0	0	0	0
Estimated Outlays	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.2	0.2	0.2
Changes to FDIC and NCUA Premium Collections:										
Estimated Budget Authority	0	0	0	0	0	0	0	0	0	0
Estimated Outlays	0.5	0.4	1.1	0.4	*	−0.3	−0.4	−0.5	−0.6	−0.9
Total Changes Under H.R. 522:.										
Estimated Budget Authority	0	0	0	0	0	0	0	0	0	0
Estimated Outlays	0.7	0.6	1.3	0.6	0.2	*	−0.1	−0.3	−0.4	−0.7
FDIC and NCUA Spending Under H.R. 522:										
Estimated Budget Authority	*	*	*	*	*	*	*	*	*	*
Estimated Outlays	1.8	2.1	2.2	1.3	0.9	0.8	0.5	*	−0.3	−0.4

Note.—*=Between 0 and −$50 million.

Basis of estimate: Two federal agencies are primarily responsible for the deposit insurance system. The FDIC insures the deposits in banks with the BIF and the deposits of thrifts with the SAIF. The NCUA insures the deposits in credit unions (referred to as shares) with the Share Insurance Fund. When a financial institution fails, the FDIC or NCUA use the insurance funds to reimburse the insured depositors of the failed institution. These agencies then sell the assets of the failed institution and deposit any money recovered into the insurance funds.

CBO estimates that H.R 522 would increase both the cost of resolving failed financial institutions and the premiums paid by financial institutions. Over the 2004–2013 period, we estimate that the cost of resolving failed institutions would increase by $2.1 billion and premiums paid by financial institutions would increase by $200 million. Thus, we estimate that enacting H.R. 522 would result in a net increase in direct spending of $1.9 billion over the 2004–2013 period. The major components of this estimate are explained below.

Increase in the Cost of Resolving Failed Financial Institutions

H.R. 522 would increase deposit insurance coverage from $100,000 to $130,000 for most accounts, with higher coverage levels for employee benefit plans and in-state municipal deposits. Such increases would apply to deposits held by credit unions as well as banks and thrifts. In addition, the bill would require the FDIC and NCUA to adjust deposit insurance coverage every five years beginning January 1, 2006, to account for inflation. because H.R. 522 would require that coverage levels be rounded to the nearest $10,000, CBO estimates that coverage would remain at $130,000 in 2006 and would increase to $150,000 in 2011.

By 2004, we expect that insured deposits will total more than $3.5 trillion under current law. Based on information from the FDIC and the experience of past increases in deposit insurance coverage, CBO estimates that the increased insurance coverage under H.R. 522 would increase the deposits insured by the FDIC by about $300 billion—or around 8 percent.

By insuring current deposits that are now uninsured, the bill would increase the liability of the FDIC and NCUA when institutions fail without significantly increasing the assets of those institutions. Under current law, we expect the FDIC's net losses on failed institutions to total about $12.2 billion over the 2004–2013 period. (We project that gross losses of $56.3 billion would be offset, in part, by recoveries of $44.1 billion from selling the assets of the failed institutions.) CBO estimates that the bill would lead to an increase in net losses of $1 billion over the next 10 years. Outlays for resolving failed institutions would increase by a larger amount over the next 10 years, however, because selling the assets of failed banks often takes many years. As a result, CBO estimates H.R. 522 would increase the FDIC's net outlays to resolve failed banks and thrifts by about $2.1 billion over the 2004–2013 period. Similarly, we estimate that enacting H.R. 552 would increase NCUA's net outlays to resolve failed credit unions by about $10 million over the 2004–2013 period.

By increasing deposit insurance coverage, H.R. 522 could reduce incentives of depositors to monitor the behavior of financial institutions. Over the long term, this could lead to increased risk-taking by those institutions and ultimately to higher losses. On the other hand, if the DIF incurs larger losses to resolve failed banks and thrifts, H.R. 522 would give the FDIC the flexibility to set premiums to restore the balances in the fund over several years, thus allowing the agency to recover from large losses without imperiling other institutions. This new authority could reduce future losses. CBO has no basis for estimating the magnitude of either of these effects. We expect, however, that any changes in the costs of resolving failed institutions would eventually be borne by banks and thrifts through premiums.

Effects on Premiums Paid to the FDIC By Financial Institutions

Three general provisions of H.R. 522 would affect the total amount of premiums collected by the FDIC. The bill would provide the FDIC with increase discretion to set premiums. Financial institutions would be given credits that could be used to pay the FDIC assessments in lieu of cash. Finally, the bill would require the FDIC to merge the BIF and SAIF.

The amount of premiums that banks and thrifts would pay through the combined effects of the three major provisions of H.R. 522 would depend on the DIF's balance in each year, which in turn would depend on the costs of resolving failed institutions. To estimate the effects of the bill's provisions on premium collections, CBO considered several thousand scenarios of the magnitude and timing of possible losses to the FDIC and the subsequent impact on premiums that would be collected under the bill. Because the fund balance in any given year depends on the losses in all prior years, each scenario included an estimate of losses over the entire 2004–2013 period. Applying a probability distribution to those loss scenarios, CBO estimated premium income to the government under H.R. 522, reflecting the wide range of uncertainty about future costs of resolving failed financial institutions.

Overall, CBO estimates that the net effect of these provisions on deposit insurance premiums would be an increase in collections of about $100 million over the next 10 years, considerably less than our projected increase in the FDIC's costs to resolve failed financial institutions ($2.1 billion). Each of the bill's three major provisions that would affect premium assessments is described below.

Increased FDIC Discretion Over Premiums. Under current law, the FDIC is required to assess premiums so as to maintain reserves equal to 1.25 percent of insured deposits in the BIF and SAIF. H.R. 522 would give the FDIC broad discretion to set premiums paid by insured financial institutions. As a result, the total amount collected would depend on how the FDIC chooses to exercise that discretion. Specifically, the bill would charge the FDIC with assessing premiums based on the degree of risk for each institution, it would authorize the FDIC to assess other premiums if it considers the DIF's reserves to be inappropriately low, and it would require the FDIC to implement a 10-year restoration plan if the DIF reserve ratio falls below 1.15 percent. It is possible that the FDIC could use its broad discretion differently than we have assumed and that could result in either fewer or greater premium collections than CBO has estimated. The following sections describe how CBO expects that the FDIC would exercise its discretion under the bill.

Premiums Based on the Risk of Each Institution. For this estimate CBO assumes that when setting premiums, the FDIC will consider all of the bill's criteria. Specifically, H.R. 522 would authorize that the FDIC charge premiums based on each institution's risk of failure. CBO expects that the FDIC would choose to charge all institutions some premiums all of the time because even the strongest institutions pose some risk. (Under current law, the vast majority of institutions do no pay any premiums if the BIF or the SAIF are above 1.25 percent of insured deposits.) The bill, however, would limit the amount of premiums the strongest institutions could pay to 0.01 percent of their deposits. Based on information from the FDIC, CBO expects that the risk posed by the strongest institutions will not be much less than that of the next strongest institutions. Therefore, we do not expect that the FDIC would charge those groups vastly different premiums.

Authority To Set Other Premiums. Based on information from the FDIC, CBO expects that the FDIC would increase premiums above the amount required by risk only when the FDIC determines that the DIF's reserves are inappropriately low. For this estimate, CBO assumes the FDIC would charge additional premiums if the DIF's reserves

are between 1.15 percent and 1.20 percent of insured deposits. However, there may be limits on the amount by which the FDIC could increase premiums as the DIF nears 1.15 percent. For instance, the increased premiums would not apply to the least risky group of institutions because of the bill's limitation on assessments. Furthermore, we expect that the FDIC would attempt to charge similar premiums to banks with similar risks. Even if the fund were smaller than the FDIC would prefer, we expect that the FDIC would not significantly raise premiums charged to more risky institutions. Finally, CBO expects that the FDIC would attempt to limit volatility in premiums charged and avoid increases in premiums for temporary reductions in the fund. For these reasons, CBO assumes that, when the DIF reserve ratio is between 1.15 percent and 1.2 percent, the FDIC would charge all institutions other than the least risky group only an extra two basis points in premiums.

Ten-Year Restoration Plans. If the DIF's reserves fall below 1.15 percent of insured deposits, then H.R. 522 would require the FDIC to devise and implement a restoration plan to bring the reserve ratio back to 1.15 percent within 10 years. This flexibility to set restoration plans could reduce assessment income of the FDIC because it could spread the necessary premiums over 10 years. On the other hand, this provision of H.R. 522 might provide the FDIC the discretion necessary to recover from a large loss in the fund without imperiling other institutions. For this estimate, CBO assumes that the FDIC would charge all institutions premiums at least two basis points above their risk premiums and, under some conditions, would attempt to return the fund's reserve ratio to 1.15 percent in fewer than 10 years.

Credits for Future Assessments. H.R. 522 would require the FDIC to provide certain banks and thrifts with one-time credits against future assessments, based on their payments to the BIF or SAIF prior to 1997. FDIC's income from premiums would decline to the extent such credits are used. CBO estimates that financial institutions would use credits worth nearly $5.4 billion during the 2004–2013 period. Therefore, FDIC's collections would fall by an equivalent amount over the next 10 years. CBO expects most of the credits would be used over the 2004–2008 period.

The credits would equal 12 basis points (0.12 percent) of the combined assessment base of the BIF and SAIF as of December 31, 2001. Based on information from the FDIC, CBO estimates that the credits would total nearly $5.4 billion. They would be allocated to each institution based on their market share as of December 31, 1996. Institutions established after that date would be ineligible for these one-time credits against their future assessments.

H.R. 522 would limit the use of credits by institutions that are not well capitalized or that exhibit financial, operational, or compliance weaknesses that range from moderately severe to unsatisfactory. Under the bill, such institutions could only use credits worth no more than the average assessment on all depository institutions for that period. In addition, if the DIF's reserves fall below 1.15 percent of insured deposits, institutions would be prohibited from using more than three basis points worth of credits in that year. Even with those limitations, CBO expects that all of the credits awarded would be used during the 2004–2013 period.

H.R. 522 also would give the FDIC broad authority to award additional credits on an ongoing basis. For the purposes of this estimate, CBO assumes that the FDIC would award those ongoing credits only when DIF reserve ratio approaches 1.35 percent. Based on the growth of insured deposits, increased losses, and the impact that one-time credits would have on premium income, CBO estimates that it is very unlikely the fund balance would approach 1.35 percent of insured deposits.

Merging BIF and SAIF. H.R. 522 would require the FDIC to merge the Bank Insurance Fund and the Savings Association Insurance Fund and create a new Deposit Insurance Fund. By 2004, CBO expects the net worth of the combined fund would be about $45 billion. Considered separately from the other reforms in the bill, merging the funds would delay the collection of premiums on institutions now insured by the BIF for a few years and would have a minor impact on net outlays from the fund over the 2004–2013 period.

Increase in Premiums Paid to NCUA By Financial Institutions

Under current law, credit unions must pay NCUA 1 percent of the net change in deposits each year. NCUA provides rebates to credit unions if the balance in the share insurance fund exceeds 1.3 percent of insured deposits. Under current law, CBO estimates that NCUA will collect net premiums of about $3.3 billion from its members over the 2004–2013 period.

Based on information from NCUA, CBO expects that H.R. 522 would extend insurance coverage to about $6 billion in currently uninsured deposits in 2004 and that the higher insurance levels would attract about $50 million in new deposits that year. CBO estimates that, under the bill, the net premiums collected by NCUA would increase by $100 million over the 2004–2013 period. About $60 million of that amount would be realized in 2004. The premiums collected for the expanded insurance coverage would more than offset the estimated additional costs to NCUA of $10 million over the next 10 years.

Estimated impact on state, local, and tribal governments: H.R. 522 contains an intergovernmental mandate as defined in UMRA. A provision in section 3 would preempt New York state laws that bar savings banks and savings and loan associations from accepting municipal deposits. Enacting this provision would impose no costs on state, local, or tribal governments and, therefore, the costs of the mandate would not exceed the threshold established in UMRA ($59 million in 2003 adjusted annually for inflation). Enacting the bill could benefit municipalities in New York to the extent that more depository institutions may compete for their deposits and offer more favorable terms as part of that competition.

Estimated impact on the private sector: The bill contains private-sector mandates as defined by UMRA, primarily because it would necessitate the payment of increased deposit insurance premiums. CBO estimates that the direct cost of those mandates would be below the annual threshold specified in UMRA ($117 million in 2003, adjusted annually for inflation) during the first five years after enactment because the bill would provide credits to certain institutions that would largely offset their insurance premium assessments over the 2004–2008 period. We do not have sufficient information to provide a precise estimate of the aggregate cost of all mandates in the bill.

Banks and Savings Associations

Commercial banks and savings associations must have federal deposit insurance. CBO, therefore, considers changes in the federal deposit insurance system that increase requirements on those institutions to be private-sector mandates under UMRA. Specifically, the bill would increase federal insurance coverage for insured depository accounts. Because premiums are based in part on the amount of insured deposits, that increase in coverage would require banks and savings associations to pay more in deposit insurance premiums.

Three provisions of H.R. 522 would affect the total amount of premiums collected by the FDIC. The bill would require the FDIC to merge the BIF and the SAIF. The bill would provide the FDIC with greater discretion to set premiums. The FDIC would grant credits to some financial institutions that could be used to pay deposit insurance premiums in lieu of cash.

CBO estimates that as a result of the merger of the deposit insurance funds, increase deposit insurance coverage, and the greater discretion given to the FDIC to set premiums for banks and savings associations, banks and savings associations would be assessed about $200 million less in premiums in fiscal year 2004 (largely because of the savings provided by the merger of the BIF and the SAIF) but would be assessed about $1 billion more in 2005 when compared with current law. The additional assessments would total about $2.4 billion over the five-year period from 2004 to 2008.

However, H.R. 522 would require the FDIC to award credits to certain banks and savings associations that may be used to offset future deposit insurance premium assessments. The credits would amount to about $5.4 billion. Only banks and savings associations that paid deposit insurance premiums prior to 1997 would be eligible to receive credits. CBO expects that institutions that are awarded credits would use them as soon as they are available. For example, CBO estimates that in 2005, the industry would use about $1.5 billion of these credits towards the $1.7 billion of deposit insurance assessments. Although some institutions would have to pay more in premiums, the industry as a whole would pay about $400 million less in 2005 than it would have to pay under current law because of the use of the credits.

Over the 2004–2007 period, CBO expects that the industry would pay less in premiums than it would under current law due to the credits. However, as the industry exhausts its credits, it would have to pay more in premiums than under current law. By 2008, CBO expects that the industry would have to pay premiums of about $50 million more. In 2009, the industry would pay additional premiums of about $300 million, and the amount of additional premiums paid would increase in subsequent years.

Credit Unions

Because the bill would increase the coverage of insured accounts for federally insured credit unions, those credit unions would have to contribute more to the National Credit Unions Insurance Fund. CBO estimates that those institutions would contribute an additional $60 million in fiscal year 2004. The additional contributions would total about $100 million over the 2004–2008 period.

Employee Benefit Plan Deposits

The bill would also prohibit banks, savings associations, and credit unions that are not well capitalized or adequately capitalized from accepting employee benefit plan deposits. CBO does not have sufficient information to assess the cost of this mandate.

Estimate prepared by: Federal Costs: Mark Hadley (226–2860), Ken Johnson (226–2860), and Judith Ruud (226–2940). Impact on State, Local, and Tribal Governments: Victoria Heid Hall (225–3220). Impact on the Private Sector: Judith Ruud (226–2940).

Estimate approved by: Robert A. Sunshine, Assistant Director for Budget Analysis

FEDERAL DEPOSIT INSURANCE CORPORATION,
Washington, DC, March 31, 2003.

Hon. MICHAEL G. OXLEY,
Chairman, Committee on Financial Services, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to address recent concerns raised by the Congressional Budget Office that H.R. 522, the Federal Deposit Insurance Reform Act of 2003, would increase net government spending. H.R. 522 provides the Federal Deposit Insurance Corporation with a number of new discretionary tools that permit an effective risk-based deposit insurance system and avoid the procyclical impact of current law. Because any analysis of the impact of this legislation is highly dependent on unpredictable variables, the FDIC would like to provide Congress with the assurance that H.R. 522 includes appropriate tools and incentives to manage the deposit insurance system such that it will not result in increased net government spending.

REVENUE NEUTRALITY

From the very beginning of the debate on deposit insurance reforms, the FDIC has stated that the point of the reforms is neither to increase assessment revenues from the industry nor to relieve the industry of its obligation to fund the deposit insurance system. Rather, the goal of deposit insurance reform is to distribute the assessment burden more evenly over time and more fairly across insured institutions. H.R. 522 provides the FDIC with the tools to achieve revenue neutrality in the management of the deposit insurance system. Because any analysis that determines H.R. 522 will result in an increase in net government spending must necessarily rely on assumptions regarding how the FDIC Board will exercise the discretion provided in the legislation, I can assure Congress that the leadership of the FDIC has no intention of managing the deposit insurance system in a way that increases the costs to the government or increases the burden on insured institutions. The cost of the deposit insurance system will continue to be borne by the banking industry, but in a manner that establishes a strong risk-based premium system and avoids the procyclical risks inherent in current law.

DIFFICULTY OF ANALYZING DISCRETIONARY ACTIONS

Analyzing the budgetary impact of H.R. 522 is undeniably a difficult exercise that depends critically on two types of assumptions—external factors and internal factors. External factors include a number of complex variables, such as the likelihood of future failures, the condition of the economy, the cost of failures, and deposit growth. A change in any one or more of these variables has a significant impact on the analysis.

The internal factors involve the behavior and decisions of the FDIC Board of Directors in setting deposit insurance premiums. In the case of H.R. 522, the analysis is difficult because the discretion granted to the FDIC to manage the deposit insurance funds requires analysts to model the future decisions of the FDIC Board. The CBO analysis makes a number of assumptions about when the FDIC Board will exercise its discretion to increase deposit insurance premiums and how much it will charge. Based on these assumptions, the CBO reaches a conclusion that the FDIC Board acts in a manner that results in a $1.9 billion net increase in government spending over ten years. Yet, nothing in the legislation prevents the FDIC Board from making slightly different decisions. The CBO estimate represents an annual ''cost'' of less then one half a basis point against the FDIC's assessment base. There is no reason to assume that the FDIC Board would not make the minor adjustments in its decisions to achieve its stated goal of revenue neutrality.

BENEFITS OF H.R. 522

No analysis of the ''costs'' of legislation is complete without a full consideration of the benefits provided by the bill. The FDIC believes that H.R. 522 provides significant benefits over the current deposit insurance system. The current system is procyclical and will require the banking industry to pay its highest premiums at the worst possible time—during economic downturns—so that banks will have less money available to lend when their communities need it most.

In addition, H.R. 522 will permit the FDIC to implement an effective risk-based premium system. Under the current system, 91 percent of financial institutions do not pay deposit insurance premiums even though there are clear differences in their risk profiles. Safer institutions subsidize their riskier competitors and many institutions have never paid a premium for their insurance coverage. An effective deposit insurance system that charges institutions based on the risk they present to the insurance fund would be fairer and provide greater protection against risky practices that can lead to bank failures and deposit insurance losses.

If H.R. 522 or similar legislation is enacted into law, the FDIC believes it will represent an important improvement over the current deposit insurance system. I can assure you that it is the intention of the FDIC to implement H.R. 522 to achieve our stated goal of revenue neutrality. I hope that the House of Representatives will take a major step toward a safer and sounder deposit insurance system by passing H.R. 522.

Sincerely,

DONALD E. POWELL.

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

Mr. BACHUS. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. BURGESS).

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

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

I rise today in support of H.R. 522, the Federal Deposit Insurance Reform Act of 2003. This legislation would accomplish a much-needed modernization of our Federal deposit insurance system. It would help millions of typical Americans get important protection for their savings that they deserve.

H.R. 522 would help modernize the system by increasing the deposit coverage levels for our Nation's savers from $100,000 to $130,000. I have no doubt that H.R. 522 would help many Americans get the important protection that they deserve for their savings, for their nest eggs.

H.R. 522 strengthens the Nation's insured depository institutions, especially small banks, thrifts, and credit unions. It also ensures that the Federal deposit insurance system does not harm the ability of the insured depository institutions to meet the Nation's credit needs at all stages of the economic cycle. And who can argue against a bill which advances the national priority of enhancing retirement security for all Americans?

Coverage levels are increased for, IRAs and 401(k) plans. This is essential to our economy as our population ages and retirees are realizing the sums of money that it will take today to maintain an adequate standard of living. This is why the American Association of Retired Persons supports this bill.

We must pass this bill in order to encourage retirees in smaller towns to keep their savings in local community banks instead of transferring monies to larger banks headquartered in some distant city. Transactions to larger banks hurt the local community's economy because the savers' monies are not recycled back into the community. It also directly hurts the local community's residents because there are less funds available; thus access to credit become more difficult and the costs of raising funds to lend becomes higher.

This evolution of bank transactions ultimately hurts the local economy, threatening the job base and the economic vitality of the local community. I know this bill has widespread support in this Chamber. During the last Congress, the 107th Congress, the House passed similar legislation with an overwhelming bipartisan vote. Last year's solid vote of support indicates to me the importance of this measure and the grassroots support behind it. I urge my colleagues to pass H.R. 522 with similar resolve.

Today more than ever, American savers and investors need reassurance, reassurance that their elected representatives are helping to ensure that their hard-earned savings are safe with a modern deposit insurance system.

Let us promote confidence for today's disheartened saver and investor and promote confidence for the system for our children. I urge passage of H.R. 522.

Mr. BACHUS. Mr. Chairman, I yield 3 minutes to the gentleman from Alabama (Mr. ADERHOLT).

Mr. ADERHOLT. Mr. Chairman, I rise today in support of H.R. 522 which merges the Bank Insurance Fund and the Savings Association Insurance Fund, and which updates a successful program by increasing the standard maximum deposit insurance limit to $130,000 and indexing it every 5 years for inflation, doubling the new coverage level for certain retirement accounts and increasing the coverage amount for in-State municipal deposits.

The FDIC deposit insurance system has served a critical role in the stability of our Nation's financial system. The reform to increase deposit insurance coverage from $100,000 to $130,000 will provide American savers the ability to better secure their nest egg while ensuring ongoing consumer confidence and the stability of the banking system. At an earlier time in history, a person may have felt it better to put their money in a metal box underneath a loose floor board in the house. At the other end of the spectrum would be the

venture capitalists. They take risks, but that is their choice.

The FDIC deposit insurance system creates some stability for the average person looking to secure some of their savings, not only for their retirement but for education and family needs as well. The increase in protection for retirement funds is significant not only for the overall picture, but also it is important that we pass this as reported out by committee.

The image of a metal box brings up another point. If that money is in a bank as opposed to underneath a house, it obviously becomes part of the Nation's overall cash flow and investment system. This bill updates, at even less than the rate of inflation, the deposit insurance amount. That allows depositors who wish to put their funds in local independent banks to do so with confidence. In turn, those banks are able to approve loans related to local projects.

I think even opponents of this bill in its current form would agree that competition is indeed good. For Congress to keep this amount of $100,000 is a not a harmless action. Not increasing the insurance amount in the face of 21 years of inflation in effect makes Congress a partner in the erosion of the ability of local communities to compete fairly with larger banks.

□ 1115

References to the savings and loan crisis have to be weighed in the context of the actions taken after that situation by both government and industry.

This bill passed last year by a vote of 408 to 18. I urge support today for this bill as reported out of committee and a ''yes'' vote on final passage.

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

Mr. BACHUS. Mr. Chairman, I yield myself such time as remains.

Mr. Chairman, there are opponents to this legislation. Those opponents give several reasons, and we may hear those during the amendments; but I think the most honest opponent of this legislation is the gentleman from California (Mr. ROHRABACHER), who will offer an amendment or who may not offer an amendment but who has filed an amendment to strike the increases in coverage.

The gentleman from California (Mr. ROHRABACHER) said in the American Banker, and I quote him, in today's edition, ''I don't believe in Federal deposit insurance.'' I think that pretty much sums up the opposition because if a person does not believe in it, then a person does not want it to increase to allow for inflation or for increase in per capita income. If a person does believe in it, then they want it to remain current. They want it to remain current with per capita income and inflation.

As I said, we last increased the levels in 1980. If we adjusted them for per capita income, they would actually go to $300,000. If we increased them for inflation, they would go to $200,000. We, to build a consensus, only increased them to $130,000; but we did increase retirement funds to $260,000, but we felt that there were people other than retirees who deserve the protection to keep up with per capita income and inflation.

So we increased everyone's coverage to 130, including small businesses and depositors, many of whom we found in testimony sell their house, deposit the entire proceeds in a financial institution and assume, sometimes tragically, that there is sufficient coverage.

There are additional reasons why people are opposing this legislation. There is a question of cost. The CBO scored the same bill last year as a savings of $750 million. This year they say it has a cost of $1 billion.

Chairman Powell of the FDIC responded to the CBO estimate and said this, because it conclusively rebuts any CBO estimate that this will cost the taxpayers and any argument that may be made on the floor today about the budgetary impact of the legislation, and he says, ''H.R. 522 provides the FDIC with the tools to achieve revenue neutrality in the management of the deposit insurance system. Because any analysis that determines 522 will result in an increase in net government spending must necessarily rely on assumptions regarding how the FDIC Board will exercise the discretion provided in the legislation.'' And here is the most pertinent part: ''I can assure Congress that the leadership of the FDIC has no intention of managing the deposit insurance system in a way that increases the cost to the government or increases the burden on insured institutions. The costs of the deposit insurance system will continue to be borne by the banking industry, but in a manner that establishes a strong risk-based premium system and avoids the procyclical risks inherent in current law.'' I do stress there are risks in the current law if we do not amend it.

He also in a letter to this body on March 31 says, ''No analysis of the 'costs' of legislation is complete without a full consideration of the benefits provided by the bill,'' and he goes on to list many benefits to the economy, to savers and to strengthening our banking institution.

Another rabbit that has been turned loose by opponents of this bill is that the increase in coverage, the last increase was what precipitated the savings and loan crisis. That is simply not a fact. There were many causes. In fact, let me read from a report from this own body as to the reason for the savings and loan crisis. The causes of the thrift crisis can be traced to a number of factors: poorly timed deregulation, the dismal performance of some thrift management, inadequate oversight supervision and regulation.

Mr. TIAHRT. Mr. Chairman, I rise today in support of the Federal Deposit Insurance Reform Act of 2003. This much needed, bipartisan legislation will help rural communities in my district, as well as thousands of other small towns across this country. H.R. 522 strengthens the deposit insurance fund and helps address a major funding need for community banks.

I have heard from many farm banks in Kansas that continue to have problems increasing their core deposits. These banks are forced to turn to noncore funds to support their asset growth. I am told noncore funds can often be more expensive and volatile than core deposits. This is not good for either the bankers or the customers who are investing their money.

The FDIC's Kansas City office noted in their Spring 2003 Regional Outlook report that ''core funding takes on added importance for community banks with a significant presence in rural communities facing long-term negative growth . . .''. This report goes on to say that core funds are the staple of rural banks, but they are increasingly becoming more difficult to attract or even retain.

Because of the artificially low deposit insurance cap, rural residents are being forced to send deposits that are not insured with the current $100,000 limit to institutions outside their local communities.

I see no good reason to allow this loss of capital from rural areas. It is capital that could be used for loans to diversify our rural communities and create or expand small businesses. At a time when our small towns are really suffering economically, we need all the local investment available. Local investment encourages entrepreneurship and ultimately creates local jobs. H.R. 522 will help ensure that objective is not eroded over time as it has done for more than two decades.

A declining rural population leads to a declining deposit base. An increasing rural population tends to create more demand for loans. Either way, this situation indicates we need to increase deposit insurance levels. Local dollars should stay invested in our local communities.

The bill today increases the basic coverage level from $100,000 to $130,000. This modest increase is long overdue, especially in context of other changes made to the system in recent years. Higher coverage levels will strengthen depositor confidence in the entire financial services system.

H.R. 522 also gives the FDIC flexibility. Right now, the FDIC is mandated to have the ratio of reserves to estimated insured deposits at a hard target of 1.25 percent. This bill we are considering today would allow that ratio to be within a range of 1.15 to 1.4 percent.

Finally, H.R. 522 directs the FDIC to study its administrative and managerial processes and alternative means for administering the deposit insurance system. These studies will ensure the deposit insurance fund and the overall insurance system are managed and operated as efficiently and effectively as possible.

I encourage my colleagues to join me in supporting the Federal Deposit Insurance Reform Act of 2003. It is good common-sense legislation that will help people in our rural communities.

Mr. CRAMER. Mr. Chairman, I rise today in support of H.R. 522, the Federal Deposit Insurance Reform Act of 2003. With the banking industry currently in good health, now is the time for Congress to act on needed reforms to the insured deposit system that has protected the American financial system and consumers

so well since the program began in the dark days of the Depression.

Among its other provisions, this legislation will enhance the safety and soundness of the financial services industry by maintaining the value of deposit insurance coverage in the years to come, as well as providing additional coverage of certain retirement products, which will greatly aid in boosting retirement savings.

H.R. 522 will increase general deposit insurance coverage from $100,000 to $130,000 per account, and index this coverage to inflation going forward, so that the real value of that coverage does not erode over time. The existing $100,000 limit was set in 1980, but the real value of that coverage has decreased to around $45,000 due to inflation over the last 23 years.

For certain IRS-approved retirement products, this legislation will double general coverage to $260,000. Increasing coverage of these retirement products will provide citizens, particularly senior citizens, with added assurance that their hard-earned savings are safe and secure and will continue to grow in value. These provisions are an excellent step in the right direction to increase the consumer savings rate. The bill will also provide additional coverage of municipal deposits, thereby keeping public funds in the communities in which they are generated.

As I noted earlier, federal deposit insurance has served this country extremely well for some 70 years. One of the best examples of the critical importance of deposit insurance was its role in ensuring public confidence in the banking system during the thrift crisis of the late 1980s. Now H.R. 522 will provide further revisions to the deposit insurance system that will help make certain that the program remains as effective as it has historically been in protecting both the U.S. banking system and its customers in the decades to come. Please join me in support of this important legislation.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in support of H.R. 522, The Federal Deposit Insurance Reform Act of 2003.

H.R. 522 is a bi-partisan bill that benefits our senior citizens, small businesses, and local banks by updating and preserving the value of our insured deposit system. H.R. 522 helps our Nation's senior citizens by increasing the coverage limits for retirement accounts at insured depository institutions to more than double the current federal coverage level. H.R. 522 helps small businesses and local banks by encouraging small business owners to consolidate their funds into smaller, local banks.

Furthermore, H.R. 522 benefits all of our communities by helping to keep local deposits in the local communities they should be serving. H.R. 522 encourages local government entities to keep their funds in local banks, also fostering local economic development. H.R. 522 includes provisions that increase coverage for municipal deposits as well. The increased coverage helps keep local monies at home and improves the local economy by enabling institutions to offer more car, home, and education loans in their communities.

Last year a bill virtually identical to H.R. 522 cleared the House by a 408–18 vote. This bipartisan support is echoed by organizations such as the American Association of Retired Persons, and the Independent Community Bankers Association who also support H.R. 522.

I support H.R. 522 as well, Mr. Chairman, because I support our local communities.

Mr. BEREUTER. Mr. Chairman, this Member rises today to express his support for H.R. 522, the Federal Deposit Insurance Reform Act. This bill, of which this Member is an original cosponsor, will encourage private savings which is a crucial factor in promoting economic stability.

First, this Member would like to thank the distinguished gentleman from Alabama, the Chairman of the House Financial Services Subcommittee on Financial Institutions and Consumer Credit (Mr. BACHUS) for introducing this legislation. This Member would also like to thank both the distinguished gentleman from Ohio, the Chairman of the House Financial Services Committee (Mr. OXLEY), and the distinguished gentleman from Massachusetts, the Ranking Member of this Committee (Mr. FRANK), for their efforts in bringing this measure to the House Floor.

This bill, H.R. 522, passed the House Financial Services Committee, by a voice vote, on March 13, 2003. This legislation is virtually identical to a bill that passed the House last year, by a vote of 408–18. Unfortunately, the Senate chose not to act on Federal Deposit Insurance Corporation, FDIC, reform in the 107th Congress.

As a matter of background, Congress in 1934 initially set the deposit insurance coverage limit at $5,000. The last increase was in 1980, when Congress raised the value of coverage to $100,000, per person, per institution. According to the FDIC, due to inflation, the real value of this $100,000 coverage limit has decreased by about half.

This Member would like to focus on the following four provisions in this important legislation which will:

1. Increase the FDIC coverage level to $130,000 and index this level for inflation every five years thereafter;

2. Increase the FDIC coverage level for retirement accounts to $260,000;

3. Increase the FDIC coverage level for in-state municipal deposits to the lower of $2 million or the sum of the new coverage level plus 80 percent of the deposits in excess of the new standard; and

4. Ensure the financial institutions receive their equitable share of dividends and credits from the deposit insurance fund.

First, this legislation would increase the $100,000 FDIC insurance limit to a new limit of $130,000. The deposit insurance limit would then be indexed every five years to a cost of living adjustment and rounded to the nearest $10,000. This Member believes this increase in the FDIC limit is warranted and justified.

This Member has met with many Nebraska community bankers who have emphasized the importance of increasing the deposit insurance coverage limit in order for community banks to attract and maintain core deposits. Currently, community banks are losing deposits to more distant brokerage and mutual fund companies. If community banks do not have the core deposits to make loans, the economic development of communities suffer. Local money needs to stay in a community where it can build infrastructure and create jobs.

Second, this bill would increase the coverage level for retirement accounts from the current $100,000 to a level of $260,000, which will encourage greater retirement savings. It is important to take this action, since the current rate of savings by Americans is quite low. Moreover, this change is particularly important to older Americans to ensure that they have secure banking services nearby. In many rural areas, the alternative to this coverage level increase is for consumers to bank at more distant institutions.

Third, this legislation would also importantly increase coverage for in-state municipal deposits to the lower of $2 million or the sum of the new coverage level plus 80 percent of the deposits in excess of the new standard. Community bankers have stressed to this Member their support for greater coverage of municipal deposits as they now only receive $100,000 of FDIC protection. Municipal deposits are taxpayer funds from state and local governments, and schools deposited in local banks. This change is very important in Nebraska since there are so many different public entities collecting revenue and in turn making deposits in local banks.

Lastly, this Member supports the provisions in H.R. 522 which were authored by the distinguished gentlelady from New York (Ms. MALONEY) and this Member. These three provisions were included in the Manager's Amendment which passed by voice vote during the Committee's consideration of the virtually identical bill in the 107th Congress. We offered the following changes to help ensure that financial institutions receive their equitable share of dividends and credits from the deposit insurance fund.

This bill establishes a 1 basis point cap on the premiums that the FDIC can charge those institutions that qualify for the lowest-risk category under the risk-based premium system, when the actual level of the reserve ratio is above 1.15 per $100 of insured deposits. Furthermore, H.R. 522 provides that when the reserve ratio of the deposit insurance fund is between 1.35 and 1.4 per $100 of insured deposits, the FDIC must pay dividends equal to 50 percent of the amount in excess of 1.35. This bill also includes language which establishes an ongoing credit pool that could be used by institutions against their premium assessments based on the historical contributions of the institution to the deposit insurance fund. This provision will reward those institutions who helped fully recapitalize the bank insurance fund in 1996.

In conclusion, for the reasons mentioned and many others, this Member urges his colleagues to support H.R. 522.

Mr. OSBORNE. Mr Chairman, banks that primarily serve agricultural customer remain concerned with the possibility of having to rely more and more on nontraditional funding sources to support their asset growth and continued ability to provide the necessary financing for their customers—farmers, ranchers, consumers and rural businesses.

Today, more than 1,820 of our nation's banks hold more than 25 percent of their loans. According to the Federal Deposit Insurance Corporation, FDIC, office in Kansas City, in Nebraska, there are 210 farm banks that are FDIC insured institutions with at least 25 percent of total loans comprised of agriculture loans. A majority of these banks are located in rural areas and are the economic engines that help support the local community.

The legislation we are considering today, H.R. 522, the Federal Deposit Insurance Reform Act of 2003, includes modest reforms to the deposit insurance system that will substantially benefit local banks in my community and

our nation's agricultural economy. During the 1990s many farm banks experienced a decline in core deposits and would likely see that trend reversed with increased deposit insurance coverage levels. A key component of this legislation includes a provision that provides for a modest increase of general coverage levels to $130,000 and then indexes it for inflation. Deposit insurance coverage levels have not been increased in twenty-three years, the longest period in FDIC history without an increase. Deposit protection has eroded by one-half due to inflation since 1980.

Higher coverage levels would provide rural residents such as farmers and ranchers with the additional security to deposit their funds in the local bank. These funds would be reinvested in the local communities to support projects such as the building of new ethanol plants and other value-added processing activities that will benefit local agricultural producers and provide employment for rural residents. Additional economic development in rural areas would create new opportunities for recent college and high school graduates and would help stop the rural depopulation that has been occurring over the past 20 years in many of our agriculturally dependent areas.

I urge my colleagues to support our nation's local banks and rural communities by voting ''yea'' on H.R. 522.

Mr. Chairman, H.R. 522, the Federal Deposit Insurance Reform Act, expands the federal government's unconstitutional control over the financial services industry and raises taxes on all financial institutions. Furthermore, this legislation could increase the possibility of future bank failures. Therefore, I must oppose this bill.

I primarily object to the provisions in H.R. 522 which may increase the premiums assessed on participating financial institutions. These ''premiums,'' which are actually taxes, are the premier sources of funds for the Deposit Insurance Fund. This fund is used to bail out banks that experience difficulties meeting their commitments to their depositors. Thus, the deposit insurance system transfers liability for poor management decisions form those who made the decisions, to their competitors. This system punishes those financial institutions which follow sound practices, as they are forced to absorb the losses of their competitors. This also compounds the moral hazard problem created whenever government socializes business losses.

In the event of a severe banking crisis, Congress will likely transfer funds from the general revenue into the Deposit Insurance Fund, which could make all taxpayers liable for the mistakes of a few. Of course, such a bailout would require separate authorization from Congress, but can anyone imagine Congress saying ''No'' to banking lobbyists pleading for relief from the costs of bailing out their weaker competitors?

Government subsidies lead to government control, as regulations are imposed on the recipients of the subsidies in order to address the moral hazard problem. This is certainly the case in banking, which is one of the most heavily regulated industries in America. However, as George Kaufman, the John Smith Professor of Banking and Finance at Loyola University in Chicago, and co-chair of the Shadow Financial Regulatory Committee, pointed out in a study for the CATO Institute, the FDIC's history of poor management exacerbated the banking crisis of the eighties and nineties. Professor Kaufman properly identifies a key reason for the FDIC's poor track record in protection individual depositors: regulators have incentives to downplay or even cover-up problems in the financial system such as banking failures. Banking failures are black marks on the regulators' records. In addition, regulators may be subject to political pressure to delay imposing sanctions on failing institutions, thus increasing the magnitude of the loss.

Immediately after a problem in the banking industry comes to light, the media and Congress will inevitably blame it on regulators who were ''asleep at the switch.'' Yet, most politicians continue to believe that giving the very regulators whose incompetence (or worse) either caused or contributed to the problem will somehow prevent future crises!

The presence of deposit insurance and government regulations removes incentives for individuals to act on their own to protect their deposits or even inquire as to the health of their financial institutions. After all, why should individuals be concerned with the health of their financial institutions when the federal government is insuring banks following sound practices and has insured their deposits?

Finally, I would remind my colleague that the federal deposit insurance programs lacks constitutional authority. Congress' only mandate in the area of money, and banking is to maintain the value of the money. Unfortunately, Congress abdicated its responsibility over monetary policy with the passage of the Federal Reserve Act of 1913, which allows the federal government to erode the value of the currency at the will of the central bank. Congress' embrace of fiat money is directly responsible for the instability in the banking system that created the justification for deposit insurance.

In conclusion, Mr. Chairman, H.R. 522 imposes new taxes on financial institutions, forces sound institutions to pay for the mistakes of their reckless competitors, increases the chances of taxpayers being forced to bail out unsound financial institutions, reduces individual depositors' incentives to take action to protect their deposits, and exceeds Congress's constitutional authority. I therefore urge my colleagues to reject this bill. Instead of extending the Federal program, Congress should work to prevent the crises which justify government programs like deposit insurance, by fulfilling our constitutional responsibility to pursue sound monetary policies.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the order of the House of Tuesday, April 1, 2003, the committee amendment in the nature of a substitute printed in the bill shall be considered as an original bill for the purpose of amendment under the 5-minute rule and shall be considered read.

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

H.R. 522

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Federal Deposit Insurance Reform Act of 2003''.

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

Sec. 1. Short title; table of contents.
Sec. 2. Merging the BIF and SAIF.
Sec. 3. Increase in deposit insurance coverage.
Sec. 4. Setting assessments and repeal of special rules relating to minimum assessments and free deposit insurance.
Sec. 5. Replacement of fixed designated reserve ratio with reserve range.
Sec. 6. Requirements applicable to the risk-based assessment system.
Sec. 7. Refunds, dividends, and credits from Deposit Insurance Fund.
Sec. 8. Deposit Insurance Fund restoration plans.
Sec. 9. Regulations required.
Sec. 10. Studies of FDIC structure and expenses and certain activities and further possible changes to deposit insurance system.
Sec. 11. Bi-annual FDIC survey and report on increasing the deposit base by encouraging use of depository institutions by the unbanked.
Sec. 12. Technical and conforming amendments to the Federal Deposit Insurance Act relating to the merger of the BIF and SAIF.
Sec. 13. Other technical and conforming amendments relating to the merger of the BIF and SAIF.

SEC. 2. MERGING THE BIF AND SAIF.

(a) IN GENERAL.—

(1) MERGER.—The Bank Insurance Fund and the Savings Association Insurance Fund shall be merged into the Deposit Insurance Fund.

(2) DISPOSITION OF ASSETS AND LIABILITIES.—All assets and liabilities of the Bank Insurance Fund and the Savings Association Insurance Fund shall be transferred to the Deposit Insurance Fund.

(3) NO SEPARATE EXISTENCE.—The separate existence of the Bank Insurance Fund and the Savings Association Insurance Fund shall cease on the effective date of the merger thereof under this section.

(b) REPEAL OF OUTDATED MERGER PROVISION.—Section 2704 of the Deposit Insurance Funds Act of 1996 (12 U.S.C. 1821 note) is repealed.

(c) EFFECTIVE DATE.—This section shall take effect on the first day of the first calendar quarter that begins after the end of the 90-day period beginning on the date of the enactment of this Act.

SEC. 3. INCREASE IN DEPOSIT INSURANCE COVERAGE.

(a) IN GENERAL.—Section 11(a)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(1)) is amended—

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

''(B) NET AMOUNT OF INSURED DEPOSIT.—The net amount due to any depositor at an insured depository institution shall not exceed the standard maximum deposit insurance amount as determined in accordance with subparagraphs (C), (D), (E) and (F) and paragraph (3).''; and

(2) by adding at the end the following new subparagraphs:

''(E) STANDARD MAXIMUM DEPOSIT INSURANCE AMOUNT DEFINED.—For purposes of this Act, the term 'standard maximum deposit insurance amount' means—

''(i) until the effective date of final regulations prescribed pursuant to section 9(a)(2) of the Federal Deposit Insurance Reform Act of 2003, $100,000; and

''(ii) on and after such effective date, $130,000, adjusted as provided under subparagraph (F).

''(F) INFLATION ADJUSTMENT.—

''(i) IN GENERAL.—By April 1 of 2005, and the 1st day of each subsequent 5-year period, the Board of Directors and the National Credit Union Administration Board shall jointly prescribe the amount by which the standard maximum deposit insurance amount and the standard maximum share insurance amount (as defined in section 207(k) of the Federal Credit

Union Act) applicable to any depositor at an insured depository institution shall be increased by calculating the product of—

''(I) $130,000; and

''(II) the ratio of the value of the Personal Consumption Expenditures Chain-Type Index (or any successor index thereto), published by the Department of Commerce, as of December 31 of the year preceding the year in which the adjustment is calculated under this clause, to the value of such index as of the date this subparagraph takes effect.

''(ii) ROUNDING.—If the amount determined under clause (ii) for any period is not a multiple of $10,000, the amount so determined shall be rounded to the nearest $10,000.

''(iii) PUBLICATION AND REPORT TO THE CONGRESS.—Not later than April 5 of any calendar year in which an adjustment is required to be calculated under clause (i) to the standard maximum deposit insurance amount and the standard maximum share insurance amount under such clause, the Board of Directors and the National Credit Union Administration Board shall—

''(I) publish in the Federal Register the standard maximum deposit insurance amount, the standard maximum share insurance amount, and the amount of coverage under paragraph (3)(A) and section 207(k)(3) of the Federal Credit Union Act, as so calculated; and

''(II) jointly submit a report to the Congress containing the amounts described in subclause (I).

''(iv) 6-MONTH IMPLEMENTATION PERIOD.—Unless an Act of Congress enacted before July 1 of the calendar year in which an adjustment is required to be calculated under clause (i) provides otherwise, the increase in the standard maximum deposit insurance amount and the standard maximum share insurance amount shall take effect on January 1 of the year immediately succeeding such calendar year.''.

(b) COVERAGE FOR CERTAIN EMPLOYEE BENEFIT PLAN DEPOSITS.—Section 11(a)(1)(D) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(1)(D)) is amended to read as follows:

''(D) COVERAGE FOR CERTAIN EMPLOYEE BENEFIT PLAN DEPOSITS.—

''(i) PASS-THROUGH INSURANCE.—The Corporation shall provide pass-through deposit insurance for the deposits of any employee benefit plan.

''(ii) PROHIBITION ON ACCEPTANCE OF BENEFIT PLAN DEPOSITS.—An insured depository institution that is not well capitalized or adequately capitalized may not accept employee benefit plan deposits.

''(iii) DEFINITIONS.—For purposes of this subparagraph, the following definitions shall apply:

''(I) CAPITAL STANDARDS.—The terms 'well capitalized' and 'adequately capitalized' have the same meanings as in section 38.

''(II) EMPLOYEE BENEFIT PLAN.—The term 'employee benefit plan' has the same meaning as in paragraph (8)(B)(ii), and includes any eligible deferred compensation plan described in section 457 of the Internal Revenue Code of 1986.

''(III) PASS-THROUGH DEPOSIT INSURANCE.—The term 'pass-through deposit insurance' means, with respect to an employee benefit plan, deposit insurance coverage provided on a pro rata basis to the participants in the plan, in accordance with the interest of each participant.''.

(c) DOUBLING OF DEPOSIT INSURANCE FOR CERTAIN RETIREMENT ACCOUNTS.—Section 11(a)(3)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(3)(A)) is amended by striking ''$100,000'' and inserting ''2 times the standard maximum deposit insurance amount (as determined under paragraph (1))''.

(d) INCREASED INSURANCE COVERAGE FOR MUNICIPAL DEPOSITS.—Section 11(a)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(2)) is amended—

(1) in subparagraph (A)—

(A) by moving the margins of clauses (i) through (v) 4 ems to the right;

(B) by striking, in the matter following clause (v), ''such depositor shall'' and all that follows through the period; and

(C) by striking the semicolon at the end of clause (v) and inserting a period;

(2) by striking ''(2)(A) Notwithstanding'' and all that follows through ''a depositor who is—'' and inserting the following:

''(2) MUNICIPAL DEPOSITORS.—

''(A) IN GENERAL.—Notwithstanding any limitation in this Act or in any other provision of law relating to the amount of deposit insurance available to any 1 depositor—

''(i) a municipal depositor shall, for the purpose of determining the amount of insured deposits under this subsection, be deemed to be a depositor separate and distinct from any other officer, employee, or agent of the United States or any public unit referred to in subparagraph (E); and

''(ii) except as provided in subparagraph (B), the deposits of a municipal depositor shall be insured in an amount equal to the standard maximum deposit insurance amount (as determined under paragraph (1)).

''(B) IN-STATE MUNICIPAL DEPOSITORS.—In the case of the deposits of an in-State municipal depositor described in clause (ii), (iii), (iv), or (v) of subparagraph (E) at an insured depository institution, such deposits shall be insured in an amount not to exceed the lesser of—

''(i) $2,000,000; or

''(ii) the sum of the standard maximum deposit insurance amount and 80 percent of the amount of any deposits in excess of the standard maximum deposit insurance amount.

''(C) MUNICIPAL DEPOSIT PARITY.—No State may deny to insured depository institutions within its jurisdiction the authority to accept deposits insured under this paragraph, or prohibit the making of such deposits in such institutions by any in-State municipal depositor.

''(D) IN-STATE MUNICIPAL DEPOSITOR DEFINED.—For purposes of this paragraph, the term 'in-State municipal depositor' means a municipal depositor that is located in the same State as the office or branch of the insured depository institution at which the deposits of that depositor are held.

''(E) MUNICIPAL DEPOSITOR.—In this paragraph, the term 'municipal depositor' means a depositor that is—'';

(3) by striking ''(B) The'' and inserting the following:

''(F) AUTHORITY TO LIMIT DEPOSITS.—The''; and

(4) by striking ''depositor referred to in subparagraph (A) of this paragraph'' each place such term appears and inserting ''municipal depositor''.

(e) TECHNICAL AND CONFORMING AMENDMENT RELATING TO INSURANCE OF TRUST FUNDS.—Paragraphs (1) and (3) of section 7(i) of the Federal Deposit Insurance Act (12 U.S.C. 1817(i)) are each amended by striking ''$100,000'' and inserting ''the standard maximum deposit insurance amount (as determined under section 11(a)(1))''.

(f) OTHER TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 11(m)(6) of the Federal Deposit Insurance Act (12 U.S.C. 1821(m)(6)) is amended by striking ''$100,000'' and inserting ''an amount equal to the standard maximum deposit insurance amount''.

(2) Subsection (a) of section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828(a)) is amended to read as follows:

''(a) INSURANCE LOGO.—

''(1) INSURED DEPOSITORY INSTITUTIONS.—

''(A) IN GENERAL.—Each insured depository institution shall display at each place of business maintained by that institution a sign or signs relating to the insurance of the deposits of the institution, in accordance with regulations to be prescribed by the Corporation.

''(B) STATEMENT TO BE INCLUDED.—Each sign required under subparagraph (A) shall include a statement that insured deposits are backed by the full faith and credit of the United States Government.

''(2) REGULATIONS.—The Corporation shall prescribe regulations to carry out this subsection, including regulations governing the substance of signs required by paragraph (1) and the manner of display or use of such signs.

''(3) PENALTIES.—For each day that an insured depository institution continues to violate this subsection or any regulation issued under this subsection, it shall be subject to a penalty of not more than $100, which the Corporation may recover for its use.''.

(3) Section 43(d) of the Federal Deposit Insurance Act (12 U.S.C. 1831t(d)) is amended by striking ''$100,000'' and inserting ''an amount equal to the standard maximum deposit insurance amount''.

(4) Section 6 of the International Banking Act of 1978 (12 U.S.C. 3104) is amended—

(A) by striking ''$100,000'' each place such term appears and inserting ''an amount equal to the standard maximum deposit insurance amount''; and

(B) by adding at the end the following new subsection:

''(e) STANDARD MAXIMUM DEPOSIT INSURANCE AMOUNT DEFINED.—For purposes of this section, the term 'standard maximum deposit insurance amount' means the amount of the maximum amount of deposit insurance as determined under section 11(a)(1) of the Federal Deposit Insurance Act.''.

(g) CONFORMING CHANGE TO CREDIT UNION SHARE INSURANCE FUND.—

(1) IN GENERAL.—Section 207(k) of the Federal Credit Union Act (12 U.S.C. 1787(k)) is amended—

(A) by striking ''(k)(1)'' and all that follows through the end of paragraph (1) and inserting the following:

''(k) INSURED AMOUNTS PAYABLE.—

''(1) NET INSURED AMOUNT.—

''(A) IN GENERAL.—Subject to the provisions of paragraph (2), the net amount of share insurance payable to any member at an insured credit union shall not exceed the total amount of the shares or deposits in the name of the member (after deducting offsets), less any part thereof which is in excess of the standard maximum share insurance amount, as determined in accordance with this paragraph and paragraphs (5) and (6), and consistently with actions taken by the Federal Deposit Insurance Corporation under section 11(a) of the Federal Deposit Insurance Act.

''(B) AGGREGATION.—Determination of the net amount of share insurance under subparagraph (A), shall be in accordance with such regulations as the Board may prescribe, and, in determining the amount payable to any member, there shall be added together all accounts in the credit union maintained by that member for that member's own benefit, either in the member's own name or in the names of others.

''(C) AUTHORITY TO DEFINE THE EXTENT OF COVERAGE.—The Board may define, with such classifications and exceptions as it may prescribe, the extent of the share insurance coverage provided for member accounts, including member accounts in the name of a minor, in trust, or in joint tenancy.'';

(B) in paragraph (2)—

(i) in subparagraph (A)—

(I) in clauses (i) through (v), by moving the margins 4 ems to the right;

(II) in the matter following clause (v), by striking ''his account'' and all that follows through the period; and

(III) by striking the semicolon at the end of clause (v) and inserting a period;

(ii) by striking ''(2)(A) Notwithstanding'' and all that follows through ''a depositor or member who is—'' and inserting the following:

''(2) MUNICIPAL DEPOSITORS OR MEMBERS.—

''(A) IN GENERAL.—Notwithstanding any limitation in this Act or in any other provision of

law relating to the amount of insurance available to any 1 depositor or member, deposits or shares of a municipal depositor or member shall be insured in an amount equal to the standard maximum share insurance amount (as determined under paragraph (5)), except as provided in subparagraph (B).

''(B) IN-STATE MUNICIPAL DEPOSITORS.—In the case of the deposits of an in-State municipal depositor described in clause (ii), (iii), (iv), or (v) of subparagraph (E) at an insured credit union, such deposits shall be insured in an amount equal to the lesser of—

''(i) $2,000,000; or

''(ii) the sum of the standard maximum deposit insurance amount and 80 percent of the amount of any deposits in excess of the standard maximum deposit insurance amount.

''(C) RULE OF CONSTRUCTION.—No provision of this paragraph shall be construed as authorizing an insured credit union to accept the deposits of a municipal depositor in an amount greater than such credit union is authorized to accept under any other provision of Federal or State law.

''(D) IN-STATE MUNICIPAL DEPOSITOR DEFINED.—For purposes of this paragraph, the term 'in-State municipal depositor' means a municipal depositor that is located in the same State as the office or branch of the insured credit union at which the deposits of that depositor are held.

''(E) MUNICIPAL DEPOSITOR.—In this paragraph, the term 'municipal depositor' means a depositor that is—'';

(iii) by striking ''(B) The'' and inserting the following:

''(F) AUTHORITY TO LIMIT DEPOSITS.—The''; and

(iv) by striking ''depositor or member referred to in subparagraph (A)'' and inserting ''municipal depositor or member''; and

(C) by adding at the end the following new paragraphs:

''(4) COVERAGE FOR CERTAIN EMPLOYEE BENEFIT PLAN DEPOSITS.—

''(A) PASS-THROUGH INSURANCE.—The Administration shall provide pass-through share insurance for the deposits or shares of any employee benefit plan.

''(B) PROHIBITION ON ACCEPTANCE OF DEPOSITS.—An insured credit union that is not well capitalized or adequately capitalized may not accept employee benefit plan deposits.

''(C) DEFINITIONS.—For purposes of this paragraph, the following definitions shall apply:

''(i) CAPITAL STANDARDS.—The terms 'well capitalized' and 'adequately capitalized' have the same meanings as in section 216(c).

''(ii) EMPLOYEE BENEFIT PLAN.—The term 'employee benefit plan'—

''(I) has the meaning given to such term in section 3(3) of the Employee Retirement Income Security Act of 1974;

''(II) includes any plan described in section 401(d) of the Internal Revenue Code of 1986; and

''(III) includes any eligible deferred compensation plan described in section 457 of the Internal Revenue Code of 1986.

''(iii) PASS-THROUGH SHARE INSURANCE.—The term 'pass-through share insurance' means, with respect to an employee benefit plan, insurance coverage provided on a pro rata basis to the participants in the plan, in accordance with the interest of each participant.

''(D) RULE OF CONSTRUCTION.—No provision of this paragraph shall be construed as authorizing an insured credit union to accept the deposits of an employee benefit plan in an amount greater than such credit union is authorized to accept under any other provision of Federal or State law.

''(5) STANDARD MAXIMUM SHARE INSURANCE AMOUNT DEFINED.—For purposes of this Act, the term 'standard maximum share insurance amount' means—

''(A) until the effective date of final regulations prescribed pursuant to section 9(a)(2) of the Federal Deposit Insurance Reform Act of 2003, $100,000; and

''(B) on and after such effective date, $130,000, adjusted as provided under section 11(a)(1)(F) of the Federal Deposit Insurance Act.''.

(2) DOUBLING OF SHARE INSURANCE FOR CERTAIN RETIREMENT ACCOUNTS.—Section 207(k)(3) of the Federal Credit Union Act (12 U.S.C. 1787(k)(3)) is amended by striking ''$100,000'' and inserting ''2 times the standard maximum share insurance amount (as determined under paragraph (1))''.

(h) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the date the final regulations required under section 9(a)(2) take effect.

SEC. 4. SETTING ASSESSMENTS AND REPEAL OF SPECIAL RULES RELATING TO MINIMUM ASSESSMENTS AND FREE DEPOSIT INSURANCE.

(a) SETTING ASSESSMENTS.—Section 7(b)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2)) is amended—

(1) by striking subparagraphs (A) and (B) and inserting the following new subparagraphs:

''(A) IN GENERAL.—The Board of Directors shall set assessments for insured depository institutions in such amounts as the Board of Directors may determine to be necessary or appropriate, subject to subparagraph (D).

''(B) FACTORS TO BE CONSIDERED.—In setting assessments under subparagraph (A), the Board of Directors shall consider the following factors:

''(i) The estimated operating expenses of the Deposit Insurance Fund.

''(ii) The estimated case resolution expenses and income of the Deposit Insurance Fund.

''(iii) The projected effects of the payment of assessments on the capital and earnings of insured depository institutions.

''(iv) the risk factors and other factors taken into account pursuant to paragraph (1) under the risk-based assessment system, including the requirement under such paragraph to maintain a risk-based system.

''(v) Any other factors the Board of Directors may determine to be appropriate.''; and

(2) by inserting after subparagraph (C) the following new subparagraph:

''(D) BASE RATE FOR ASSESSMENTS.—

''(i) IN GENERAL.—In setting assessment rates pursuant to subparagraph (A), the Board of Directors shall establish a base rate of not more than 1 basis point (exclusive of any credit or dividend) for those insured depository institutions in the lowest-risk category under the risk-based assessment system established pursuant to paragraph (1). No insured depository institution shall be barred from the lowest-risk category solely because of size.

''(ii) SUSPENSION.—Clause (i) shall not apply during any period in which the reserve ratio of the Deposit Insurance Fund is less than the amount which is equal to 1.15 percent of the aggregate estimated insured deposits.''.

(b) ASSESSMENT RECORDKEEPING PERIOD SHORTENED.—Paragraph (5) of section 7(b) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)) is amended to read as follows:

''(5) DEPOSITORY INSTITUTION REQUIRED TO MAINTAIN ASSESSMENT-RELATED RECORDS.—Each insured depository institution shall maintain all records that the Corporation may require for verifying the correctness of any assessment on the insured depository institution under this subsection until the later of—

''(A) the end of the 3-year period beginning on the due date of the assessment; or

''(B) in the case of a dispute between the insured depository institution and the Corporation with respect to such assessment, the date of a final determination of any such dispute.''.

(c) INCREASE IN FEES FOR LATE ASSESSMENT PAYMENTS.—Subsection (h) of section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828(h)) is amended to read as follows:

''(h) PENALTY FOR FAILURE TO TIMELY PAY ASSESSMENTS.—

''(1) IN GENERAL.—Any insured depository institution which fails or refuses to pay any assessment shall be subject to a penalty in an amount not more than 1 percent of the amount of the assessment due for each day that such violation continues.

''(2) EXCEPTION IN CASE OF DISPUTE.—Paragraph (1) shall not apply if—

''(A) the failure to pay an assessment is due to a dispute between the insured depository institution and the Corporation over the amount of such assessment; and

''(B) the insured depository institution deposits security satisfactory to the Corporation for payment upon final determination of the issue.

''(3) AUTHORITY TO MODIFY OR REMIT PENALTY.—The Corporation, in the sole discretion of the Corporation, may compromise, modify or remit any penalty which the Corporation may assess or has already assessed under paragraph (1) upon a finding that good cause prevented the timely payment of an assessment.''.

(d) ASSESSMENTS FOR LIFELINE ACCOUNTS.—

(1) IN GENERAL.—Section 232 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 1834) is amended by striking subsection (c).

(2) CLARIFICATION OF RATE APPLICABLE TO DEPOSITS ATTRIBUTABLE TO LIFELINE ACCOUNTS.—Section 7(b)(2)(H) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2)(H)) is amended by striking ''at a rate determined in accordance with such Act'' and inserting ''at ½ the assessment rate otherwise applicable for such insured depository institution''.

(3) REGULATIONS.—Section 232(a)(1) of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 1834(a)(1)) is amended by striking ''Board of Governors of the Federal Reserve System, and the''.

(e) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Paragraph (3) of section 7(a) of the Federal Deposit Insurance Act (12 U.S.C. 1817(a)(3)) is amended by striking the 3d sentence and inserting the following: ''Such reports of condition shall be the basis for the certified statements to be filed pursuant to subsection (c).''.

(2) Subparagraphs (B)(ii) and (C) of section 7(b)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(1)) are each amended by striking ''semiannual'' where such term appears in each such subparagraph.

(3) Section 7(b)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2)) is amended—

(A) by striking subparagraphs (E), (F), and (G);

(B) in subparagraph (C), by striking ''semiannual''; and

(C) by redesignating subparagraph (H) (as amended by subsection (e)(2) of this section) as subparagraph (E).

(4) Section 7(b) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)) is amended by striking paragraph (4) and redesignating paragraphs (5) (as amended by subsection (b) of this section), (6), and (7) as paragraphs (4), (5), and (6) respectively.

(5) Section 7(c) of the Federal Deposit Insurance Act (12 U.S.C. 1817(c)) is amended—

(A) in paragraph (1)(A), by striking ''semiannual'';

(B) in paragraph (2)(A), by striking ''semiannual''; and

(C) in paragraph (3), by striking ''semiannual period'' and inserting ''initial assessment period''.

(6) Section 8(p) of the Federal Deposit Insurance Act (12 U.S.C. 1818(p)) is amended by striking ''semiannual''.

(7) Section 8(q) of the Federal Deposit Insurance Act (12 U.S.C. 1818(q)) is amended by striking ''semiannual period'' and inserting ''assessment period''.

(8) Section 13(c)(4)(G)(ii)(II) of the Federal Deposit Insurance Act (12 U.S.C. 1823(c)(4)(G)(ii)(II)) is amended by striking ''semiannual period'' and inserting ''assessment period''.

(9) Section 232(a) of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 1834(a)) is amended—

(A) in the matter preceding subparagraph (A) of paragraph (2), by striking ''the Board and'';

(B) in subparagraph (J) of paragraph (2), by striking ''the Board'' and inserting ''the Corporation'';

(C) by striking subparagraph (A) of paragraph (3) and inserting the following new subparagraph:

''(A) CORPORATION.—The term 'Corporation' means the Federal Deposit Insurance Corporation.''; and

(D) in subparagraph (C) of paragraph (3), by striking ''Board'' and inserting ''Corporation''.

(f) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the date that the final regulations required under section 9(a)(5) take effect.

SEC. 5. REPLACEMENT OF FIXED DESIGNATED RESERVE RATIO WITH RESERVE RANGE.

(a) IN GENERAL.—Section 7(b)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(3)) is amended to read as follows:

''(3) DESIGNATED RESERVE RATIO.—

''(A) ESTABLISHMENT.—

''(i) IN GENERAL.—The Board of Directors shall designate, by regulation after notice and opportunity for comment, the reserve ratio applicable with respect to the Deposit Insurance Fund.

''(ii) NOT LESS THAN ANNUAL REDETERMINATION.—A determination under clause (i) shall be made by the Board of Directors at least before the beginning of each calendar year, for such calendar year, and at such other times as the Board of Directors may determine to be appropriate.

''(B) RANGE.—The reserve ratio designated by the Board of Directors for any year—

''(i) may not exceed 1.4 percent of estimated insured deposits; and

''(ii) may not be less than 1.15 percent of estimated insured deposits.

''(C) FACTORS.—In designating a reserve ratio for any year, the Board of Directors shall—

''(i) take into account the risk of losses to the Deposit Insurance Fund in such year and future years, including historic experience and potential and estimated losses from insured depository institutions;

''(ii) take into account economic conditions generally affecting insured depository institutions so as to allow the designated reserve ratio to increase during more favorable economic conditions and to decrease during less favorable economic conditions, notwithstanding the increased risks of loss that may exist during such less favorable conditions, as determined to be appropriate by the Board of Directors;

''(iii) seek to prevent sharp swings in the assessment rates for insured depository institutions; and

''(iv) take into account such other factors as the Board of Directors may determine to be appropriate, consistent with the requirements of this subparagraph.

''(D) PUBLICATION OF PROPOSED CHANGE IN RATIO.—In soliciting comment on any proposed change in the designated reserve ratio in accordance with subparagraph (A), the Board of Directors shall include in the published proposal a thorough analysis of the data and projections on which the proposal is based.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 3(y) of the Federal Deposit Insurance Act (12 U.S.C. 1813(y)) is amended—

(1) by striking ''(y) The term'' and inserting ''(y) DEFINITIONS RELATING TO DEPOSIT INSURANCE FUND.—

''(1) DEPOSIT INSURANCE FUND.—The term''; and

(2) by inserting after paragraph (1) (as so designated by paragraph (1) of this subsection) the following new paragraph:

''(2) DESIGNATED RESERVE RATIO.—The term 'designated reserve ratio' means the reserve ratio designated by the Board of Directors in accordance with section 7(b)(3).''.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the date that the final regulations required under section 9(a)(1) take effect.

SEC. 6. REQUIREMENTS APPLICABLE TO THE RISK-BASED ASSESSMENT SYSTEM.

Section 7(b)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(1)) is amended by adding at the end the following new subparagraphs:

''(E) INFORMATION CONCERNING RISK OF LOSS AND ECONOMIC CONDITIONS.—

''(i) SOURCES OF INFORMATION.—For purposes of determining risk of losses at insured depository institutions and economic conditions generally affecting depository institutions, the Corporation shall collect information, as appropriate, from all sources the Board of Directors considers appropriate, such as reports of condition, inspection reports, and other information from all Federal banking agencies, any information available from State bank supervisors, State insurance and securities regulators, the Securities and Exchange Commission (including information described in section 35), the Secretary of the Treasury, the Commodity Futures Trading Commission, the Farm Credit Administration, the Federal Trade Commission, any Federal reserve bank or Federal home loan bank, and other regulators of financial institutions, and any information available from credit rating entities, and other private economic or business analysts.

''(ii) CONSULTATION WITH FEDERAL BANKING AGENCIES.—

''(I) IN GENERAL.—Except as provided in subclause (II), in assessing the risk of loss to the Deposit Insurance Fund with respect to any insured depository institution, the Corporation shall consult with the appropriate Federal banking agency of such institution.

''(II) TREATMENT ON AGGREGATE BASIS.—In the case of insured depository institutions that are well capitalized (as defined in section 38) and, in the most recent examination, were found to be well managed, the consultation under subclause (I) concerning the assessment of the risk of loss posed by such institutions may be made on an aggregate basis.

''(iii) RULE OF CONSTRUCTION.—No provision of this paragraph shall be construed as providing any new authority for the Corporation to require submission of information by insured depository institutions to the Corporation.

''(F) MODIFICATIONS TO THE RISK-BASED ASSESSMENT SYSTEM ALLOWED ONLY AFTER NOTICE AND COMMENT.—In revising or modifying the risk-based assessment system at any time after the date of the enactment of the Federal Deposit Insurance Reform Act of 2003, the Board of Directors may implement such revisions or modification in final form only after notice and opportunity for comment.''.

SEC. 7. REFUNDS, DIVIDENDS, AND CREDITS FROM DEPOSIT INSURANCE FUND.

(a) IN GENERAL.—Subsection (e) of section 7 of the Federal Deposit Insurance Act (12 U.S.C. 1817(e)) is amended to read as follows:

''(e) REFUNDS, DIVIDENDS, AND CREDITS.—

''(1) REFUNDS OF OVERPAYMENTS.—In the case of any payment of an assessment by an insured depository institution in excess of the amount due to the Corporation, the Corporation may—

''(A) refund the amount of the excess payment to the insured depository institution; or

''(B) credit such excess amount toward the payment of subsequent assessments until such credit is exhausted.

''(2) DIVIDENDS FROM EXCESS AMOUNTS IN DEPOSIT INSURANCE FUND.—

''(A) RESERVE RATIO IN EXCESS OF 1.4 PERCENT OF ESTIMATED INSURED DEPOSITS.—Whenever the reserve ratio of the Deposit Insurance Fund exceeds 1.4 percent of estimated insured deposits, the Corporation shall declare the amount in the Fund in excess of the amount required to maintain the reserve ratio at 1.4 percent of estimated insured deposits, as dividends to be paid to insured depository institutions.

''(B) RESERVE RATIO EQUAL TO OR IN EXCESS OF 1.35 PERCENT OF ESTIMATED INSURED DEPOSITS AND NOT MORE THAN 1.4 PERCENT.—Whenever the reserve ratio of the Deposit Insurance Fund equals or exceeds 1.35 percent of estimated insured deposits and is not more than 1.4 percent of such deposits, the Corporation shall declare the amount in the Fund that is equal to 50 percent of the amount in excess of the amount required to maintain the reserve ratio at 1.35 percent of the estimated insured deposits as dividends to be paid to insured depository institutions.

''(C) BASIS FOR DISTRIBUTION OF DIVIDENDS.—

''(i) IN GENERAL.—Solely for the purposes of dividend distribution under this paragraph and credit distribution under paragraph (3)(B), the Corporation shall determine each insured depository institution's relative contribution to the Deposit Insurance Fund (or any predecessor deposit insurance fund) for calculating such institution's share of any dividend or credit declared under this paragraph or paragraph (3)(B), taking into account the factors described in clause (ii).

''(ii) FACTORS FOR DISTRIBUTION.—In implementing this paragraph and paragraph (3)(B) in accordance with regulations, the Corporation shall take into account the following factors:

''(I) The ratio of the assessment base of an insured depository institution (including any predecessor) on December 31, 1996, to the assessment base of all eligible insured depository institutions on that date.

''(II) The total amount of assessments paid on or after January 1, 1997, by an insured depository institution (including any predecessor) to the Deposit Insurance Fund (and any predecessor deposit insurance fund).

''(III) That portion of assessments paid by an insured depository institution (including any predecessor) that reflects higher levels of risk assumed by such institution.

''(IV) Such other factors as the Corporation may determine to be appropriate.

''(D) NOTICE AND OPPORTUNITY FOR COMMENT.—The Corporation shall prescribe by regulation, after notice and opportunity for comment, the method for the calculation, declaration, and payment of dividends under this paragraph.

''(3) CREDIT POOL.—

''(A) ONE-TIME CREDIT BASED ON TOTAL ASSESSMENT BASE AT YEAR-END 1996.—

''(i) IN GENERAL.—Before the end of the 270-day period beginning on the date of the enactment of the Federal Deposit Insurance Reform Act of 2003, the Board of Directors shall, by regulation, provide for a credit to each eligible insured depository institution, based on the assessment base of the institution (including any predecessor institution) on December 31, 1996, as compared to the combined aggregate assessment base of all eligible insured depository institutions, taking into account such factors as the Board of Directors may determine to be appropriate.

''(ii) CREDIT LIMIT.—The aggregate amount of credits available under clause (i) to all eligible insured depository institutions shall equal the amount that the Corporation could collect if the Corporation imposed an assessment of 12 basis points on the combined assessment base of the Bank Insurance Fund and the Savings Association Insurance Fund as of December 31, 2001.

''(iii) ELIGIBLE INSURED DEPOSITORY INSTITUTION DEFINED.—For purposes of this paragraph, the term 'eligible insured depository institution' means any insured depository institution that—

''(I) was in existence on December 31, 1996, and paid a deposit insurance assessment prior to that date; or

''(II) is a successor to any insured depository institution described in subclause (II).

''(iv) APPLICATION OF CREDITS.—

''(I) IN GENERAL.—The amount of a credit to any eligible insured depository institution under this paragraph shall be applied by the Corporation, subject to subsection (b)(3)(e), to the assessments imposed on such institution under subsection (b) that become due for assessment periods beginning after the effective date of regulations prescribed under clause (i).

''(II) REGULATIONS.—The regulations prescribed under clause (i) shall establish the qualifications and procedures governing the application of assessment credits pursuant to subclause (I).

''(v) LIMITATION ON AMOUNT OF CREDIT FOR CERTAIN DEPOSITORY INSTITUTIONS.—In the case of an insured depository institution that exhibits financial, operational, or compliance weaknesses ranging from moderately severe to unsatisfactory, or is not adequately capitalized (as defined in section 38) at the beginning of an assessment period, the amount of any credit allowed under this paragraph against the assessment on that depository institution for such period may not exceed the amount calculated by applying to that depository institution the average assessment rate on all insured depository institutions for such assessment period.

''(vi) PREDECESSOR DEFINED.—For purposes of this paragraph, the term 'predecessor', when used with respect to any insured depository institution, includes any other insured depository institution acquired by or merged with such insured depository institution.

''(B) ON-GOING CREDIT POOL.—

''(i) IN GENERAL.—In addition to the credit provided pursuant to subparagraph (A) and subject to the limitation contained in clause (v) of such subparagraph, the Corporation shall, by regulation, establish an on-going system of credits to be applied against future assessments under subsection (b)(1) on the same basis as the dividends provided under paragraph (2)(C).

''(ii) LIMITATION ON CREDITS UNDER CERTAIN CIRCUMSTANCES.—No credits may be awarded by the Corporation under this subparagraph during any period in which—

''(I) the reserve ratio of the Deposit Insurance Fund is less than the designated reserve ratio of such Fund; or

''(II) the reserve ratio of the Fund is less than 1.25 percent of the amount of estimated insured deposits.

''(iii) CRITERIA FOR DETERMINATION.—In determining the amounts of any assessment credits under this subparagraph, the Board of Directors shall take into account the factors for designating the reserve ratio under subsection (b)(3) and the factors for setting assessments under subsection (b)(2)(B).

''(4) ADMINISTRATIVE REVIEW.—

''(A) IN GENERAL.—The regulations prescribed under paragraph (2)(D) and subparagraphs (A) and (B) of paragraph (3) shall include provisions allowing an insured depository institution a reasonable opportunity to challenge administratively the amount of the credit or dividend determined under paragraph (2) or (3) for such institution.

''(B) ADMINISTRATIVE REVIEW.—Any review under subparagraph (A) of any determination of the Corporation under paragraph (2) or (3) shall be final and not subject to judicial review.''.

(b) DEFINITION OF RESERVE RATIO.—Section 3(y) of the Federal Deposit Insurance Act (12 U.S.C. 1813(y)) (as amended by section 5(b) of this Act) is amended by adding at the end the following new paragraph:

''(3) RESERVE RATIO.—The term 'reserve ratio', when used with regard to the Deposit Insurance Fund other than in connection with a reference to the designated reserve ratio, means the ratio of the net worth of the Deposit Insurance Fund to the value of the aggregate estimated insured deposits.''.

SEC. 8. DEPOSIT INSURANCE FUND RESTORATION PLANS.

Section 7(b)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(3)) (as amended by section 5(a) of this Act) is amended by adding at the end the following new subparagraph:

''(E) DIF RESTORATION PLANS.—

''(i) IN GENERAL.—Whenever—

''(I) the Corporation projects that the reserve ratio of the Deposit Insurance Fund will, within 6 months of such determination, fall below the minimum amount specified in subparagraph (B)(ii) for the designated reserve ratio; or

''(II) the reserve ratio of the Deposit Insurance Fund actually falls below the minimum amount specified in subparagraph (B)(ii) for the designated reserve ratio without any determination under subclause (I) having been made,

the Corporation shall establish and implement a Deposit Insurance Fund restoration plan within 90 days that meets the requirements of clause (ii) and such other conditions as the Corporation determines to be appropriate.

''(ii) REQUIREMENTS OF RESTORATION PLAN.—A Deposit Insurance Fund restoration plan meets the requirements of this clause if the plan provides that the reserve ratio of the Fund will meet or exceed the minimum amount specified in subparagraph (B)(ii) for the designated reserve ratio before the end of the 10-year period beginning upon the implementation of the plan.

''(iii) RESTRICTION ON ASSESSMENT CREDITS.—As part of any restoration plan under this subparagraph, the Corporation may elect to restrict the application of assessment credits provided under subsection (e)(3) for any period that the plan is in effect.

''(iv) LIMITATION ON RESTRICTION.—Notwithstanding clause (iii), while any restoration plan under this subparagraph is in effect, the Corporation shall apply credits provided to an insured depository institution under subsection (e)(3) against any assessment imposed on the institution for any assessment period in an amount equal to the lesser of—

''(I) the amount of the assessment; or

''(II) the amount equal to 3 basis points of the institution's assessment base.

''(v) TRANSPARENCY.—Not more than 30 days after the Corporation establishes and implements a restoration plan under clause (i), the Corporation shall publish in the Federal Register a detailed analysis of the factors considered and the basis for the actions taken with regard to the plan.''.

SEC. 9. REGULATIONS REQUIRED.

(a) IN GENERAL.—Not later than 270 days after the date of the enactment of this Act, the Board of Directors of the Federal Deposit Insurance Corporation shall prescribe final regulations, after notice and opportunity for comment—

(1) designating the reserve ratio for the Deposit Insurance Fund in accordance with section 7(b)(3) of the Federal Deposit Insurance Act (as amended by section 5 of this Act);

(2) implementing increases in deposit insurance coverage in accordance with the amendments made by section 3 of this Act;

(3) implementing the dividend requirement under section 7(e)(2) of the Federal Deposit Insurance Act (as amended by section 7 of this Act);

(4) implementing the 1-time assessment credit to certain insured depository institutions in accordance with section 7(e)(3) of the Federal Deposit Insurance Act, as amended by section 7 of this Act, including the qualifications and procedures under which the Corporation would apply assessment credits; and

(5) providing for assessments under section 7(b) of the Federal Deposit Insurance Act, as amended by this Act.

(b) RULE OF CONSTRUCTION.—No provision of this Act or any amendment made by this Act shall be construed as affecting the authority of the Corporation to set or collect deposit insurance assessments before the effective date of the final regulations prescribed under subsection (a).

SEC. 10. STUDIES OF FDIC STRUCTURE AND EXPENSES AND CERTAIN ACTIVITIES AND FURTHER POSSIBLE CHANGES TO DEPOSIT INSURANCE SYSTEM.

(a) STUDY BY COMPTROLLER GENERAL.—

(1) STUDY REQUIRED.—The Comptroller General shall conduct a study of the following issues:

(A) The efficiency and effectiveness of the administration of the prompt corrective action program under section 38 of the Federal Deposit Insurance Act by the Federal banking agencies (as defined in section 3 of such Act), including the degree of effectiveness of such agencies in identifying troubled depository institutions and taking effective action with respect to such institutions, and the degree of accuracy of the risk assessments made by the Corporation.

(B) The appropriateness of the organizational structure of the Federal Deposit Insurance Corporation for the mission of the Corporation taking into account—

(i) the current size and complexity of the business of insured depository institutions (as such term is defined in section 3 of the Federal Deposit Insurance Act);

(ii) the extent to which the organizational structure contributes to or reduces operational inefficiencies that increase operational costs; and

(iii) the effectiveness of internal controls.

(2) REPORT TO THE CONGRESS.—The Comptroller General shall submit a report to the Congress before the end of the 1-year period beginning on the date of the enactment of this Act containing the findings and conclusions of the Comptroller General with respect to the study required under paragraph (1) together with such recommendations for legislative or administrative action as the Comptroller General may determine to be appropriate.

(b) INTERNAL STUDY BY THE FDIC.—

(1) STUDY REQUIRED.—Concurrently with the study required to be conducted by the Comptroller General under subsection (a), the Federal Deposit Insurance Corporation shall conduct an internal study of the same conditions and factors included in the study under subsection (a).

(2) REPORT TO THE CONGRESS.—The Federal Deposit Insurance Corporation shall submit a report to the Congress before the end of the 1-year period beginning on the date of the enactment of this Act containing the findings and conclusions of the Corporation with respect to the study required under paragraph (1) together with such recommendations for legislative or administrative action as the Board of Directors of the Corporation may determine to be appropriate.

(c) STUDY OF FURTHER POSSIBLE CHANGES TO DEPOSIT INSURANCE SYSTEM.—

(1) STUDY REQUIRED.—The Board of Directors of the Federal Deposit Insurance Corporation and the National Credit Union Administration Board shall each conduct a study of the following:

(A) The feasibility of establishing a voluntary deposit insurance system for deposits in excess of the maximum amount of deposit insurance for any depositor and the potential benefits and the potential adverse consequences that may result from the establishment of any such system.

(B) The feasibility of privatizing all deposit insurance at insured depository institutions and insured credit unions.

(2) REPORT.—Before the end of the 1-year period beginning on the date of the enactment of this Act, the Board of Directors of the Federal Deposit Insurance Corporation and the National Credit Union Administration Board shall each submit a report to the Congress on the study required under paragraph (1) containing the findings and conclusions of the reporting agency together with such recommendations for legislative or administrative changes as the agency may determine to be appropriate.

(d) STUDY REGARDING APPROPRIATE DEPOSIT BASE IN DESIGNATING RESERVE RATIO.—

(1) STUDY REQUIRED.—The Federal Deposit Insurance Corporation shall conduct a study of the feasibility of using actual domestic deposits rather than estimated insured deposits in calculating the reserve ratio of the Deposit Insurance Fund and designating a reserve ratio for such Fund.

(2) REPORT.—The Federal Deposit Insurance Corporation shall submit a report to the Congress before the end of the 1-year period beginning on the date of the enactment of this Act containing the findings and conclusions of the Corporation with respect to the study required under paragraph (1) together with such recommendations for legislative or administrative action as the Board of Directors of the Corporation may determine to be appropriate.

(e) STUDY OF RESERVE METHODOLOGY AND ACCOUNTING FOR LOSS.—

(1) STUDY REQUIRED.—The Federal Deposit Insurance Corporation, in consultation with the Comptroller General, shall conduct a study of the reserve methodology and loss accounting used by the Corporation during the period beginning on January 1, 1992, and ending December 31, 2002, with respect to insured depository institutions in a troubled condition (as defined in the regulations prescribed pursuant to section 32(f) of the Federal Deposit Insurance Act).

(2) FACTORS TO BE INCLUDED.—In conducting the study pursuant to paragraph (1), the Federal Deposit Insurance Corporation shall—

(A) consider the overall effectiveness and accuracy of the methodology used by the Corporation for establishing and maintaining reserves and estimating and accounting for losses at insured depository institutions, during the period described in such paragraph;

(B) consider the appropriateness and reliability of information and criteria used by the Corporation in determining—

(i) whether an insured depository institution was in a troubled condition; and

(ii) the amount of any loss anticipated at such institution;

(C) analyze the actual historical loss experience over the period described in paragraph (1) and the causes of the exceptionally high rate of losses experienced by the Corporation in the final 3 years of that period; and

(D) rate the efforts of the Corporation to reduce losses in such 3-year period to minimally acceptable levels and to historical levels.

(3) REPORT REQUIRED.—The Board of Directors of the Federal Deposit Insurance Corporation shall submit a report to the Congress before the end of the 6-month period beginning on the date of the enactment of this Act, containing the findings and conclusions of the Corporation, in consultation with the Comptroller General, with respect to the study required under paragraph (1), together with such recommendations for legislative or administrative action as the Board of Directors may determine to be appropriate.

SEC. 11. BI-ANNUAL FDIC SURVEY AND REPORT ON INCREASING THE DEPOSIT BASE BY ENCOURAGING USE OF DEPOSITORY INSTITUTIONS BY THE UNBANKED.

The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by adding at the end the following new section:

"SEC. 49. BI-ANNUAL FDIC SURVEY AND REPORT ON ENCOURAGING USE OF DEPOSITORY INSTITUTIONS BY THE UNBANKED.

''(a) SURVEY REQUIRED.—

''(1) IN GENERAL.—The Corporation shall conduct a bi-annual survey on efforts by insured depository institutions to bring those individuals and families who have rarely, if ever, held a checking account, a savings account or other type of transaction or check cashing account at an insured depository institution (hereafter in this section referred to as the 'unbanked') into the conventional finance system.

''(2) FACTORS AND QUESTIONS TO CONSIDER.—In conducting the survey, the Corporation shall take the following factors and questions into account:

''(A) To what extent do insured depository institutions promote financial education and financial literacy outreach?

''(B) Which financial education efforts appear to be the most effective in bringing 'unbanked' individuals and families into the conventional finance system?

''(C) What efforts are insured institutions making at converting 'unbanked' money order, wire transfer, and international remittance customers into conventional account holders?

''(D) What cultural, language and identification issues as well as transaction costs appear to most prevent 'unbanked' individuals from establishing conventional accounts?

''(E) What is a fair estimate of the size and worth of the 'unbanked' market in the United States?

''(b) REPORTS.—The Chairperson of the Board of Directors shall submit a bi-annual report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate containing the Corporation's findings and conclusions with respect to the survey conducted pursuant to subsection (a), together with such recommendations for legislative or administrative action as the Chairperson may determine to be appropriate.''.

SEC. 12. TECHNICAL AND CONFORMING AMENDMENTS TO THE FEDERAL DEPOSIT INSURANCE ACT RELATING TO THE MERGER OF THE BIF AND SAIF.

(a) IN GENERAL.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended—

(1) in section 3 (12 U.S.C. 1813)—

(A) by striking subparagraph (B) of subsection (a)(1) and inserting the following new subparagraph:

''(B) includes any former savings association.''; and

(B) by striking paragraph (1) of subsection (y) (as so designated by section 5(b) of this Act) and inserting the following new paragraph:

''(1) DEPOSIT INSURANCE FUND.—The term 'Deposit Insurance Fund' means the Deposit Insurance Fund established under section 11(a)(4).'';

(2) in section 5(b)(5) (12 U.S.C. 1815(b)(5)), by striking ''the Bank Insurance Fund or the Savings Association Insurance Fund,'' and inserting ''the Deposit Insurance Fund,'';

(3) in section 5(c)(4), by striking ''deposit insurance fund'' and inserting ''Deposit Insurance Fund'';

(4) in section 5(d) (12 U.S.C. 1815(d)), by striking paragraphs (2) and (3) (and any funds resulting from the application of such paragraph (2) prior to its repeal shall be deposited into the general fund of the Deposit Insurance Fund);

(5) in section 5(d)(1) (12 U.S.C. 1815(d)(1))—

(A) in subparagraph (A), by striking ''reserve ratios in the Bank Insurance Fund and the Savings Association Insurance Fund as required by section 7'' and inserting ''the reserve ratio of the Deposit Insurance Fund'';

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

''(2) FEE CREDITED TO THE DEPOSIT INSURANCE FUND.—The fee paid by the depository institution under paragraph (1) shall be credited to the Deposit Insurance Fund.'';

(C) by striking ''(1) UNINSURED INSTITUTIONS.—''; and

(D) by redesignating subparagraphs (A) and (C) as paragraphs (1) and (3), respectively, and moving the left margins 2 ems to the left;

(6) in section 5(e) (12 U.S.C. 1815(e))—

(A) in paragraph (5)(A), by striking ''Bank Insurance Fund or the Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(B) by striking paragraph (6); and

(C) by redesignating paragraphs (7), (8), and (9) as paragraphs (6), (7), and (8), respectively;

(7) in section 6(5) (12 U.S.C. 1816(5)), by striking ''Bank Insurance Fund or the Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(8) in section 7(b) (12 U.S.C. 1817(b))—

(A) in paragraph (1)(C), by striking ''deposit insurance fund'' each place that term appears and inserting ''Deposit Insurance Fund'';

(B) in paragraph (1)(D), by striking ''each deposit insurance fund'' and inserting ''the Deposit Insurance Fund''; and

(C) in paragraph (5) (as so redesignated by section 4(e)(4) of this Act)—

(i) by striking ''any such assessment'' and inserting ''any such assessment is necessary'';

(ii) by striking subparagraph (B);

(iii) in subparagraph (A)—

(I) by striking ''(A) is necessary—'';

(II) by striking ''Bank Insurance Fund members'' and inserting ''insured depository institutions''; and

(III) by redesignating clauses (i), (ii), and (iii) as subparagraphs (A), (B), and (C), respectively, and moving the margins 2 ems to the left; and

(iv) in subparagraph (C) (as so redesignated)—

(I) by inserting ''that'' before ''the Corporation''; and

(II) by striking ''; and'' and inserting a period;

(9) in section 7(j)(7)(F) (12 U.S.C. 1817(j)(7)(F)), by striking ''Bank Insurance Fund or the Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(10) in section 8(t)(2)(C) (12 U.S.C. 1818(t)(2)(C)), by striking ''deposit insurance fund'' and inserting ''Deposit Insurance Fund'';

(11) in section 11 (12 U.S.C. 1821)—

(A) by striking ''deposit insurance fund'' each place that term appears and inserting ''Deposit Insurance Fund'';

(B) by striking paragraph (4) of subsection (a) and inserting the following new paragraph:

''(4) DEPOSIT INSURANCE FUND.—

''(A) ESTABLISHMENT.—There is established the Deposit Insurance Fund, which the Corporation shall—

''(i) maintain and administer;

''(ii) use to carry out its insurance purposes, in the manner provided by this subsection; and

''(iii) invest in accordance with section 13(a).

''(B) USES.—The Deposit Insurance Fund shall be available to the Corporation for use with respect to insured depository institutions the deposits of which are insured by the Deposit Insurance Fund.

''(C) LIMITATION ON USE.—Notwithstanding any provision of law other than section 13(c)(4)(G), the Deposit Insurance Fund shall not be used in any manner to benefit any shareholder or affiliate (other than an insured depository institution that receives assistance in accordance with the provisions of this Act) of—

''(i) any insured depository institution for which the Corporation has been appointed conservator or receiver, in connection with any type of resolution by the Corporation;

''(ii) any other insured depository institution in default or in danger of default, in connection with any type of resolution by the Corporation; or

''(iii) any insured depository institution, in connection with the provision of assistance under this section or section 13 with respect to such institution, except that this clause shall not prohibit any assistance to any insured depository institution that is not in default, or that is not in danger of default, that is acquiring (as defined in section 13(f)(8)(B)) another insured depository institution.

''(D) DEPOSITS.—All amounts assessed against insured depository institutions by the Corporation shall be deposited into the Deposit Insurance Fund.'';

(C) by striking paragraphs (5), (6), and (7) of subsection (a); and

(D) by redesignating paragraph (8) of subsection (a) as paragraph (5);

(12) in section 11(f)(1) (12 U.S.C. 1821(f)(1)), by striking '', except that—'' and all that follows

through the end of the paragraph and inserting a period;

(13) in section 11(i)(3) (12 U.S.C. 1821(i)(3))—

(A) by striking subparagraph (B);

(B) by redesignating subparagraph (C) as subparagraph (B); and

(C) in subparagraph (B) (as so redesignated), by striking ''subparagraphs (A) and (B)'' and inserting ''subparagraph (A)'';

(14) in section 11(p)(2)(B) (12 U.S.C. 1821(p)(2)(B)), by striking ''institution, any'' and inserting ''institution, the'';

(15) in section 11A(a) (12 U.S.C. 1821a(a))—

(A) in paragraph (2), by striking ''LIABILITIES.—'' and all that follows through ''Except'' and inserting ''LIABILITIES.—Except'';

(B) by striking paragraph (2)(B); and

(C) in paragraph (3), by striking ''the Bank Insurance Fund, the Savings Association Insurance Fund,'' and inserting ''the Deposit Insurance Fund'';

(16) in section 11A(b) (12 U.S.C. 1821a(b)), by striking paragraph (4);

(17) in section 11A(f) (12 U.S.C. 1821a(f)), by striking ''Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(18) in section 12(f)(4)(E)(iv) (12 U.S.C. 1822(f)(4)(E)(iv)), by striking ''Federal deposit insurance funds'' and inserting ''the Deposit Insurance Fund (or any predecessor deposit insurance fund)'';

(19) in section 13 (12 U.S.C. 1823)—

(A) by striking ''deposit insurance fund'' each place that term appears and inserting ''Deposit Insurance Fund'';

(B) in subsection (a)(1), by striking ''Bank Insurance Fund, the Savings Association Insurance Fund,'' and inserting ''Deposit Insurance Fund'';

(C) in subsection (c)(4)(E)—

(i) in the subparagraph heading, by striking ''FUNDS'' and inserting ''FUND''; and

(ii) in clause (i), by striking ''any insurance fund'' and inserting ''the Deposit Insurance Fund'';

(D) in subsection (c)(4)(G)(ii)—

(i) by striking ''appropriate insurance fund'' and inserting ''Deposit Insurance Fund'';

(ii) by striking ''the members of the insurance fund (of which such institution is a member)'' and inserting ''insured depository institutions'';

(iii) by striking ''each member's'' and inserting ''each insured depository institution's''; and

(iv) by striking ''the member's'' each place that term appears and inserting ''the institution's'';

(E) in subsection (c), by striking paragraph (11);

(F) in subsection (h), by striking ''Bank Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(G) in subsection (k)(4)(B)(i), by striking ''Savings Association Insurance Fund member'' and inserting ''savings association''; and

(H) in subsection (k)(5)(A), by striking ''Savings Association Insurance Fund members'' and inserting ''savings associations'';

(20) in section 14(a) (12 U.S.C. 1824(a)), in the 5th sentence—

(A) by striking ''Bank Insurance Fund or the Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund''; and

(B) by striking ''each such fund'' and inserting ''the Deposit Insurance Fund'';

(21) in section 14(b) (12 U.S.C. 1824(b)), by striking ''Bank Insurance Fund or Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(22) in section 14(c) (12 U.S.C. 1824(c)), by striking paragraph (3);

(23) in section 14(d) (12 U.S.C. 1824(d))—

(A) by striking ''Bank Insurance Fund member'' each place that term appears and inserting ''insured depository institution'';

(B) by striking ''Bank Insurance Fund members'' each place that term appears and inserting ''insured depository institutions'';

(C) by striking ''Bank Insurance Fund'' each place that term appears (other than in connection with a reference to a term amended by subparagraph (A) or (B) of this paragraph) and inserting ''Deposit Insurance Fund'';

(D) by striking the subsection heading and inserting the following:

''(d) BORROWING FOR THE DEPOSIT INSURANCE FUND FROM INSURED DEPOSITORY INSTITUTIONS.—'';

(E) in paragraph (3), in the paragraph heading, by striking ''BIF'' and inserting ''THE DEPOSIT INSURANCE FUND''; and

(F) in paragraph (5), in the paragraph heading, by striking ''BIF MEMBERS'' and inserting ''INSURED DEPOSITORY INSTITUTIONS'';

(24) in section 14 (12 U.S.C. 1824), by adding at the end the following new subsection:

''(e) BORROWING FOR THE DEPOSIT INSURANCE FUND FROM FEDERAL HOME LOAN BANKS.—

''(1) IN GENERAL.—The Corporation may borrow from the Federal home loan banks, with the concurrence of the Federal Housing Finance Board, such funds as the Corporation considers necessary for the use of the Deposit Insurance Fund.

''(2) TERMS AND CONDITIONS.—Any loan from any Federal home loan bank under paragraph (1) to the Deposit Insurance Fund shall—

''(A) bear a rate of interest of not less than the current marginal cost of funds to that bank, taking into account the maturities involved;

''(B) be adequately secured, as determined by the Federal Housing Finance Board;

''(C) be a direct liability of the Deposit Insurance Fund; and

''(D) be subject to the limitations of section 15(c).'';

(25) in section 15(c)(5) (12 U.S.C. 1825(c)(5))—

(A) by striking ''the Bank Insurance Fund or Savings Association Insurance Fund, respectively'' each place that term appears and inserting ''the Deposit Insurance Fund''; and

(B) in subparagraph (B), by striking ''the Bank Insurance Fund or the Savings Association Insurance Fund, respectively'' and inserting ''the Deposit Insurance Fund'';

(26) in section 17(a) (12 U.S.C. 1827(a))—

(A) in the subsection heading, by striking ''BIF, SAIF,'' and inserting ''THE DEPOSIT INSURANCE FUND''; and

(B) in paragraph (1)—

(i) by striking ''the Bank Insurance Fund, the Savings Association Insurance Fund,'' each place that term appears and inserting ''the Deposit Insurance Fund''; and

(ii) in subparagraph (D), by striking ''each insurance fund'' and inserting ''the Deposit Insurance Fund'';

(27) in section 17(d) (12 U.S.C. 1827(d)), by striking '', the Bank Insurance Fund, the Savings Association Insurance Fund,'' each place that term appears and inserting ''the Deposit Insurance Fund'';

(28) in section 18(m)(3) (12 U.S.C. 1828(m)(3))—

(A) by striking ''Savings Association Insurance Fund'' in the 1st sentence of subparagraph (A) and inserting ''Deposit Insurance Fund'';

(B) by striking ''Savings Association Insurance Fund member'' in the last sentence of subparagraph (A) and inserting ''savings association''; and

(C) by striking ''Savings Association Insurance Fund or the Bank Insurance Fund'' in subparagraph (C) and inserting ''Deposit Insurance Fund'';

(29) in section 18(o) (12 U.S.C. 1828(o)), by striking ''deposit insurance funds'' and ''deposit insurance fund'' each place those terms appear and inserting ''Deposit Insurance Fund'';

(30) in section 18(p) (12 U.S.C. 1828(p)), by striking ''deposit insurance funds'' and inserting ''Deposit Insurance Fund'';

(31) in section 24 (12 U.S.C. 1831a)—

(A) in subsections (a)(1) and (d)(1)(A), by striking ''appropriate deposit insurance fund'' each place that term appears and inserting ''Deposit Insurance Fund'';

(B) in subsection (e)(2)(A), by striking ''risk to'' and all that follows through the period and inserting ''risk to the Deposit Insurance Fund.''; and

(C) in subsections (e)(2)(B)(ii) and (f)(6)(B), by striking ''the insurance fund of which such bank is a member'' each place that term appears and inserting ''the Deposit Insurance Fund'';

(32) in section 28 (12 U.S.C. 1831e), by striking ''affected deposit insurance fund'' each place that term appears and inserting ''Deposit Insurance Fund'';

(33) by striking section 31 (12 U.S.C. 1831h);

(34) in section 36(i)(3) (12 U.S.C. 1831m(i)(3)), by striking ''affected deposit insurance fund'' and inserting ''Deposit Insurance Fund'';

(35) in section 37(a)(1)(C) (12 U.S.C. 1831n(a)(1)(C)), by striking ''insurance funds'' and inserting ''Deposit Insurance Fund'';

(36) in section 38 (12 U.S.C. 1831o), by striking ''the deposit insurance fund'' each place that term appears and inserting ''the Deposit Insurance Fund'';

(37) in section 38(a) (12 U.S.C. 1831o(a)), in the subsection heading, by striking ''FUNDS'' and inserting ''FUND'';

(38) in section 38(k) (12 U.S.C. 1831o(k))—

(A) in paragraph (1), by striking ''a deposit insurance fund'' and inserting ''the Deposit Insurance Fund'';

(B) in paragraph (2), by striking ''A deposit insurance fund'' and inserting ''The Deposit Insurance Fund''; and

(C) in paragraphs (2)(A) and (3)(B), by striking ''the deposit insurance fund's outlays'' each place that term appears and inserting ''the outlays of the Deposit Insurance Fund''; and

(39) in section 38(o) (12 U.S.C. 1831o(o))—

(A) by striking ''ASSOCIATIONS.—'' and all that follows through ''Subsections (e)(2)'' and inserting ''ASSOCIATIONS.—Subsections (e)(2)'';

(B) by redesignating subparagraphs (A), (B), and (C) as paragraphs (1), (2), and (3), respectively, and moving the margins 2 ems to the left; and

(C) in paragraph (1) (as so redesignated), by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively, and moving the margins 2 ems to the left.

(b) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the first day of the first calendar quarter that begins after the end of the 90-day period beginning on the date of the enactment of this Act.

SEC. 13. OTHER TECHNICAL AND CONFORMING AMENDMENTS RELATING TO THE MERGER OF THE BIF AND SAIF.

(a) SECTION 5136 OF THE REVISED STATUTES.—The paragraph designated the ''Eleventh'' of section 5136 of the Revised Statutes of the United States (12 U.S.C. 24) is amended in the 5th sentence, by striking ''affected deposit insurance fund'' and inserting ''Deposit Insurance Fund''.

(b) INVESTMENTS PROMOTING PUBLIC WELFARE; LIMITATIONS ON AGGREGATE INVESTMENTS.—The 23d undesignated paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 338a) is amended in the 4th sentence, by striking ''affected deposit insurance fund'' and inserting ''Deposit Insurance Fund''.

(c) ADVANCES TO CRITICALLY UNDERCAPITALIZED DEPOSITORY INSTITUTIONS.—Section 10B(b)(3)(A)(ii) of the Federal Reserve Act (12 U.S.C. 347b(b)(3)(A)(ii)) is amended by striking ''any deposit insurance fund in'' and inserting ''the Deposit Insurance Fund of''.

(d) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—Section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 905(g)(1)(A)) is amended—

(1) by striking ''Bank Insurance Fund'' and inserting ''Deposit Insurance Fund''; and

(2) by striking ''Federal Deposit Insurance Corporation, Savings Association Insurance Fund (51–4066–0–3–373);''.

(e) AMENDMENTS TO THE FEDERAL HOME LOAN BANK ACT.—The Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.) is amended—

(1) in section 11(k) (12 U.S.C. 1431(k))—

(A) in the subsection heading, by striking ''SAIF'' and inserting ''THE DEPOSIT INSURANCE FUND''; and

(B) by striking ''Savings Association Insurance Fund'' each place such term appears and inserting ''Deposit Insurance Fund'';

(2) in section 21 (12 U.S.C. 1441)—

(A) in subsection (f)(2), by striking '', except that'' and all that follows through the end of the paragraph and inserting a period; and

(B) in subsection (k), by striking paragraph (4);

(3) in section 21A(b)(4)(B) (12 U.S.C. 1441a(b)(4)(B)), by striking ''affected deposit insurance fund'' and inserting ''Deposit Insurance Fund'';

(4) in section 21A(b)(6)(B) (12 U.S.C. 1441a(b)(6)(B))—

(A) in the subparagraph heading, by striking ''SAIF-INSURED BANKS'' and inserting ''CHARTER CONVERSIONS''; and

(B) by striking ''Savings Association Insurance Fund member'' and inserting ''savings association'';

(5) in section 21A(b)(10)(A)(iv)(II) (12 U.S.C. 1441a(b)(10)(A)(iv)(II)), by striking ''Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(6) in section 21A(n)(6)(E)(iv) (12 U.S.C. 1441(n)(6)(E)(iv)), by striking ''Federal deposit insurance funds'' and inserting ''the Deposit Insurance Fund'';

(7) in section 21B(e) (12 U.S.C. 1441b(e))—

(A) in paragraph (5), by inserting ''as of the date of funding'' after ''Savings Association Insurance Fund members'' each place that term appears; and

(B) by striking paragraphs (7) and (8); and

(8) in section 21B(k) (12 U.S.C. 1441b(k))—

(A) by inserting before the colon '', the following definitions shall apply'';

(B) by striking paragraph (8); and

(C) by redesignating paragraphs (9) and (10) as paragraphs (8) and (9), respectively.

(f) AMENDMENTS TO THE HOME OWNERS' LOAN ACT.—The Home Owners' Loan Act (12 U.S.C. 1461 et seq.) is amended—

(1) in section 5 (12 U.S.C. 1464)—

(A) in subsection (c)(5)(A), by striking ''that is a member of the Bank Insurance Fund'';

(B) in subsection (c)(6), by striking ''As used in this subsection—'' and inserting ''For purposes of this subsection, the following definitions shall apply:'';

(C) in subsection (o)(1), by striking ''that is a Bank Insurance Fund member'';

(D) in subsection (o)(2)(A), by striking ''a Bank Insurance Fund member until such time as it changes its status to a Savings Association Insurance Fund member'' and inserting ''insured by the Deposit Insurance Fund'';

(E) in subsection (t)(5)(D)(iii)(II), by striking ''affected deposit insurance fund'' and inserting ''Deposit Insurance Fund'';

(F) in subsection (t)(7)(C)(i)(I), by striking ''affected deposit insurance fund'' and inserting ''Deposit Insurance Fund''; and

(G) in subsection (v)(2)(A)(i), by striking ''the Savings Association Insurance Fund'' and inserting ''or the Deposit Insurance Fund''; and

(2) in section 10 (12 U.S.C. 1467a)—

(A) in subsection (c)(6)(D), by striking ''this title'' and inserting ''this Act'';

(B) in subsection (e)(1)(B), by striking ''Savings Association Insurance Fund or Bank Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(C) in subsection (e)(2), by striking ''Savings Association Insurance Fund or the Bank Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(D) in subsection (e)(4)(B), by striking ''subsection (1)'' and inserting ''subsection (l)'';

(E) in subsection (g)(3)(A), by striking ''(5) of this section'' and inserting ''(5) of this subsection'';

(F) in subsection (i), by redesignating paragraph (5) as paragraph (4);

(G) in subsection (m)(3), by striking subparagraph (E) and by redesignating subparagraphs (F), (G), and (H) as subparagraphs (E), (F), and (G), respectively;

(H) in subsection (m)(7)(A), by striking ''during period'' and inserting ''during the period''; and

(I) in subsection (o)(3)(D), by striking ''sections 5(s) and (t) of this Act'' and inserting ''subsections (s) and (t) of section 5''.

(g) AMENDMENTS TO THE NATIONAL HOUSING ACT.—The National Housing Act (12 U.S.C. 1701 et seq.) is amended—

(1) in section 317(b)(1)(B) (12 U.S.C. 1723i(b)(1)(B)), by striking ''Bank Insurance Fund for banks or through the Savings Association Insurance Fund for savings associations'' and inserting ''Deposit Insurance Fund''; and

(2) in section 536(b)(1)(B)(ii) (12 U.S.C. 1735f–14(b)(1)(B)(ii)), by striking ''Bank Insurance Fund for banks and through the Savings Association Insurance Fund for savings associations'' and inserting ''Deposit Insurance Fund''.

(h) AMENDMENTS TO THE FINANCIAL INSTITUTIONS REFORM, RECOVERY, AND ENFORCEMENT ACT OF 1989.—The Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1811 note) is amended—

(1) in section 951(b)(3)(B) (12 U.S.C. 1833a(b)(3)(B)), by inserting ''and after the merger of such funds, the Deposit Insurance Fund,'' after ''the Savings Association Insurance Fund,''; and

(2) in section 1112(c)(1)(B) (12 U.S.C. 3341(c)(1)(B)), by striking ''Bank Insurance Fund, the Savings Association Insurance Fund,'' and inserting ''Deposit Insurance Fund''.

(i) AMENDMENT TO THE BANK HOLDING COMPANY ACT OF 1956.—The Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.) is amended—

(1) in section 2(j)(2) (12 U.S.C. 1841(j)(2)), by striking ''Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund''; and

(2) in section 3(d)(1)(D)(iii) (12 U.S.C. 1842(d)(1)(D)(iii)), by striking ''appropriate deposit insurance fund'' and inserting ''Deposit Insurance Fund''.

(j) AMENDMENTS TO THE GRAMM-LEACH-BLILEY ACT.—Section 114 of the Gramm-Leach-Bliley Act (12 U.S.C. 1828a) is amended by striking ''any Federal deposit insurance fund'' in subsection (a)(1)(B), paragraphs (2)(B) and (4)(B) of subsection (b), and subsection (c)(1)(B), each place that term appears and inserting ''the Deposit Insurance Fund''.

(k) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the first day of the first calendar quarter that begins after the end of the 90-day period beginning on the date of the enactment of this Act.

The CHAIRMAN. No amendment to the committee amendment in the nature of a substitute is in order except the following amendments printed in the CONGRESSIONAL RECORD: amendment No. 1 by the gentleman from California (Mr. OSE); and amendment No. 2 by the gentleman from California (Mr. ROHRABACHER). Each amendment may be offered only in the order specified, by the Member designated or his designee, shall be considered read, shall be debatable for 20 minutes, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

It is now in order to consider amendment No. 1 printed in the CONGRESSIONAL RECORD by the gentleman from California (Mr. OSE).

AMENDMENT NO. 1 OFFERED BY MR. OSE

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

The CHAIRMAN: The Clerk will designate the amendment.

The Clerk designated the amendment as follows:

Amendment No. 1 offered by Mr. OSE:

Page 4, beginning on line 10, strike ''means—'' and all that follows through page 7, line 2, and insert ''means $100,000.'.'' (and conform any cross references appropriately).

Page 19, strike line 20 and all that follows through page 20, line 4, and insert ''means $100,000.'.''.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, April 1, the gentleman from California (Mr. OSE) and a Member opposed each will control 10 minutes.

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

Mr. FRANK of Massachusetts. Mr. Chairman, did any Member claim the opposing time?

The CHAIRMAN. Does any Member claim the time in opposition?

Mr. BACHUS. Mr. Chairman, I was standing to claim the time in opposition.

The CHAIRMAN. The gentleman from Alabama (Mr. BACHUS) will be recognized in opposition.

The gentleman from California (Mr. OSE) is recognized.

Mr. OSE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I fully support many of the reforms in H.R. 522 but must, once again, raise some concern with one particular section that would not only cause harm but could ensure that the other reforms are once again delayed by the other body or by the administration. That issue is the increase in coverage amounts.

I am pleased to see my friend, the gentlewoman from New York (Mrs. MALONEY), a fellow member of Committee on Financial Services, here on the floor today who is joining me in offering this amendment.

This simple amendment returns the base coverage level for insurance on deposits to the current $100,000 level. It removes provisions increasing coverage to $130,000, as well as provisions to automatically increase coverage through inflation adjustments. This is the only change it makes.

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

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

I speak in opposition to this amendment. One of the statements by the proponent of this amendment has been that the former increase in coverage was the primary reason for the savings and loan crisis, and let me say in that regard that the cause of the savings and loan collapse, crisis in this country, has been well examined and well documented. The FDIC, in fact, issued a report called ''History of the Eighties, Lessons for the Future and Examination of the Banking Crisis of the 1980s.''

Here is their reasoning. The rise in the number of bank failures in the 1980s had no single cause or short list of causes. Rather, it resulted from a concurrence of various forces working together to produce a decade of banking crises.

First, broad national forces, economic, financial, legislative and regulatory established the preconditions for the increased number of bank failures. Second, a series of severe regional and sectional recessions hit banks in a number of banking markets and led to the majority of the failures. Third, some of the banks in these markets assumed excessive risk and were insufficiently restrained by supervisory authorities with the result that they failed in disproportionate numbers.

As a result of that, Mr. Chairman, we have made several changes in the law in this body in an attempt, and I think a successful attempt thus far, to make these institutions subject to more oversight and to stronger capital requirements.

One Member of our body's father served as the FBI director during the savings and loan crisis. He was asked in a congressional hearing for his comment on the savings and loan crisis, and he said that criminal activity, fraud and looting were the primary causes of the crisis. In fact, the committee staff has made a fairly exhaustive study of the various articles written concerning the collapse of the savings and loans, and these were the reasons given at the time.

My colleagues can see we have a basic laundry list of reasons, but there is actually evidence that the increase in coverage at the time gave savers some degree of security and actually prevented a panic at many institutions, and some of that body of evidence supports that it actually helped in a contagion of that crisis.

Mr. Chairman, the final argument is a moral-hazard argument. The offerer of this amendment has argued that increasing coverage will create a greater moral hazard in the system; but then, surprisingly, his amendment does not raise the level from $100,000 to $130,000. It does away with that, but then he raises retirement accounts to $260,000, and he raises municipal deposits; and by doing that, they have managed in the subcommittee to basically arouse everyone's opposition to the amendment because if we raise the coverage for retirements in municipal deposits, then one is, in fact, arguing against the reason for offering his own amendment.

I will close simply by saying that this moral-hazard argument has been looked at by the FDIC. They asked two respected economists to make a report, and they were Federal Reserve Governor Alan Blinder, and this is what he said. The point is made that if the FDIC is given the authority to charge risk-based premiums, and that is what H.R. 522 does, then ''most objections based on moral hazard should evaporate.'' He goes on to state, ''In a world of properly priced deposit insurance, it seems more appropriate to ask the opposite question: Why have any coverage limits at all?''

In fact, I think that ought to be the question we are debating: Why have any coverage limits at all? Even the CBO says that this bill will result in an increase of insured deposits in our institutions. Is that not something that we have all argued for? Do we not want an increase in the deposits in our financial institutions? Does that not strengthen our economy? Is that not good for America? They say that some institutions will fail and some people in that institution will lose 200 or $220,000 worth of retirement funds. Do we not want them to have federally insured coverage? Do we want them to lose this money? I do not think so.

Finally, do we believe in insurance? I think that is the essence of this whole argument. I mean, do we believe in insurance? Do we believe in insuring for losses? If we do, and I for one think that insurance is a good thing, I believe that insurance is a prudent thing, and I believe that in order for our Federal deposit insurance system to survive and have any relevance then that insurance protection, which I believe in, I believe in insuring against risk, I believe it is a prudent thing to do, then why would we want the Federal deposit insurance system to wither on the vine?

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Why would we not want it to stay current with inflationary rates and per capita income? And the only way to do that is to vote ''yes'' on this bill. A vote against this bill basically would be like going back to 1980 and reducing the coverage from $100,000 to $30,000 if you went on per capita income, or $47,000 if you went on inflation.

How many in our body would do that? How many in our body would vote today to take those levels back to the 1980 level? I do not think any of us would. A few of us would because, as the gentleman from California (Mr. ROHRABACHER) says, I do not believe in Federal deposit insurance. I do not believe in the Federal Government supplying insurance. Well, it is the depositors, for one thing. The Federal Government does not. If he would look, he would see it is the banks through their premiums.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BACHUS. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I thank the gentleman for yielding to me. I did not want time to expire while discussing the absent gentleman from California, and I did want to make sure I had a chance to express my opposition to this amendment.

I think the committee product is a reasonable approach and so I hope the amendment is defeated. And, once again, I thank the gentleman for yielding to me

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

Mr. OSE. Mr. Chairman, could you tell me how much time remains on each side?

The CHAIRMAN. The gentleman from California (Mr. OSE) has 9 minutes remaining.

Mr. OSE. Mr. Chairman, I want to make sure we are talking about the right amendment. It is amendment No. 1, which only deals with the level of insurance and the question of indexing. It does not deal with retirement accounts or municipal deposits. Am I correct in that, Mr. Chairman?

The CHAIRMAN. The Chair cannot interpret the amendment. The gentleman may proceed.

Mr. OSE. Mr. Chairman, I yield 5 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY. Mr. Chairman, I thank the gentleman for yielding me this time and for his leadership, and I rise in support of the Ose-Maloney amendment, a compromise approach to deposit insurance coverage that holds standard account coverage at $100,000 while offering increased protection for retirees.

Mr. Chairman, as a whole, this is an outstanding bill. As an original cosponsor of H.R. 522, I am supportive of the overwhelming majority of provisions in the legislation. It is long past time to merge the BIF and SAIF insurance funds. Additionally, eliminating the 23 basis point cliff and providing a new premium system that takes into account the past contributions of institutions are major steps forward.

The bill includes a mechanism for determining credit for past contributions to the insurance funds that is based on an amendment I cosponsored along with the gentleman from Nebraska (Mr. BEREUTER) last session. This is a critically important provision as a matter of fairness to institutions that recapitalized the funds, and I thank the gentleman from Alabama (Mr. BACHUS) for including this balanced amendment in the legislation.

Despite these many positives, I believe the immediate 30 percent increase in insurance coverage in the bill is a serious mistake. This coverage increase to $130,000 is opposed by all the Federal financial service regulators, including Alan Greenspan, Treasury Secretary Peter Fischer, OCC Comptroller John Hawke and OTS Director James Gilleran.

Proponents of increased coverage argue that it poses no new risk to the insurance system, but the regulators who oppose this increase are the very officials whose job it is to protect the safety and soundness of the financial system. The unanimity of regulator opposition to increased coverage is an extremely powerful message.

Another argument put forth by proponents of coverage increases is that inflation has eroded deposit insurance. I do not believe this argument matches the actual situation of the banking industry. The fact is that only 2 percent

of insured accounts have more than $100,000 according to a study by the Federal Reserve. The same Fed study put the average account balance at merely $6,000. Any way you look at it the increase in coverage will benefit very, very few depositors.

Proponents of increasing coverage also contend that because insurance premiums are paid by banks, increasing coverage does not cost taxpayers. While I concede this point, I think we have to remember that behind the deposit insurance funds is the full faith and credit of the United States Government.

Since I joined the Committee on Financial Services at the close of the savings and loan crisis, I have been committed to protecting the safety and soundness of the financial service system. While the causes of the S&L failures were many, as my friend from Alabama pointed out, the fact is that standing behind the insurance system are our constituent taxpayer dollars. No matter what the reasons are for a future bank failure or string of failures, by raising insurance coverage we increase the potential liability of the government. Additionally, raising coverage may encourage the concept of moral hazard. Institutions will be encouraged to engage in riskier behavior to boost earnings if they know that failure is insured by the Federal Government.

Finally, I urge support for this amendment because it strikes a compromise. It holds the line on coverage for standard accounts while offering retirees additional insurance. I believe that there are many valid policy arguments for offering additional coverage and additional insurance for this special class of banking account. At its core this amendment represents a compromise. It allows Members the opportunity to support the concerns of the regulatory community on standard accounts while offering increased insurance on retirement accounts.

This is a good bill and I will support its passage. I simply think it would be much improved with the adoption of this amendment, and I thank the gentleman from California (Mr. OSE) for his leadership and I thank also the gentleman from Alabama (Mr. BACHUS) for crafting a fine underlying bill, along with the chairman, the gentleman from Ohio (Mr. OXLEY), and the Democratic leader, the gentleman from Massachusetts (Mr. FRANK).

Mr. Chairman, I include for the RECORD the following testimony from our committee hearing:

PREPARED TESTIMONY OF THE HONORABLE PETER R. FISCHER, UNDERSECRETARY FOR DOMESTIC FINANCE, DEPARTMENT OF THE TREASURY, 9:30 A.M., WEDNESDAY, FEBRUARY 26, 2003—DIRKSEN 538

Mr. Chairman, Senator Sarbanes, and Members of the Committee, I appreciate the opportunity to provide the Administration's views on deposit insurance reform. I also want to commend Chairman Powell and the FDIC staff for their valuable contributions to the discussion of this important issue.

The Administration strongly supports reforms to our deposit insurance system that would, first, merge the bank and thrift insurance funds, second, allow more flexibility in the management of fund reserves while maintaining adequate reserve levels and, third, ensure that all participating institutions fairly share in the maintenance of FDIC resources in accordance with the insurance fund's loss exposure from each institution. The Administration strongly opposes any increases in deposit insurance coverage limits.

Our current deposit insurance system managed by the Federal Deposit Insurance Corporation (FDIC) serves to protect insured depositors from exposure to bank losses and, as a result, helps to promote public confidence in the U.S. banking system. I am concerned today that our deposit insurance system has structural weaknesses that, in the absence of reform, could deepen over time. I want to emphasize that there is no crisis in the FDIC; both of its funds are strong, well managed, with adequate reserves. This is the right time to act—when we do not face a crisis—and the Administration supports legislation focused on the repair of these structural weaknesses.

Increases in FDIC benefits, however, including any increase in the level of insurance coverage, are not part of the solution to these problems and should be avoided. When I testified before this Committee last April, I argued that an increase in deposit insurance coverage limits would serve no sound public policy purpose. Nothing has occurred since then to change that view. The Administration continues to oppose higher coverage limit in any form. Indeed, we feel that the entire issue of coverage limits regrettably diverts attention from the important reforms that are needed.

MERGING THE BANK AND THRIFT INSURANCE FUNDS

We support a merger of the Bank Insurance Fund (BIF) and Savings Association Insurance Fund (SAIF) as soon as practicable. A larger, combined insurance fund would be better able to diversify risks, and thus withstand losses, than would either fund separately. Merging the funds while the industry is strong and both funds are adequately capitalized would not burden either BIF or SAIF members. A merged fund would also end the possibility that similar institutions could pay significantly different premiums for the same product, as was the case in the recent past and could occur again in the near future without this change. A merger would also recognize changes in the industry. As a result of mergers and consolidations, each fund now insures deposits of both commercial banks and thrifts. Indeed, commercial banks now account for 45 percent of all SAIF-insured deposits.

FLEXIBILITY IN THE MANAGEMENT OF FDIC RESERVES

Current law generally requires each insurance fund to maintain reserves equal to 1.25 percent of estimated insured deposits, the ''designated reserve ratio.'' When the reserve ratio falls below this threshold, the FDIC must charge either a premium sufficient to restore the reserve ratio to 1.25 percent within one year, or a minimum of 23 basis points if the reserve ratio would remain below 1.25 percent for a longer period. Since the latter would be expected when the banking system, and probably the economy as well, were under stress, such a sharp increase in industry assessments could have an undesirable pro-cyclical effect, further reducing liquidity precisely when liquidity is needed. Were FDIC fund contributions to come from resources that otherwise might be part of capital, every dollar paid would mean a potential reduction of 10 or 12 dollars in lending, or as much as $12 billion in reduced lending for a $1 billion FDIC replenishment.

Reserves should be allowed to grow when conditions are good. This would enable the fund to better absorb losses under adverse conditions without sharp increases in premiums. In order to achieve this objective and also to account for changing risks to the insurance fund over time, we support greater latitude for the FDIC to alter the designated reserve ratio within statutorily prescribed upper and lower bounds. Within these bounds, the FDIC should provide for public notice and comment concerning any proposed change to the designated reserve ratio. The FDIC should also have discretion in determining how quickly the fund meets the designated reserve ratio as long as the actual reserve ratio is within these bounds. If the reserve ratio were to fall below the lower bound, the FDIC should restore it to within the statutory range promptly, over a reasonable but limited timeframe. We would also support some reduction in the prescribed minimum premium rate—currently 23 basis points—that would be in effect if more than one year were required to restore the fund's reserves.

Nevertheless, as we learned from the deposit insurance experience of the 1980s, flexibility must be tempered by a clear requirement for prudent and timely fund replenishment. The statutory range for the designated reserve ratio should strike an appropriate balance between the burden of pre-funding future loses and the pro-cyclical costs of replenishing the insurance fund in a downturn. A key benefit to giving the FDIC greater flexibility in managing the reserve ratio within statutorily prescribed bounds is the ability to achieve low, stable premiums over time, adequate to meet FDIC needs in bad times, with the least burden on financial institutions and on the economy. We also believe that with this reform, the possibility of recourse to taxpayer resources is even further removed.

FULL RISK-BASED SHARED FUNDING

Every day that they operate, banks and thrifts benefit from their access to federal deposit insurance. For several years, however, the FDIC has been allowed to obtain premiums for deposit insurance from only a few insured institutions. Currently, over 90 percent of banks and thrifts pay nothing to the FDIC. This is an untenable formula for the long-term stability of the FDIC.

Moreover, current law frustrates one of the most important reforms enacted in the wake of the collapse of the Federal Savings and Loan Insurance Corporation (FSLIC) and the depletion of FDIC reserves: the requirement for risk-based premiums. When 90 percent of the industry pays no premiums, there is little opportunity to do what any prudent insurer would do: adjust premiums for risk. Nearly all banks are treated the same, and lately they have been treated to free service.

For example, today a bank can rapidly increase its insured deposits without paying anything into the insurance fund. As is now well known, some large financial companies have greatly augmented their insured deposits in the past few years by sweeping uninsured funds into their affiliated depository institutions—without compensating the FDIC at all. Other major financial companies might be expected to do the same in the future. In addition, most of the over 1,100 banks and thrifts chartered after 1996 have never paid a penny in deposit insurance premiums. Yet if insured deposit growth by a relatively few institutions were to cause the reserve ratio to decline below the designated reserve ratio, all banks would be required to pay premiums to raise reserves.

To rectify this ''free rider'' problem and ensure that institutions appropriately compensate the FDIC commensurate with their risk, Congress should remove the current restrictions on FDIC premium-setting. In order to recognize past payments to build up current reserves, we support the proposal to apply temporary transition credits against future premiums that would be distributed based on a measure of each institution's contribution to the build-up of insurance fund reserves in the early-to-mid 1990s. In addition to transition credits, allowing the FDIC to provide assessment credits on an on-going basis would permit the FDIC to collect payments from institutions more closely in relation to their deposit growth.

We strongly oppose rebates, which would drain the insurance fund of cash. Over much of its history, the FDIC insurance fund reserve ratio remained well above the current target, only to drop into deficit conditions by the beginning of the 1990s. Therefore, it is vital that funds collected in good times, and the earnings on those collections, be available for times when they will be needed.

There are other important structural issues that need to be addressed sooner than later. It would be appropriate to evaluate whether there are changes to the National Credit Union Share Insurance Fund (NCUSIF) that would be suitable in light of the proposed reforms made of FDIC insurance so as to avoid unintended disparities between the two programs. Perhaps even more important is the need to address the long-term funding of supervision by the National Credit Union Administration, particularly in view of recent trends toward conversions from federal to state charters and growing consolidation of credit unions. Similarly, there are structural problems in the funding of the Office of the Comptroller of the Currency and the Office of Thrift Supervision, the resolution of which should not be delayed.

DEPOSIT INSURANCE COVERAGE LIMITS

The improvements to the deposit insurance system that I have just outlined are vital to the system's long-term health. Other proposals, however, would not contribute to the strength of the taxpayer-backed deposit insurance system and may actually weaken it.

Increasing the general coverage limit up front or through indexation, or raising coverage limits for particular categories of deposits, is unnecessary. Savers do not need an increase in coverage limits and would receive no real financial benefit. Unlike other government benefit programs, there is no need for indexation of deposit insurance coverage because savers can now obtain all the coverage that they desire by using multiple banks and through other means.

Higher coverage limits would not predictably advantage any particular size of banks, would increase all banks' insurance premium costs, and would mean greater taxpayer exposure by adding to the contingent liabilities of the government and weakening market discipline. An increase in coverage limits would reduce—not enhance—competition among banks in general as the efficient and inefficient offer the same investment risk to depositors; in fact, perversely, investors would be drawn at no risk to the worst banks, which usually offer the highest interest rates.

Higher Coverage Limits Not Sought by Savers

First of all, the clamor for raising coverage limits does not come from savers. The evidence that current coverage limits constitute a burden to savers is scant; there has been little demand from depositors for higher maximum levels. The recent consumer finance survey data released by the Federal Reserve confirm what we found in the previous survey, namely that raising the coverage limit would do little, if anything, for most savers. Median family deposit balances are only $4,000 for transaction account deposits and $15,000 for certificates of deposit, far below the current $100,000 ceiling. The same holds true even when considering only older Americans, a segment of the population with higher bank account usage: median transaction account balances and certificates of deposit total $8,000 and $20,000, respectively, for those households headed by individuals between the ages of 65 and 74.

Examining the Federal Reserve data for retirement accounts shows present maximum deposit insurance coverage to be more than adequate. The median balance across age groups held in IRA/Keogh accounts at insured depository institutions is only $15,000. For the 65 to 69 age group, median household IRA/Keogh deposits total $30,000.

A small group of relatively affluent savers might find greater convenience from increased maximum coverage levels. But it is a tiny group. Only 3.4 percent of households with bank accounts held any uninsured deposits, and the median income of these households was more than double the median income of all depositors in the survey.

Under current rules, these savers have plenty of options, with the market place presenting new options for unlimited deposit insurance coverage without changing federal coverage limits. At little inconvenience, savers with substantial bank deposits—including retirees and those with large bank savings for retirement—may place deposits at any number of banks to obtain as much FDIC coverage as desired. They may also establish accounts within the same bank under different legal capacities, qualifying for several multiples of current maximum coverage limits. Firms are now developing programs for exchanging depositor accounts that could offer seamless means of providing unlimited coverage for depositors without any change in current limits.

One of the fundamental rules of prudent retirement planning is to diversify investment vehicles. Many individuals, including those who are retired or planning for retirement, feel comfortable putting substantial amounts into uninsured mutual funds, money market accounts, and a variety of other investment instruments. Just 21 percent of all IRA/Keogh funds are in insured depository institutions. There is simply no widespread consumer concern about existing coverage limits that would justify extending taxpayer exposure by creating a new government-insured retirement program under the FDIC.

Coverage Limits and Bank Competition

Banks, regardless of size, continue to have little trouble attracting deposits under the existing coverage limits. Federal Reserve data have shown that smaller banks have grown more rapidly and experienced higher rates of growth in both insured and uninsured deposits than have larger banks over the past several years. After adjusting for the effects of mergers, domestic assets of the largest 1,000 commercial banks grew 5.5 percent per year on average from 1994 to 2002; all other banks grew 13.8 percent per year on average. Nor are smaller banks losing the competition for uninsured deposits. Uninsured deposits of the top 1,000 banks grew 9.9 percent annually on average over this period, while such deposits at smaller banks grew on average by 21.4 percent annually.

Higher Coverage Limits for Municipal Funds Erode Discipline

Proposals for substantially higher levels of protection of municipal deposits than of other classes of deposits would exacerbate the inherent moral hazard problems of deposit insurance. Rather than keep funds in local institutions, state and municipal treasurers would have powerful incentives to seek out not the safest institutions in which to place taxpayer funds but rather those offering the highest interest rates. Since these are usually riskier institutions, state and municipal treasurers would be drawn into funding the more trouble banks. Local, well run, healthy banks might have to pay a premium in increased deposit rates to retain municipal business. Today there are incentives for state and local government treasurers to monitor risks taken with large volumes of public sector deposits. Should the FDIC largely protect these funds, an important source of credit judgment on the lending and investment decisions of local banks would be lost.

CONCLUSION

In conclusion, I reaffirm the Administration's support for the three-part general framework that I have outlined to correct the structural flaws in the deposit insurance system. I encourage Congress to pursue these improvements with a steady focus on the important work that needs to be done. The Administration does not support legislation that raises deposit insurance coverage limits in any form, and we urge that Congress avoid such an unneeded and counterproductive diversion from real and necessary reform.

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

Mr. OSE. Mr. Chairman, I yield myself such time as I may consume, and I want to echo the comments of the gentlewoman from New York (Mrs. MALONEY).

Mr. Chairman, one of the things I have is an experience of having had to survive the savings and loan crisis of the 1980s when I was in the real estate business. This was not a pretty time for those of us who were confronted with that situation, and I would advise those who did not have that pleasure that they do not want to have the opportunity to enjoy that in their future business careers.

I will say that in the context of whether or not to raise from $100,000 to $130,000, or some other level, the plain fact of the matter is that 98 percent of all accounts have balances less than $100,000, and the law allows each of those who might otherwise exceed $100,000, if they wish, to open another insured account up to another $100,000; to drive down the street and open an account in another bank; to diversify their deposits in their community. It is not necessarily a fact that there is only one place at which an individual can receive insurance on their accounts. If you have more than $100,000 in an account, you can reduce the balance in that account and take that money to another bank and receive another layer of protection for that balance.

Mr. Chairman, that is the beauty of this system. That is the strength of the system. And, in fact, it is the strongest argument that we do not need to increase limits. This proposal to increase to $130,000 is a solution in search of a problem.

I urge this body to make an ''aye'' vote on my amendment. And, Mr. Chairman, I want to submit for the

RECORD the statements of Under Secretary of the Treasury Peter Fischer, Federal Reserve Board Chairman Alan Greenspan, Comptroller of the Currency John D. Hawke, Jr., and Director of the Office of Thrift Supervision James Gilleran.

H.R. 3717—FEDERAL DEPOSIT INSURANCE REFORM ACT OF 2002, REP. BACHUS (R) ALABAMA AND 63 COSPONSORS

The Administration supports those provisions of H.R. 3717 that would improve the deposit insurance system's operation and fairness. Specifically, the Administration supports provisions that would: (1) allow the insurance fund reserve ratio to vary within a range and eliminate triggers that could cause sharp changes in premiums; (2) merge the bank and thrift insurance fund; and (3) ensure that institutions appropriately compensate the FDIC for insured deposit growth while also taking into account the past contributions of many institutions to build fund reserves.

The Administration, however, strongly opposes those provisions of H.R. 3717 that would raise deposit insurance coverage limits. The interests of depositors will not be served by an increase in deposit insurance coverage limits. The average saver would derive no financial benefit from increased coverage limits. The small fraction of savers with substantial deposits may obtain as much coverage as desired at minimal inconvenience by placing deposits at multiple institutions. An increase in coverage limits would neither enhance competition among depository institutions in general nor make the nation's community banks more competitive in raising funds.

Increased coverage limits would also expose taxpayers to additional risk while providing no benefit to the overwhelming majority of Americans. Higher coverage limits would mean greater off-balance sheet contingent liabilities of the Government and weaker market discipline, exposing the insurance fund and taxpayers to increased risk of loss.

To avoid dilution of FDIC and NCUA reserves resulting from the higher coverage limits provided in H.R. 3717, banks, thrifts, and credit unions will need to pay at least $3.5 billion in higher insurance assessments according to CBO and OMB estimates. A substantial amount of the higher industry costs will occur in the first year.

The Administration notes the submission to Congress by the FDIC of recommendations for legislative or administration action is subject to the President's authority under the Recommendations Clause of the Constitution.

PAY-AS-YOU-GO-SCORING

Any law that would reduce receipts or increase direct spending is subject to the PAYGO requirements of the Balanced Budget and Emergency Deficit Control Act (BEA) and could cause a sequester of mandatory programs in any fiscal year through 2006. The requirement to score PAYGO costs expires on September 30, 2002, and there are no discretionary caps beyond 2002. The Administration will work with Congress to ensure fiscal discipline consistent with the President's budget and a quick return to a balanced budget. The Administration will also work with Congress to ensure that any unintended sequester of spending does not occur.

TESTIMONY OF CHAIRMAN ALAN GREENSPAN, DEPOSIT INSURANCE, BEFORE THE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS, U.S. SENATE, FEBRUARY 26, 2003

Chairman Shelby, Senator Sarbanes, and members of the Committee, it is a pleasure to appear once again before this Committee to present the views of the Board of Governors of the Federal Reserve System on deposit insurance. Rather than refer to any specific bill, I will express the broad views of the Federal Reserve Board on the issues associated with modifications of deposit insurance. Those views have not changed since our testimony before this Committee on April 23, 2002.

At the outset, I note that the 2001 report of the Federal Deposit Insurance Corporation (FDIC) on deposit insurance highlighted the significant issues and developed an integrated framework for addressing them. Although as before the Board opposes any increase in coverage, we continue to support the framework constructed by the FDIC report for addressing other reform issues.

BENEFITS AND COSTS OF DEPOSIT INSURANCE

Deposit insurance was adopted in this country as part of the legislative effort to limit the impact of the Great Depression on the public. Against the backdrop of a record number of bank failures, the Congress designed deposit insurance mainly to protect the modest savings of unsophisticated depositors with limited financial assets. With references being made to ''the rent money,'' the initial 1934 limit on deposit insurance was $2,500; the Congress promptly doubled the limit to $5,000 but then kept it at that level for the next sixteen years. I should note that the $5,000 of insurance provided in 1934, an amount consistent with the original intent of the Congress, is equal to slightly less than $60,000 today, based on the personal consumption expenditures deflator in the gross domestic product accounts.

Despite its initial quite limited intent, the Congress has raised the maximum amount of coverage five times since 1950, to its current level of $100,000. The last increase, in 1980, more than doubled the limit and was clearly designed to let depositories, particularly thrift institutions, offer an insured deposit free of the then-prevailing interest rate ceilings on such instruments, which applied only to deposits below $100,000. Insured deposits of exactly $100,000 thus became fully insured instruments in 1980 but were not subject to an interest rate ceiling. The efforts of thrift institutions to use $100,000 CDs to stem their liquidity outflows resulting from public withdrawals of smaller, below-market-rate insured deposits led first to an earnings squeeze and an associated loss of capital and then to a high-risk investment strategy that led to failure after failure. Depositors acquiring the new larger-denomination insured deposits were aware of the plight of the thrift institutions but unconcerned about the risk because the principal amounts of their $100,000 deposits were fully insured by the federal government. In this way, the 1980 increase in deposit insurance to $100,000 exacerbated the fundamental problem facing thrift institutions—a concentration on long-term assets in an environment of high and rising interest rates. Indeed, it significantly increased the taxpayer cost of the bailout of the bankrupt thrift institution deposit insurance fund.

Despite this problematic episode, deposit insurance has clearly played a key—at times even critical—role in achieving the stability in banking and financial markets that has characterized the nearly seventy years since its adoption. Deposit insurance, combined with other components of our banking safety net (the Federal Reserve's discount window and its payment system guarantees), has meant that periods of financial stress no longer entail widespread depositor runs on banks and thrift institutions. Quite the opposite: Asset holders now seek out deposits—both insured and uninsured—as safe havens when they have strong doubts about other financial assets.

Looking beyond the contribution of deposit insurance to overall financial stability, we should not minimize the importance of the security it has brought to millions of households and small businesses with relatively modest financial assets. Deposit insurance has given them a safe and secure place to hold their transaction and other balances.

The benefits of deposit insurance, as significant as they are, have not come without a cost. The very process that has ended deposit runs has made insured depositors largely indifferent to the risks taken by their depository institutions, just as it did with depositors in the 1980s with regard to insolvent, risky thrift institutions. The result has been a weakening of the market discipline that insured depositors would otherwise have imposed on institutions. Relieved of that discipline, depositories naturally feel less cautious about taking on more risk than they would otherwise assume. No other type of private financial institution is able to attract funds from the public without regard to the risks it takes with its creditors' resources. This incentive to take excessive risks at the expense of the insurer, and potentially the taxpayer, is the so-called moral hazard problem of deposit insurance.

Thus, two offsetting implications of deposit insurance must be kept in mind. On the one hand, it is clear that deposit insurance has contributed to the prevention of bank runs that could have destabilized the financial structure in the short run. On the other, even the current levels of deposit insurance may have already increased risk-taking at insured depository institutions to such an extent that future systemic risks have arguably risen.

Indeed, the reduced market discipline and increased moral hazard at depositories have intensified the need for government supervision to protect the interests of taxpayers and, in essence, substitute for the reduced market discipline. Deposit insurance and other components of the safety net also enable banks and thrift institutions to attract more resources, at lower costs, than would otherwise be the case. In short, insured institutions receive a subsidy in the form of a government guarantee that allows them both to attract deposits at lower interest rates than would be necessary without deposit insurance and to take more risk without the fear of losing their deposit funding. Put another way, deposit insurance misallocates resources by breaking the link between risks and rewards for a select set of market competitors.

In sum, from the very beginning, deposit insurance has involved a tradeoff. Deposit insurance contributes to overall short-term financial stability and the protection of small depositors. But at the same time, because it also subsidizes deposit growth and induces greater risk-taking, deposit insurance misallocates resources and creates larger long-term financial imbalances that increase the need for government supervision to protect the taxpayers' interests. Deposit insurance reforms must balance these tradeoffs. Moreover, any reforms should be aimed primarily at protecting the interest of the economy overall and not just the profits or market shares of particular businesses.

The Federal Reserve Board believes that deposit insurance reforms should be designed to preserve the benefits of heightened financial stability and the protection of small depositors without a further increase in moral hazard or reduction in market discipline. In addition, we urge that the implementing details be kept as straightforward as possible to minimize the risk of unintended consequences that comes with complexity.

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

Mr. BACHUS. Mr. Chairman, I yield myself such time as I may consume and simply close by doing two things. One is responding to the gentleman from California when he uses the analogy that if someone wants to deposit or wants over $100,000 in their account they can simply take part of that money out of one account and place it in another account or they can drive down the street.

Now, Americans today are a highly mobile society, and we know that Americans sell their homes and we know that in almost every case, when they do that, they deposit that money in their bank. They do not take that check and split it. They do not ask for two checks. We know that the average cost of a house is well in excess of $100,000 and we know that they deposit that money in a bank. And if that bank fails, they lose all but $100,000. We do not think that is right.

The authors of this amendment also do a strange thing. They say we are increasing the coverage and that is a bad thing; but then they increase the coverage for retirement accounts to $260,000 and municipal accounts to $2 million. So they basically argue against their own amendment.

Mr. Chairman, may I inquire into the amount of time remaining?

The CHAIRMAN. The gentleman from Alabama has 30 seconds remaining.

Mr. BACHUS. Mr. Chairman, I yield 30 seconds to the gentleman from Alabama (Mr. DAVIS).

Mr. DAVIS of Alabama. Mr. Chairman, let me thank my colleague from Alabama for yielding me this time and for his leadership and his work on this bill.

Mr. Chairman, let me say in 30 seconds, just this: This is an important bill from the perspective of small banks. We will not get sustained community development in America until we find ways to put more small community-based banks in rural America.

I happen to think, and those of who support this bill happen to think, that increasing these limits will provide an incentive for small banks to do more of the business that they need to do that will help the people who are living in rural America. A lot of people, if they know the limits have been increased, will feel much more comfortable putting their assets and putting their resources in small community banks.

The CHAIRMAN. All time has expired. The question is on the amendment offered by the gentleman from California (Mr. OSE).

The amendment was rejected.

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in the CONGRESSIONAL RECORD by the gentleman from California (Mr. ROHRABACHER).

There being no further amendments in order, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. ADERHOLT) having assumed the chair, Mr. LAHOOD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 522) to reform the Federal deposit insurance system, and for other purposes, pursuant to the previous order of the House of April 1, 2003, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the previous order of the House, the previous question is ordered.

The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

□ 1145

The SPEAKER pro tempore (Mr. ADERHOLT). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

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

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

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, this 15-minute vote on the passage of H.R. 522 will be followed by a 5-minute vote on ordering the previous question on H. Res. 168, as well as on any other electronic vote that may be ordered on adoption of H. Res. 168.

The vote was taken by electronic device, and there were—yeas 411, nays 11, not voting 12, as follows:

[Roll No. 98]

YEAS—411

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Ballance
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Becerra
Bell
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Carter
Case
Castle
Chabot
Chocola
Clay
Clyburn
Coble
Cole
Collins
Conyers
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emanuel
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Frank (MA)
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hill
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley (OR)
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Janklow
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum
McCotter
McCrery
McDermott
McGovern
McHugh
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Nethercutt
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sandlin
Saxton
Schakowsky
Schiff
Schrock
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Spratt
Stearns
Stenholm
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)

Upton
Van Hollen
Velazquez
Visclosky
Vitter
Walsh
Wamp
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Young (AK)
Young (FL)

NAYS—11

Boucher
Cooper
DeFazio
Flake
Ose
Paul
Rohrabacher
Royce
Sanders
Stark
Taylor (MS)

NOT VOTING—12

Combest
Davis (TN)
Doolittle
Gephardt
Hyde
Jones (NC)
Kolbe
McCarthy (MO)
McInnis
Souder
Walden (OR)
Wynn

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD) (during the vote). The Chair reminds Members that there are 2 minutes remaining to vote.

□ 1205

Mr. DEFAZIO and Mr. TAYLOR of Mississippi changed their 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.

PROVIDING FOR CONSIDERATION OF H.R. 743, SOCIAL SECURITY PROTECTION ACT OF 2003

The SPEAKER pro tempore. The pending business is the question on ordering the previous question on House Resolution 168 on which further proceedings were postponed earlier today.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question on which the yeas and nays are ordered.

This will be a 5-minute vote. Any electronic vote that might be ordered on the question of adopting the rule also would be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 245, nays 177, not voting 12, as follows:

[Roll No. 99]

YEAS—245

Ackerman
Aderholt
Akin
Alexander
Bachus
Baker
Ballance
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boucher
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carson (OK)
Carter
Case
Castle
Chabot
Chocola
Coble
Cole
Collins
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cummings
Cunningham
Davis (AL)
Davis, Jo Ann
Davis, Tom
Deal (GA)
Delahunt
DeLay
DeMint
Deutsch
Diaz-Balart, L.
Diaz-Balart, M.
Dooley (CA)
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoeffel
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Isakson
Issa
Istook
Janklow
Jefferson
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McKeon
McNulty
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Murtha
Musgrave
Myrick
Nethercutt
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Rangel
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Stearns
Stupak
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Young (AK)
Young (FL)

NAYS—177

Abercrombie
Allen
Andrews
Baca
Baird
Baldwin
Becerra
Bell
Berkley
Berman
Berry
Bishop (NY)
Boswell
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Clay
Clyburn
Conyers
Cooper
Costello
Crowley
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Hall
Harman
Hastings (FL)
Hill
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (VA)
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Price (NC)
Rahall
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velazquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Woolsey
Wynn

NOT VOTING—12

Combest
Davis (TN)
Doolittle
Gephardt
Hyde
Jones (NC)
Kolbe
McCarthy (MO)
McInnis
Paul
Souder
Walden (OR)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). The Chair reminds Members that there are 2 minutes remaining to vote.

□ 1213

Ms. KILPATRICK, Messrs. LANTOS, WYNN and MORAN of Virginia, Mrs. MALONEY, Mr. MCINTYRE and Mr. BELL changed their vote from ''yea'' to ''nay.''

So the previous question was ordered.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. KOLBE. Mr. Speaker, earlier today, I was unavoidably detained and missed votes on the following measures:

1. Final Passage of H.R. 522—Federal Deposit Insurance Reform Act of 2003 (No. 98). Had I been present, I would have voted ''yea.''

2. Previous Question on the Rule providing for consideration of H.R. 743—Social Security Protection Act of 2003 (No. 99). Had I been present, I would have voted ''yea.''

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

The resolution was agreed to.

A motion to reconsider was laid on the table.

□ 1215

SOCIAL SECURITY PROTECTION ACT OF 2003

Mr. SHAW. Mr. Speaker, pursuant to House Resolution 168, I call up the bill (H.R. 743) to amend the Social Security Act and the Internal Revenue Code of 1986 to provide additional safeguards for Social Security and Supplemental Security Income beneficiaries with representative payees, to enhance program protections, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. LINDER). Pursuant to House Resolution 168, the bill is considered read for amendment.

The text of H.R. 743 is as follows:

H.R. 743

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Social Security Protection Act of 2003''.

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title and table of contents.

TITLE I—PROTECTION OF BENEFICIARIES

Subtitle A—Representative Payees

Sec. 101. Authority to reissue benefits misused by organizational representative payees.
Sec. 102. Oversight of representative payees.
Sec. 103. Disqualification from service as representative payee of persons convicted of offenses resulting in imprisonment for more than 1 year or fleeing prosecution, custody, or confinement.
Sec. 104. Fee forfeiture in case of benefit misuse by representative payees.
Sec. 105. Liability of representative payees for misused benefits.
Sec. 106. Authority to redirect delivery of benefit payments when a representative payee fails to provide required accounting.

Subtitle B—Enforcement

Sec. 111. Civil monetary penalty authority with respect to wrongful conversions by representative payees.

TITLE II—PROGRAM PROTECTIONS

Sec. 201. Civil monetary penalty authority with respect to knowing withholding of material facts.
Sec. 202. Issuance by Commissioner of Social Security of receipts to acknowledge submission of reports of changes in work or earnings status of disabled beneficiaries.
Sec. 203. Denial of title II benefits to persons fleeing prosecution, custody, or confinement, and to persons violating probation or parole.
Sec. 204. Requirements relating to offers to provide for a fee a product or service available without charge from the Social Security Administration.
Sec. 205. Refusal to recognize certain individuals as claimant representatives.
Sec. 206. Penalty for corrupt or forcible interference with administration of Social Security Act.
Sec. 207. Use of symbols, emblems, or names in reference to social security or medicare.
Sec. 208. Disqualification from payment during trial work period upon conviction of fraudulent concealment of work activity.
Sec. 209. Authority for judicial orders of restitution.

TITLE III—ATTORNEY FEE PAYMENT SYSTEM IMPROVEMENTS

Sec. 301. Cap on attorney assessments.
Sec. 302. Extension of attorney fee payment system to title XVI claims.

TITLE IV—MISCELLANEOUS AND TECHNICAL AMENDMENTS

Subtitle A—Amendments Relating to the Ticket to Work and Work Incentives Improvement Act of 1999

Sec. 401. Application of demonstration authority sunset date to new projects.
Sec. 402. Expansion of waiver authority available in connection with demonstration projects providing for reductions in disability insurance benefits based on earnings.
Sec. 403. Funding of demonstration projects provided for reductions in disability insurance benefits based on earnings.
Sec. 404. Availability of Federal and State work incentive services to additional individuals.
Sec. 405. Technical amendment clarifying treatment for certain purposes of individual work plans under the Ticket to Work and Self-Sufficiency Program.

Subtitle B—Miscellaneous Amendments

Sec. 411. Elimination of transcript requirement in remand cases fully favorable to the claimant.
Sec. 412. Nonpayment of benefits upon removal from the United States.
Sec. 413. Reinstatement of certain reporting requirements.
Sec. 414. Clarification of definitions regarding certain survivor benefits.
Sec. 415. Clarification respecting the FICA and SECA tax exemptions for an individual whose earnings are subject to the laws of a totalization agreement partner.
Sec. 416. Coverage under divided retirement system for public employees in Kentucky.
Sec. 417. Compensation for the Social Security Advisory Board.
Sec. 418. 60-month period of employment requirement for application of government pension offset exemption.

Subtitle C—Technical Amendments

Sec. 421. Technical correction relating to responsible agency head.
Sec. 422. Technical correction relating to retirement benefits of ministers.
Sec. 423. Technical corrections relating to domestic employment.
Sec. 424. Technical corrections of outdated references.
Sec. 425. Technical correction respecting self-employment income in community property States.

TITLE I—PROTECTION OF BENEFICIARIES

Subtitle A—Representative Payees

SEC. 101. AUTHORITY TO REISSUE BENEFITS MISUSED BY ORGANIZATIONAL REPRESENTATIVE PAYEES.

(a) TITLE II AMENDMENTS.—

(1) REISSUANCE OF BENEFITS.—Section 205(j)(5) of the Social Security Act (42 U.S.C. 405(j)(5)) is amended by inserting after the first sentence the following new sentences: ''In any case in which a representative payee that—

''(A) is not an individual (regardless of whether it is a 'qualified organization' within the meaning of paragraph (4)(B)); or

''(B) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title VIII, title XVI, or any combination of such titles;

misuses all or part of an individual's benefit paid to such representative payee, the Commissioner of Social Security shall certify for payment to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of such benefit so misused. The provisions of this paragraph are subject to the limitations of paragraph (7)(B).''.

(2) MISUSE OF BENEFITS DEFINED.—Section 205(j) of such Act (42 U.S.C. 405(j)) is amended by adding at the end the following new paragraph:

''(8) For purposes of this subsection, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person and converts such payment, or any part thereof, to a use other than for the use and benefit of such other person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this paragraph.''.

(b) TITLE VIII AMENDMENTS.—

(1) REISSUANCE OF BENEFITS.—Section 807(i) of the Social Security Act (42 U.S.C. 1007(i)) is amended by inserting after the first sentence the following new sentences: ''In any case in which a representative payee that—

''(1) is not an individual; or

''(2) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title II, title XVI, or any combination of such titles;

misuses all or part of an individual's benefit paid to such representative payee, the Commissioner of Social Security shall pay to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of such benefit so misused. The provisions of this paragraph are subject to the limitations of subsection (l)(2).''.

(2) MISUSE OF BENEFITS DEFINED.—Section 807 of such Act (42 U.S.C. 1007) is amended by adding at the end the following new subsection:

''(j) MISUSE OF BENEFITS.—For purposes of this title, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person under this title and converts such payment, or any part thereof, to a use other than for the use and benefit of such person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this subsection.''.

(3) TECHNICAL AMENDMENT.—Section 807(a) of such Act (42 U.S.C. 1007(a)) is amended, in the first sentence, by striking ''for his or her benefit'' and inserting ''for his or her use and benefit''.

(c) TITLE XVI AMENDMENTS.—

(1) REISSUANCE OF BENEFITS.—Section 1631(a)(2)(E) of such Act (42 U.S.C. 1383(a)(2)(E)) is amended by inserting after the first sentence the following new sentences: ''In any case in which a representative payee that—

''(i) is not an individual (regardless of whether it is a 'qualified organization' within the meaning of subparagraph (D)(ii)); or

''(ii) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title II, title VIII, or any combination of such titles;

misuses all or part of an individual's benefit paid to the representative payee, the Commissioner of Social Security shall pay to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of the benefit so misused. The provisions of this subparagraph are subject to the limitations of subparagraph (H)(ii).''.

(2) EXCLUSION OF REISSUED BENEFITS FROM RESOURCES.—Section 1613(a) of such Act (42 U.S.C. 1382b(a)) is amended—

(A) in paragraph (12), by striking ''and'' at the end;

(B) in paragraph (13), by striking the period and inserting ''; and''; and

(C) by inserting after paragraph (13) the following new paragraph:

''(14) for the 9-month period beginning after the month in which received, any amount received by such individual (or spouse) or any other person whose income is deemed to be included in such individual's (or spouse's) income for purposes of this title as restitution for benefits under this title, title II, or title VIII that a representative

payee of such individual (or spouse) or such other person under section 205(j), 807, or 1631(a)(2) has misused.''.

(3) MISUSE OF BENEFITS DEFINED.—Section 1631(a)(2)(A) of such Act (42 U.S.C. 1383(a)(2)(A)) is amended by adding at the end the following new clause:

''(iv) For purposes of this paragraph, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person and converts such payment, or any part thereof, to a use other than for the use and benefit of such other person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this clause.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to any case of benefit misuse by a representative payee with respect to which the Commissioner makes the determination of misuse on or after January 1, 1995.

SEC. 102. OVERSIGHT OF REPRESENTATIVE PAYEES.

(a) CERTIFICATION OF BONDING AND LICENSING REQUIREMENTS FOR NONGOVERNMENTAL ORGANIZATIONAL REPRESENTATIVE PAYEES.—

(1) TITLE II AMENDMENTS.—Section 205(j) of the Social Security Act (42 U.S.C. 405(j)) is amended—

(A) in paragraph (2)(C)(v), by striking ''a community-based nonprofit social service agency licensed or bonded by the State'' in subclause (I) and inserting ''a certified community-based nonprofit social service agency (as defined in paragraph (9))'';

(B) in paragraph (3)(F), by striking ''community-based nonprofit social service agencies'' and inserting ''certified community-based nonprofit social service agencies (as defined in paragraph (9))'';

(C) in paragraph (4)(B), by striking ''any community-based nonprofit social service agency which is bonded or licensed in each State in which it serves as a representative payee'' and inserting ''any certified community-based nonprofit social service agency (as defined in paragraph (9))''; and

(D) by adding after paragraph (8) (as added by section 101(a)(2) of this Act) the following new paragraph:

''(9) For purposes of this subsection, the term 'certified community-based nonprofit social service agency' means a community-based nonprofit social service agency which is in compliance with requirements, under regulations which shall be prescribed by the Commissioner, for annual certification to the Commissioner that it is bonded in accordance with requirements specified by the Commissioner and that it is licensed in each State in which it serves as a representative payee (if licensing is available in such State) in accordance with requirements specified by the Commissioner. Any such annual certification shall include a copy of any independent audit on such agency which may have been performed since the previous certification.''.

(2) TITLE XVI AMENDMENTS.—Section 1631(a)(2) of such Act (42 U.S.C. 1383(a)(2)) is amended—

(A) in subparagraph (B)(vii), by striking ''a community-based nonprofit social service agency licensed or bonded by the State'' in subclause (I) and inserting ''a certified community-based nonprofit social service agency (as defined in subparagraph (I))'';

(B) in subparagraph (D)(ii)—

(i) by striking ''or any community-based'' and all that follows through ''in accordance'' in subclause (II) and inserting ''or any certified community-based nonprofit social service agency (as defined in subparagraph (I)), if the agency, in accordance'';

(ii) by redesignating items (aa) and (bb) as subclauses (I) and (II), respectively (and adjusting the margination accordingly); and

(iii) by striking ''subclause (II)(bb)'' and inserting ''subclause (II)''; and

(C) by adding at the end the following new subparagraph:

''(I) For purposes of this paragraph, the term 'certified community-based nonprofit social service agency' means a community-based nonprofit social service agency which is in compliance with requirements, under regulations which shall be prescribed by the Commissioner, for annual certification to the Commissioner that it is bonded in accordance with requirements specified by the Commissioner and that it is licensed in each State in which it serves as a representative payee (if licensing is available in the State) in accordance with requirements specified by the Commissioner. Any such annual certification shall include a copy of any independent audit on the agency which may have been performed since the previous certification.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the first day of the thirteenth month beginning after the date of the enactment of this Act.

(b) PERIODIC ONSITE REVIEW.—

(1) TITLE II AMENDMENT.—Section 205(j)(6) of such Act (42 U.S.C. 405(j)(6)) is amended to read as follows:

''(6)(A) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner shall provide for the periodic onsite review of any person or agency located in the United States that receives the benefits payable under this title (alone or in combination with benefits payable under title VIII or title XVI) to another individual pursuant to the appointment of such person or agency as a representative payee under this subsection, section 807, or section 1631(a)(2) in any case in which—

''(i) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals;

''(ii) the representative payee is a certified community-based nonprofit social service agency (as defined in paragraph (9) of this subsection or section 1631(a)(2)(I)); or

''(iii) the representative payee is an agency (other than an agency described in clause (ii)) that serves in that capacity with respect to 50 or more such individuals.

''(B) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to subparagraph (A) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in such reviews and any corrective action taken or planned to be taken to correct such problems, and shall include—

''(i) the number of such reviews;

''(ii) the results of such reviews;

''(iii) the number of cases in which the representative payee was changed and why;

''(iv) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

''(v) the number of cases discovered in which there was a misuse of funds;

''(vi) how any such cases of misuse of funds were dealt with by the Commissioner;

''(vii) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

''(viii) such other information as the Commissioner deems appropriate.''.

(2) TITLE VIII AMENDMENT.—Section 807 of such Act (as amended by section 101(b)(2) of this Act) is amended further by adding at the end the following new subsection:

''(k) PERIODIC ONSITE REVIEW.—(1) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner may provide for the periodic onsite review of any person or agency that receives the benefits payable under this title (alone or in combination with benefits payable under title II or title XVI) to another individual pursuant to the appointment of such person or agency as a representative payee under this section, section 205(j), or section 1631(a)(2) in any case in which—

''(A) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals; or

''(B) the representative payee is an agency that serves in that capacity with respect to 50 or more such individuals.

''(2) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to paragraph (1) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in such reviews and any corrective action taken or planned to be taken to correct such problems, and shall include—

''(A) the number of such reviews;

''(B) the results of such reviews;

''(C) the number of cases in which the representative payee was changed and why;

''(D) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

''(E) the number of cases discovered in which there was a misuse of funds;

''(F) how any such cases of misuse of funds were dealt with by the Commissioner;

''(G) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

''(H) such other information as the Commissioner deems appropriate.''.

(3) TITLE XVI AMENDMENT.—Section 1631(a)(2)(G) of such Act (42 U.S.C. 1383(a)(2)(G)) is amended to read as follows:

''(G)(i) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner shall provide for the periodic onsite review of any person or agency that receives the benefits payable under this title (alone or in combination with benefits payable under title II or title VIII) to another individual pursuant to the appointment of the person or agency as a representative payee under this paragraph, section 205(j), or section 807 in any case in which—

''(I) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals;

''(II) the representative payee is a certified community-based nonprofit social service agency (as defined in subparagraph (I) of this paragraph or section 205(j)(9)); or

''(III) the representative payee is an agency (other than an agency described in subclause (II)) that serves in that capacity with respect to 50 or more such individuals.

''(ii) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to clause (i) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in the reviews and any corrective action taken or planned to be taken to correct the problems, and shall include—

''(I) the number of the reviews;

''(II) the results of such reviews;

''(III) the number of cases in which the representative payee was changed and why;

''(IV) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

''(V) the number of cases discovered in which there was a misuse of funds;

''(VI) how any such cases of misuse of funds were dealt with by the Commissioner;

''(VII) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

''(VIII) such other information as the Commissioner deems appropriate.''.

SEC. 103. DISQUALIFICATION FROM SERVICE AS REPRESENTATIVE PAYEE OF PERSONS CONVICTED OF OFFENSES RESULTING IN IMPRISONMENT FOR MORE THAN 1 YEAR OR FLEEING PROSECUTION, CUSTODY, OR CONFINEMENT.

(a) TITLE II AMENDMENTS.—Section 205(j)(2) of the Social Security Act (42 U.S.C. 405(j)(2)) is amended—

(1) in subparagraph (B)(i)—

(A) by striking ''and'' at the end of subclause (III);

(B) by redesignating subclause (IV) as subclause (VI); and

(C) by inserting after subclause (III) the following new subclauses:

''(IV) obtain information concerning whether such person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year,

''(V) obtain information concerning whether such person is a person described in section 202(x)(1)(A)(iv), and''.

(2) in subparagraph (C)(i)(II), by striking ''subparagraph (B)(i)(IV),,'' and inserting ''subparagraph (B)(i)(VI)'' and striking ''section 1631(a)(2)(B)(ii)(IV)'' and inserting ''section 1631(a)(2)(B)(ii)(VI)''; and

(3) in subparagraph (C)(i)—

(A) by striking ''or'' at the end of subclause (II);

(B) by striking the period at the end of subclause (III) and inserting a comma; and

(C) by adding at the end the following new subclauses:

''(IV) such person has previously been convicted as described in subparagraph (B)(i)(IV), unless the Commissioner determines that such certification would be appropriate notwithstanding such conviction, or

''(V) such person is person described in section 202(x)(1)(A)(iv).''.

(b) TITLE VIII AMENDMENTS.—Section 807 of such Act (42 U.S.C. 1007) is amended—

(1) in subsection (b)(2)—

(A) by striking ''and'' at the end of subparagraph (C);

(B) by redesignating subparagraph (D) as subparagraph (F); and

(C) by inserting after subparagraph (C) the following new subparagraphs:

''(D) obtain information concerning whether such person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year;

''(E) obtain information concerning whether such person is a person described in section 804(a)(2); and''; and

(2) in subsection (d)(1)—

(A) by striking ''or'' at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting a semicolon; and

(C) by adding at the end the following new subparagraphs:

''(D) such person has previously been convicted as described in subsection (b)(2)(D), unless the Commissioner determines that such payment would be appropriate notwithstanding such conviction; or

''(E) such person is a person described in section 804(a)(2).''.

(c) TITLE XVI AMENDMENTS.—Section 1631(a)(2)(B) of such Act (42 U.S.C. 1383(a)(2)(B)) is amended—

(1) in clause (ii)—

(A) by striking ''and'' at the end of subclause (III);

(B) by redesignating subclause (IV) as subclause (VI); and

(C) by inserting after subclause (III) the following new subclauses:

''(IV) obtain information concerning whether the person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year;

''(V) obtain information concerning whether such person is a person described in section 1611(e)(4)(A); and'';

(2) in clause (iii)(II)—

(A) by striking ''clause (ii)(IV)'' and inserting ''clause (ii)(VI)''; and

(B) by striking ''section 205(j)(2)(B)(i)(IV)'' and inserting ''section 205(j)(2)(B)(i)(VI)''; and

(3) in clause (iii)—

(A) by striking ''or'' at the end of subclause (II);

(B) by striking the period at the end of subclause (III) and inserting a semicolon; and

(C) by adding at the end the following new subclauses:

''(IV) the person has previously been convicted as described in clause (ii)(IV) of this subparagraph, unless the Commissioner determines that the payment would be appropriate notwithstanding the conviction; or

''(V) such person is a person described in section 1611(e)(4)(A).''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the thirteenth month beginning after the date of the enactment of this Act.

(e) REPORT TO THE CONGRESS.—The Commissioner of Social Security, in consultation with the Inspector General of the Social Security Administration, shall prepare a report evaluating whether the existing procedures and reviews for the qualification (including disqualification) of representative payees are sufficient to enable the Commissioner to protect benefits from being misused by representative payees. The Commissioner shall submit the report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate no later than 270 days after the date of the enactment of this Act. The Commissioner shall include in such report any recommendations that the Commissioner considers appropriate.

SEC. 104. FEE FORFEITURE IN CASE OF BENEFIT MISUSE BY REPRESENTATIVE PAYEES.

(a) TITLE II AMENDMENTS.—Section 205(j)(4)(A)(i) of the Social Security Act (42 U.S.C. 405(j)(4)(A)(i)) is amended—

(1) in the first sentence, by striking ''A'' and inserting ''Except as provided in the next sentence, a''; and

(2) in the second sentence, by striking ''The Secretary'' and inserting the following: ''A qualified organization may not collect a fee from an individual for any month with respect to which the Commissioner of Social Security or a court of competent jurisdiction has determined that the organization misused all or part of the individual's benefit, and any amount so collected by the qualified organization for such month shall be treated as a misused part of the individual's benefit for purposes of paragraphs (5) and (6). The Commissioner''.

(b) TITLE XVI AMENDMENTS.—Section 1631(a)(2)(D)(i) of such Act (42 U.S.C. 1383(a)(2)(D)(i)) is amended—

(1) in the first sentence, by striking ''A'' and inserting ''Except as provided in the next sentence, a''; and

(2) in the second sentence, by striking ''The Commissioner'' and inserting the following: ''A qualified organization may not collect a fee from an individual for any month with respect to which the Commissioner of Social Security or a court of competent jurisdiction has determined that the organization misused all or part of the individual's benefit, and any amount so collected by the qualified organization for such month shall be treated as a misused part of the individual's benefit for purposes of subparagraphs (E) and (F). The Commissioner''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any month involving benefit misuse by a representative payee in any case with respect to which the Commissioner of Social Security or a court of competent jurisdiction makes the determination of misuse after 180 days after the date of the enactment of this Act.

SEC. 105. LIABILITY OF REPRESENTATIVE PAYEES FOR MISUSED BENEFITS.

(a) TITLE II AMENDMENTS.—Section 205(j) of the Social Security Act (42 U.S.C. 405(j)) (as amended by sections 101 and 102) is amended further—

(1) by redesignating paragraphs (7), (8), and (9) as paragraphs (8), (9), and (10), respectively;

(2) in paragraphs (2)(C)(v), (3)(F), and (4)(B), by striking ''paragraph (9)'' and inserting ''paragraph (10)'';

(3) in paragraph (6)(A)(ii), by striking ''paragraph (9)'' and inserting ''paragraph (10)''; and

(4) by inserting after paragraph (6) the following new paragraph:

''(7)(A) If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of an individual's benefit that was paid to such representative payee under this subsection, the representative payee shall be liable for the amount misused, and such amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of such overpayments. Subject to subparagraph (B), upon recovering all or any part of such amount, the Commissioner shall certify an amount equal to the recovered amount for payment to such individual or such individual's alternative representative payee.

''(B) The total of the amount certified for payment to such individual or such individual's alternative representative payee under

subparagraph (A) and the amount certified for payment under paragraph (5) may not exceed the total benefit amount misused by the representative payee with respect to such individual.''.

(b) TITLE VIII AMENDMENT.—Section 807 of such Act (as amended by section 102(b)(2)) is amended further by adding at the end the following new subsection:

''(l) LIABILITY FOR MISUSED AMOUNTS.—

''(1) IN GENERAL.—If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of a qualified individual's benefit that was paid to such representative payee under this section, the representative payee shall be liable for the amount misused, and such amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of such overpayments. Subject to paragraph (2), upon recovering all or any part of such amount, the Commissioner shall make payment of an amount equal to the recovered amount to such qualified individual or such qualified individual's alternative representative payee.

''(2) LIMITATION.—The total of the amount paid to such individual or such individual's alternative representative payee under paragraph (1) and the amount paid under subsection (i) may not exceed the total benefit amount misused by the representative payee with respect to such individual.''.

(c) TITLE XVI AMENDMENTS.—Section 1631(a)(2) of such Act (42 U.S.C. 1383(a)(2)) (as amended by section 102(b)(3)) is amended further—

(1) in subparagraph (G)(i)(II), by striking ''section 205(j)(9)'' and inserting ''section 205(j)(10)''; and

(2) by striking subparagraph (H) and inserting the following:

''(H)(i) If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of an individual's benefit that was paid to the representative payee under this paragraph, the representative payee shall be liable for the amount misused, and the amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of the overpayments. Subject to clause (ii), upon recovering all or any part of the amount, the Commissioner shall make payment of an amount equal to the recovered amount to such individual or such individual's alternative representative payee.

''(ii) The total of the amount paid to such individual or such individual's alternative representative payee under clause (i) and the amount paid under subparagraph (E) may not exceed the total benefit amount misused by the representative payee with respect to such individual.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to benefit misuse by a representative payee in any case with respect to which the Commissioner of Social Security or a court of competent jurisdiction makes the determination of misuse after 180 days after the date of the enactment of this Act.

SEC. 106. AUTHORITY TO REDIRECT DELIVERY OF BENEFIT PAYMENTS WHEN A REPRESENTATIVE PAYEE FAILS TO PROVIDE REQUIRED ACCOUNTING.

(a) TITLE II AMENDMENTS.—Section 205(j)(3) of the Social Security Act (42 U.S.C. 405(j)(3)) (as amended by sections 102(a)(1)(B) and 105(a)(2)) is amended—

(1) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(2) by inserting after subparagraph (D) the following new subparagraph:

''(E) In any case in which the person described in subparagraph (A) or (D) receiving payments on behalf of another fails to submit a report required by the Commissioner of Social Security under subparagraph (A) or (D), the Commissioner may, after furnishing notice to such person and the individual entitled to such payment, require that such person appear in person at a field office of the Social Security Administration serving the area in which the individual resides in order to receive such payments.''.

(b) TITLE VIII AMENDMENTS.—Section 807(h) of such Act (42 U.S.C. 1007(h)) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(2) by inserting after paragraph (2) the following new paragraph:

''(3) AUTHORITY TO REDIRECT DELIVERY OF BENEFIT PAYMENTS WHEN A REPRESENTATIVE PAYEE FAILS TO PROVIDE REQUIRED ACCOUNTING.—In any case in which the person described in paragraph (1) or (2) receiving benefit payments on behalf of a qualified individual fails to submit a report required by the Commissioner of Social Security under paragraph (1) or (2), the Commissioner may, after furnishing notice to such person and the qualified individual, require that such person appear in person at a United States Government facility designated by the Social Security Administration as serving the area in which the qualified individual resides in order to receive such benefit payments.''.

(c) TITLE XVI AMENDMENT.—Section 1631(a)(2)(C) of such Act (42 U.S.C. 1383(a)(2)(C)) is amended by adding at the end the following new clause:

''(v) In any case in which the person described in clause (i) or (iv) receiving payments on behalf of another fails to submit a report required by the Commissioner of Social Security under clause (i) or (iv), the Commissioner may, after furnishing notice to the person and the individual entitled to the payment, require that such person appear in person at a field office of the Social Security Administration serving the area in which the individual resides in order to receive such payments.''.

(d) EFFECTIVE DATE.—The amendment made by this section shall take effect 180 days after the date of the enactment of this Act.

Subtitle B—Enforcement

SEC. 111. CIVIL MONETARY PENALTY AUTHORITY WITH RESPECT TO WRONGFUL CONVERSIONS BY REPRESENTATIVE PAYEES.

(a) IN GENERAL.—Section 1129(a) of the Social Security Act (42 U.S.C. 1320a–8) is amended by adding at the end the following new paragraph:

''(3) Any person (including an organization, agency, or other entity) who, having received, while acting in the capacity of a representative payee pursuant to section 205(j), 807, or 1631(a)(2), a payment under title II, VIII, or XVI for the use and benefit of another individual, converts such payment, or any part thereof, to a use that such person knows or should know is other than for the use and benefit of such other individual shall be subject to, in addition to any other penalties that may be prescribed by law, a civil money penalty of not more than $5,000 for each such conversion. Such person shall also be subject to an assessment, in lieu of damages sustained by the United States resulting from the conversion, of not more than twice the amount of any payments so converted.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to violations committed after the date of the enactment of this Act.

TITLE II—PROGRAM PROTECTIONS

SEC. 201. CIVIL MONETARY PENALTY AUTHORITY WITH RESPECT TO KNOWING WITHHOLDING OF MATERIAL FACTS.

(a) TREATMENT OF WITHHOLDING OF MATERIAL FACTS.—

(1) CIVIL PENALTIES.—Section 1129(a)(1) of the Social Security Act (42 U.S.C. 1320a–8(a)(1)) is amended—

(A) by striking ''who'' in the first sentence and inserting ''who—'';

(B) by striking ''makes'' in the first sentence and all that follows through ''shall be subject to'' and inserting the following:

''(A) makes, or causes to be made, a statement or representation of a material fact, for use in determining any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title VIII or XVI, that the person knows or should know is false or misleading,

''(B) makes such a statement or representation for such use with knowing disregard for the truth, or

''(C) omits from a statement or representation for such use, or otherwise withholds disclosure of, a fact which the person knows or should know is material to the determination of any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title VIII or XVI, if the person knows, or should know, that the statement or representation with such omission is false or misleading or that the withholding of such disclosure is misleading,

shall be subject to'';

(C) by inserting ''or each receipt of such benefits or payments while withholding disclosure of such fact'' after ''each such statement or representation'' in the first sentence;

(D) by inserting ''or because of such withholding of disclosure of a material fact'' after ''because of such statement or representation'' in the second sentence; and

(E) by inserting ''or such a withholding of disclosure'' after ''such a statement or representation'' in the second sentence.

(2) ADMINISTRATIVE PROCEDURE FOR IMPOSING PENALTIES.—Section 1129A(a) of such Act (42 U.S.C. 1320a–8a(a)) is amended—

(A) by striking ''who'' the first place it appears and inserting ''who—''; and

(B) by striking ''makes'' and all that follows through ''shall be subject to,'' and inserting the following:

''(1) makes, or causes to be made, a statement or representation of a material fact, for use in determining any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title XVI that the person knows or should know is false or misleading,

''(2) makes such a statement or representation for such use with knowing disregard for the truth, or

''(3) omits from a statement or representation for such use, or otherwise withholds disclosure of, a fact which the person knows or should know is material to the determination of any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title XVI, if the person knows, or should know, that the statement or representation with such omission is false or misleading or that the withholding of such disclosure is misleading,

shall be subject to,''.

(b) CLARIFICATION OF TREATMENT OF RECOVERED AMOUNTS.—Section 1129(e)(2)(B) of such Act (42 U.S.C. 1320a–8(e)(2)(B)) is amended by striking ''In the case of amounts recovered arising out of a determination relating to title VIII or XVI,'' and inserting ''In the case of any other amounts recovered under this section,''.

(c) CONFORMING AMENDMENTS.—

(1) Section 1129(b)(3)(A) of such Act (42 U.S.C. 1320a–8(b)(3)(A)) is amended by striking ''charging fraud or false statements''.

(2) Section 1129(c)(1) of such Act (42 U.S.C. 1320a–8(c)(1)) is amended by striking ''and representations'' and inserting '', representations, or actions''.

(3) Section 1129(e)(1)(A) of such Act (42 U.S.C. 1320a–8(e)(1)(A)) is amended by striking ''statement or representation referred to in subsection (a) was made'' and inserting ''violation occurred''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations committed after the date on which the Commissioner implements the centralized computer file described in section 202.

SEC. 202. ISSUANCE BY COMMISSIONER OF SOCIAL SECURITY OF RECEIPTS TO ACKNOWLEDGE SUBMISSION OF REPORTS OF CHANGES IN WORK OR EARNINGS STATUS OF DISABLED BENEFICIARIES.

Effective as soon as possible, but not later than 1 year after the date of the enactment of this Act, until such time as the Commissioner of Social Security implements a centralized computer file recording the date of the submission of information by a disabled beneficiary (or representative) regarding a change in the beneficiary's work or earnings status, the Commissioner shall issue a receipt to the disabled beneficiary (or representative) each time he or she submits documentation, or otherwise reports to the Commissioner, on a change in such status.

SEC. 203. DENIAL OF TITLE II BENEFITS TO PERSONS FLEEING PROSECUTION, CUSTODY, OR CONFINEMENT, AND TO PERSONS VIOLATING PROBATION OR PAROLE.

(a) IN GENERAL.—Section 202(x) of the Social Security Act (42 U.S.C. 402(x)) is amended—

(1) in the heading, by striking ''Prisoners'' and all that follows and inserting the following: ''Prisoners, Certain Other Inmates of Publicly Funded Institutions, and Fugitives'';

(2) in paragraph (1)(A)(ii)(IV), by striking ''or'' at the end;

(3) in paragraph (1)(A)(iii), by striking the period at the end and inserting a comma;

(4) by inserting after paragraph (1)(A)(iii) the following:

''(iv) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State, or

''(v) is violating a condition of probation or parole imposed under Federal or State law.

In the case of an individual from whom such monthly benefits have been withheld pursuant to clause (iv), the Commissioner may, for good cause shown, pay such withheld benefits to the individual.''; and

(5) in paragraph (3), by adding at the end the following new subparagraph:

''(C) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, Social Security number, and photograph (if applicable) of any beneficiary under this title, if the officer furnishes the Commissioner with the name of the beneficiary, and other identifying information as reasonably required by the Commissioner to establish the unique identity of the beneficiary, and notifies the Commissioner that—

''(i) the beneficiary—

''(I) is described in clause (iv) or (v) of paragraph (1)(A); and

''(II) has information that is necessary for the officer to conduct the officer's official duties; and

''(ii) the location or apprehension of the beneficiary is within the officer's official duties.''.

(b) REGULATIONS.—Not later than the first day of the first month that begins on or after the date that is 9 months after the date of the enactment of this Act, the Commissioner of Social Security shall promulgate regulations governing payment by the Commissioner, for good cause shown, of withheld benefits, pursuant to the last sentence of section 202(x)(1)(A) of the Social Security Act (as amended by subsection (a)).

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the first day of the first month that begins on or after the date that is 9 months after the date of the enactment of this Act.

SEC. 204. REQUIREMENTS RELATING TO OFFERS TO PROVIDE FOR A FEE A PRODUCT OR SERVICE AVAILABLE WITHOUT CHARGE FROM THE SOCIAL SECURITY ADMINISTRATION.

(a) IN GENERAL.—Section 1140 of the Social Security Act (42 U.S.C. 1320b–10) is amended—

(1) in subsection (a), by adding at the end the following new paragraph:

''(4)(A) No person shall offer, for a fee, to assist an individual to obtain a product or service that the person knows or should know is provided free of charge by the Social Security Administration unless, at the time the offer is made, the person provides to the individual to whom the offer is tendered a notice that—

''(i) explains that the product or service is available free of charge from the Social Security Administration, and

''(ii) complies with standards prescribed by the Commissioner of Social Security respecting the content of such notice and its placement, visibility, and legibility.

''(B) Subparagraph (A) shall not apply to any offer—

''(i) to serve as a claimant representative in connection with a claim arising under title II, title VIII, or title XVI; or

''(ii) to prepare, or assist in the preparation of, an individual's plan for achieving self-support under title XVI.''; and

(2) in the heading, by striking ''PROHIBITION OF MISUSE OF SYMBOLS, EMBLEMS, OR NAMES IN REFERENCE'' and inserting ''PROHIBITIONS RELATING TO REFERENCES''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to offers of assistance made after the sixth month ending after the Commissioner of Social Security promulgates final regulations prescribing the standards applicable to the notice required to be provided in connection with such offer. The Commissioner shall promulgate such final regulations within 1 year after the date of the enactment of this Act.

SEC. 205. REFUSAL TO RECOGNIZE CERTAIN INDIVIDUALS AS CLAIMANT REPRESENTATIVES.

Section 206(a)(1) of the Social Security Act (42 U.S.C. 406(a)(1)) is amended by inserting after the second sentence the following: ''Notwithstanding the preceding sentences, the Commissioner, after due notice and opportunity for hearing, (A) may refuse to recognize as a representative, and may disqualify a representative already recognized, any attorney who has been disbarred or suspended from any court or bar to which he or she was previously admitted to practice or who has been disqualified from participating in or appearing before any Federal program or agency, and (B) may refuse to recognize, and may disqualify, as a non-attorney representative any attorney who has been disbarred or suspended from any court or bar to which he or she was previously admitted to practice. A representative who has been disqualified or suspended pursuant to this section from appearing before the Social Security Administration as a result of collecting or receiving a fee in excess of the amount authorized shall be barred from appearing before the Social Security Administration as a representative until full restitution is made to the claimant and, thereafter, may be considered for reinstatement only under such rules as the Commissioner may prescribe.''.

SEC. 206. PENALTY FOR CORRUPT OR FORCIBLE INTERFERENCE WITH ADMINISTRATION OF SOCIAL SECURITY ACT.

Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.) is amended by inserting after section 1129A the following new section:

''ATTEMPTS TO INTERFERE WITH ADMINISTRATION OF SOCIAL SECURITY ACT

''SEC. 1129B. Whoever corruptly or by force or threats of force (including any threatening letter or communication) attempts to intimidate or impede any officer, employee, or contractor of the Social Security Administration (including any State employee of a disability determination service or any other individual designated by the Commissioner of Social Security) acting in an official capacity to carry out a duty under this Act, or in any other way corruptly or by force or threats of force (including any threatening letter or communication) obstructs or impedes, or attempts to obstruct or impede, the due administration of this Act, shall be fined not more than $5,000, imprisoned not more than 3 years, or both, except that if the offense is committed only by threats of force, the person shall be fined not more than $3,000, imprisoned not more than 1 year, or both. In this subsection, the term 'threats of force' means threats of harm to the officer or employee of the United States or to a contractor of the Social Security Administration, or to a member of the family of such an officer or employee or contractor.''.

SEC. 207. USE OF SYMBOLS, EMBLEMS, OR NAMES IN REFERENCE TO SOCIAL SECURITY OR MEDICARE.

(a) IN GENERAL.—Section 1140(a)(1) of the Social Security Act (42 U.S.C. 1320b–10(a)(1)) is amended—

(1) in subparagraph (A), by inserting '' 'Centers for Medicare & Medicaid Services','' after '' 'Health Care Financing Administration','', by striking ''or 'Medicaid', '' and inserting '' 'Medicaid', 'Death Benefits Update', 'Federal Benefit Information', 'Funeral Expenses', or 'Final Supplemental Plan','' and by inserting '' 'CMS','' after '' 'HCFA','';

(2) in subparagraph (B), by inserting ''Centers for Medicare & Medicaid Services,'' after ''Health Care Financing Administration,'' each place it appears; and

(3) in the matter following subparagraph (B), by striking ''the Health Care Financing Administration,'' each place it appears and inserting ''the Centers for Medicare & Medicaid Services,''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to items

sent after 180 days after the date of the enactment of this Act.

SEC. 208. DISQUALIFICATION FROM PAYMENT DURING TRIAL WORK PERIOD UPON CONVICTION OF FRAUDULENT CONCEALMENT OF WORK ACTIVITY.

(a) IN GENERAL.—Section 222(c) of the Social Security Act (42 U.S.C. 422(c)) is amended by adding at the end the following new paragraph:

''(5) Upon conviction by a Federal court that an individual has fraudulently concealed work activity during a period of trial work from the Commissioner of Social Security by—

''(A) providing false information to the Commissioner of Social Security as to whether the individual had earnings in or for a particular period, or as to the amount thereof;

''(B) receiving disability insurance benefits under this title while engaging in work activity under another identity, including under another social security account number or a number purporting to be a social security account number; or

''(C) taking other actions to conceal work activity with an intent fraudulently to secure payment in a greater amount than is due or when no payment is authorized,

no benefit shall be payable to such individual under this title with respect to a period of disability for any month before such conviction during which the individual rendered services during the period of trial work with respect to which the fraudulently concealed work activity occurred, and amounts otherwise due under this title as restitution, penalties, assessments, fines, or other repayments shall in all cases be in addition to any amounts for which such individual is liable as overpayments by reason of such concealment.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to work activity performed after the date of the enactment of this Act.

SEC. 209. AUTHORITY FOR JUDICIAL ORDERS OF RESTITUTION.

(a) AMENDMENTS TO TITLE II.—Section 208 of the Social Security Act (42 U.S.C. 408) is amended—

(1) by redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively; and

(2) by inserting after subsection (a) the following new subsection:

''(b)(1) Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Social Security Administration.

''(2) Sections 3612, 3663, and 3664 of title 18, United States Code, shall apply with respect to the issuance and enforcement of orders of restitution under this subsection. In so applying such sections, the Social Security Administration shall be considered the victim.

''(3) If the court does not order restitution, or orders only partial restitution, under this subsection, the court shall state on the record the reasons therefor.''.

(b) AMENDMENTS TO TITLE VIII.—Section 807(i) of such Act (42 U.S.C. 1007(i)) is amended—

(1) by striking ''(i) RESTITUTION.—In any case where'' and inserting the following:

''(i) RESTITUTION.—

''(1) IN GENERAL.—In any case where''; and

(2) by adding at the end the following new paragraph:

''(2) COURT ORDER FOR RESTITUTION.—

''(A) IN GENERAL.—Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Social Security Administration.

''(B) RELATED PROVISIONS.—Sections 3612, 3663, and 3664 of title 18, United States Code, shall apply with respect to the issuance and enforcement of orders of restitution under this paragraph. In so applying such sections, the Social Security Administration shall be considered the victim.

''(C) STATED REASONS FOR NOT ORDERING RESTITUTION.—If the court does not order restitution, or orders only partial restitution, under this paragraph, the court shall state on the record the reasons therefor.''.

(c) AMENDMENTS TO TITLE XVI.—Section 1632 of such Act (42 U.S.C. 1383a) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

''(b)(1) Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Social Security Administration.

''(2) Sections 3612, 3663, and 3664 of title 18, United States Code, shall apply with respect to the issuance and enforcement of orders of restitution under this subsection. In so applying such sections, the Social Security Administration shall be considered the victim.

''(3) If the court does not order restitution, or orders only partial restitution, under this subsection, the court shall state on the record the reasons therefor.''.

(d) SPECIAL ACCOUNT FOR RECEIPT OF RESTITUTION PAYMENTS.—Section 704(b) of such Act (42 U.S.C. 904(b)) is amended by adding at the end the following new paragraph:

''(3)(A) Except as provided in subparagraph (B), amounts received by the Social Security Administration pursuant to an order of restitution under section 208(b), 807(i), or 1632(b) shall be credited to a special fund established in the Treasury of the United States for amounts so received or recovered. The amounts so credited, to the extent and in the amounts provided in advance in appropriations Acts, shall be available to defray expenses incurred in carrying out titles II, VIII, and XVI.

''(B) Subparagraph (A) shall not apply with respect to amounts received in connection with misuse by a representative payee (within the meaning of sections 205(j), 807, and 1631(a)(2)) of funds paid as benefits under title II, VIII, or XVI. Such amounts received in connection with misuse of funds paid as benefits under title II shall be transferred to the Managing Trustee of the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, as determined appropriate by the Commissioner of Social Security, and such amounts shall be deposited by the Managing Trustee into such Trust Fund. All other such amounts shall be deposited by the Commissioner into the general fund of the Treasury as miscellaneous receipts.''.

(e) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply with respect to violations occurring on or after the date of the enactment of this Act.

TITLE III—ATTORNEY FEE PAYMENT SYSTEM IMPROVEMENTS

SEC. 301. CAP ON ATTORNEY ASSESSMENTS.

(a) IN GENERAL.—Section 206(d)(2)(A) of the Social Security Act (42 U.S.C. 406(d)(2)(A)) is amended—

(1) by inserting '', except that the maximum amount of the assessment may not exceed the greater of $75 or the adjusted amount as provided pursuant to the following two sentences'' after ''subparagraph (B)''; and

(2) by adding at the end the following new sentence: ''In the case of any calendar year beginning after the date of the enactment of the Social Security Program Protection Act of 2003, the dollar amount specified in the preceding sentence (including a previously adjusted amount) shall be adjusted annually under the procedures used to adjust benefit amounts under section 215(i)(2)(A)(ii), except such adjustment shall be based on the higher of $75 or the previously adjusted amount that would have been in effect for December of the preceding year, but for the rounding of such amount pursuant to the following sentence. Any amount so adjusted that is not a multiple of $10 shall be rounded to the next lowest multiple of $10, but in no case less than $75.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to fees for representation of claimants which are first required to be certified or paid under section 206 of the Social Security Act on or after the first day of the first month that begins after 180 days after the date of the enactment of this Act.

SEC. 302. EXTENSION OF ATTORNEY FEE PAYMENT SYSTEM TO TITLE XVI CLAIMS.

(a) IN GENERAL.—Section 1631(d)(2) of the Social Security Act (42 U.S.C. 1383(d)(2)) is amended—

(1) in subparagraph (A), in the matter preceding clause (i)—

(A) by striking ''section 206(a)'' and inserting ''section 206'';

(B) by striking ''(other than paragraph (4) thereof)'' and inserting ''(other than subsections (a)(4) and (d) thereof)''; and

(C) by striking ''paragraph (2) thereof'' and inserting ''such section'';

(2) in subparagraph (A)(i), by striking ''in subparagraphs (A)(ii)(I) and (C)(i),'' and inserting ''in subparagraphs (A)(ii)(I) and (D)(i) of subsection (a)(2)'', and by striking ''and'' at the end;

(3) by striking subparagraph (A)(ii) and inserting the following:

''(ii) by substituting, in subsections (a)(2)(B) and (b)(1)(B)(i), the phrase 'section 1631(a)(7)(A) or the requirements of due process of law' for the phrase 'subsection (g) or (h) of section 223';

''(iii) by substituting, in subsection (a)(2)(C)(i), the phrase 'under title II' for the phrase 'under title XVI';

''(iv) by substituting, in subsection (b)(1)(A), the phrase 'pay the amount of such fee' for the phrase 'certify the amount of such fee for payment' and by striking, in subsection (b)(1)(A), the phrase 'or certified for payment'; and

''(v) by substituting, in subsection (b)(1)(B)(ii), the phrase 'deemed to be such amounts as determined before any applicable reduction under section 1631(g), and reduced by the amount of any reduction in benefits under this title or title II made pursuant to section 1127(a)' for the phrase 'determined before any applicable reduction under section 1127(a))'.''; and

(4) by striking subparagraph (B) and inserting the following new subparagraphs:

''(B) Subject to subparagraph (C), if the claimant is determined to be entitled to past-due benefits under this title and the person representing the claimant is an attorney, the Commissioner of Social Security shall pay out of such past-due benefits to such attorney an amount equal to the lesser of—

''(i) so much of the maximum fee as does not exceed 25 percent of such past-due benefits (as determined before any applicable reduction under section 1631(g) and reduced by the amount of any reduction in benefits under this title or title II pursuant to section 1127(a)), or

''(ii) the amount of past-due benefits available after any applicable reductions under sections 1631(g) and 1127(a).

''(C)(i) Whenever a fee for services is required to be paid to an attorney from a claimant's past-due benefits pursuant to subparagraph (B), the Commissioner shall impose on the attorney an assessment calculated in accordance with clause (ii).

''(ii)(I) The amount of an assessment under clause (i) shall be equal to the product obtained by multiplying the amount of the representative's fee that would be required to be paid by subparagraph (B) before the application of this subparagraph, by the percentage specified in subclause (II), except that the maximum amount of the assessment may not exceed $75. In the case of any calendar year beginning after the date of the enactment of the Social Security Program Protection Act of 2003, the dollar amount specified in the preceding sentence (including a previously adjusted amount) shall be adjusted annually under the procedures used to adjust benefit amounts under section 215(i)(2)(A)(ii), except such adjustment shall be based on the higher of $75 or the previously adjusted amount that would have been in effect for December of the preceding year, but for the rounding of such amount pursuant to the following sentence. Any amount so adjusted that is not a multiple of $10 shall be rounded to the next lowest multiple of $10, but in no case less than $75.

''(II) The percentage specified in this subclause is such percentage rate as the Commissioner determines is necessary in order to achieve full recovery of the costs of determining and approving fees to attorneys from the past-due benefits of claimants, but not in excess of 6.3 percent.

''(iii) The Commissioner may collect the assessment imposed on an attorney under clause (i) by offset from the amount of the fee otherwise required by subparagraph (B) to be paid to the attorney from a claimant's past-due benefits.

''(iv) An attorney subject to an assessment under clause (i) may not, directly or indirectly, request or otherwise obtain reimbursement for such assessment from the claimant whose claim gave rise to the assessment.

''(v) Assessments on attorneys collected under this subparagraph shall be deposited in the Treasury in a separate fund created for this purpose.

''(vi) The assessments authorized under this subparagraph shall be collected and available for obligation only to the extent and in the amount provided in advance in appropriations Acts. Amounts so appropriated are authorized to remain available until expended, for administrative expenses in carrying out this title and related laws.''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to fees for representation of claimants which are first required to be certified or paid under section 1631(d)(2) of the Social Security Act on or after the first day of the first month that begins after 270 days after the date of the enactment of this Act.

(2) SUNSET.—Such amendments shall not apply with respect to fees for representation of claimants in the case of any claim for benefits with respect to which the agreement for representation is entered into after 3 years after the date of the enactment of this Act.

(c) STUDY REGARDING FEE-WITHHOLDING FOR NON-ATTORNEY REPRESENTATIVES.—

(1) STUDY.—As soon as practicable after the date of the enactment of this Act, the Comptroller General of the United States shall undertake a study regarding fee-withholding for non-attorney representatives representing claimants before the Social Security Administration.

(2) MATTERS TO BE STUDIED.—In conducting the study under this subsection, the Comptroller General shall—

(A) compare the non-attorney representatives who seek fee approval for representing claimants before the Social Security Administration to attorney representatives who seek such fee approval, with regard to—

(i) their training, qualifications, and competency,

(ii) the type and quality of services provided, and

(iii) the extent to which claimants are protected through oversight of such representatives by the Social Security Administration or other organizations, and

(B) consider the potential results of extending to non-attorney representatives the fee withholding procedures that apply under titles II and XVI of the Social Security Act for the payment of attorney fees, including the effect on claimants and program administration.

(3) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report detailing the results of the Comptroller General's study conducted pursuant to this subsection.

TITLE IV—MISCELLANEOUS AND TECHNICAL AMENDMENTS

Subtitle A—Amendments Relating to the Ticket to Work and Work Incentives Improvement Act of 1999

SEC. 401. APPLICATION OF DEMONSTRATION AUTHORITY SUNSET DATE TO NEW PROJECTS.

Section 234 of the Social Security Act (42 U.S.C. 434) is amended—

(1) in the first sentence of subsection (c), by striking ''conducted under subsection (a)'' and inserting ''initiated under subsection (a) on or before December 17, 2004''; and

(2) in subsection (d)(2), by amending the first sentence to read as follows: ''The authority to initiate projects under the preceding provisions of this section shall terminate on December 18, 2004.''.

SEC. 402. EXPANSION OF WAIVER AUTHORITY AVAILABLE IN CONNECTION WITH DEMONSTRATION PROJECTS PROVIDING FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS.

Section 302(c) of the Ticket to Work and Work Incentives Improvement Act of 1999 (42 U.S.C. 434 note) is amended by striking ''(42 U.S.C. 401 et seq.),'' and inserting ''(42 U.S.C. 401 et seq.) and the requirements of section 1148 of such Act (42 U.S.C. 1320b–19) as they relate to the program established under title II of such Act,''.

SEC. 403. FUNDING OF DEMONSTRATION PROJECTS PROVIDED FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS.

Section 302(f) of the Ticket to Work and Work Incentives Improvement Act of 1999 (42 U.S.C. 434 note) is amended to read as follows:

''(f) EXPENDITURES.—Administrative expenses for demonstration projects under this section shall be paid from funds available for the administration of title II or XVIII of the Social Security Act, as appropriate. Benefits payable to or on behalf of individuals by reason of participation in projects under this section shall be made from the Federal Disability Insurance Trust Fund and the Federal Old-Age and Survivors Insurance Trust Fund, as determined appropriate by the Commissioner of Social Security, and from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, as determined appropriate by the Secretary of Health and Human Services, from funds available for benefits under such title II or XVIII.''.

SEC. 404. AVAILABILITY OF FEDERAL AND STATE WORK INCENTIVE SERVICES TO ADDITIONAL INDIVIDUALS.

(a) FEDERAL WORK INCENTIVES OUTREACH PROGRAM.—

(1) IN GENERAL.—Section 1149(c)(2) of the Social Security Act (42 U.S.C. 1320b–20(c)(2)) is amended to read as follows:

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' means an individual—

''(A) who is a disabled beneficiary as defined in section 1148(k)(2) of this Act;

''(B) who is receiving a cash payment described in section 1616(a) of this Act or a supplementary payment described in section 212(a)(3) of Public Law 93–66 (without regard to whether such payment is paid by the Commissioner pursuant to an agreement under section 1616(a) of this Act or under section 212(b) of Public Law 93–66);

''(C) who, pursuant to section 1619(b) of this Act, is considered to be receiving benefits under title XVI of this Act; or

''(D) who is entitled to benefits under part A of title XVIII of this Act by reason of the penultimate sentence of section 226(b) of this Act.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply with respect to grants, cooperative agreements, or contracts entered into on or after the date of the enactment of this Act.

(b) STATE GRANTS FOR WORK INCENTIVES ASSISTANCE.—

(1) DEFINITION OF DISABLED BENEFICIARY.—Section 1150(g)(2) of such Act (42 U.S.C. 1320b–21(g)(2)) is amended to read as follows:

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' means an individual—

''(A) who is a disabled beneficiary as defined in section 1148(k)(2) of this Act;

''(B) who is receiving a cash payment described in section 1616(a) of this Act or a supplementary payment described in section 212(a)(3) of Public Law 93–66 (without regard to whether such payment is paid by the Commissioner pursuant to an agreement under section 1616(a) of this Act or under section 212(b) of Public Law 93–66);

''(C) who, pursuant to section 1619(b) of this Act, is considered to be receiving benefits under title XVI of this Act; or

''(D) who is entitled to benefits under part A of title XVIII of this Act by reason of the penultimate sentence of section 226(b) of this Act.''.

(2) ADVOCACY OR OTHER SERVICES NEEDED TO MAINTAIN GAINFUL EMPLOYMENT.—Section 1150(b)(2) of such Act (42 U.S.C. 1320b–21(b)(2)) is amended by striking ''secure or regain'' and inserting ''secure, maintain, or regain''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to payments provided after the date of the enactment of this Act.

SEC. 405. TECHNICAL AMENDMENT CLARIFYING TREATMENT FOR CERTAIN PURPOSES OF INDIVIDUAL WORK PLANS UNDER THE TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM.

(a) IN GENERAL.—Section 1148(g)(1) of the Social Security Act (42 U.S.C. 1320b–19) is amended by adding at the end, after and below subparagraph (E), the following new sentence:

''An individual work plan established pursuant to this subsection shall be treated, for purposes of section 51(d)(6)(B)(i) of the Internal Revenue Code of 1986, as an individualized written plan for employment under a State plan for vocational rehabilitation services approved under the Rehabilitation Act of 1973.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if

included in section 505 of the Ticket to Work and Work Incentives Improvement Act of 1999 (Public Law 106–170; 113 Stat. 1921).

Subtitle B—Miscellaneous Amendments

SEC. 411. ELIMINATION OF TRANSCRIPT REQUIREMENT IN REMAND CASES FULLY FAVORABLE TO THE CLAIMANT.

(a) IN GENERAL.—Section 205(g) of the Social Security Act (42 U.S.C. 405(g)) is amended in the sixth sentence by striking ''and a transcript'' and inserting ''and, in any case in which the Commissioner has not made a decision fully favorable to the individual, a transcript''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to final determinations issued (upon remand) on or after the date of the enactment of this Act.

SEC. 412. NONPAYMENT OF BENEFITS UPON REMOVAL FROM THE UNITED STATES.

(a) IN GENERAL.—Paragraphs (1) and (2) of section 202(n) of the Social Security Act (42 U.S.C. 402(n)(1), (2)) are each amended by striking ''or (1)(E)''.

(b) EFFECTIVE DATE.—The amendment made by this section to section 202(n)(1) of the Social Security Act shall apply to individuals with respect to whom the Commissioner of Social Security receives a removal notice from the Attorney General after the date of the enactment of this Act. The amendment made by this section to section 202(n)(2) of the Social Security Act shall apply with respect to removals occurring after the date of the enactment of this Act.

SEC. 413. REINSTATEMENT OF CERTAIN REPORTING REQUIREMENTS.

Section 3003(a)(1) of the Federal Reports Elimination and Sunset Act of 1995 (31 U.S.C. 1113 note) shall not apply to any report required to be submitted under any of the following provisions of law:

(1)(A) Section 201(c)(2) of the Social Security Act (42 U.S.C. 401(c)(2)).

(B) Section 1817(b)(2) of the Social Security Act (42 U.S.C. 1395i(b)(2)).

(C) Section 1841(b)(2) of the Social Security Act (42 U.S.C. 1395t(b)(2)).

(2)(A) Section 221(c)(3)(C) of the Social Security Act (42 U.S.C. 421(c)(3)(C)).

(B) Section 221(i)(3) of the Social Security Act (42 U.S.C. 421(i)(3)).

SEC. 414. CLARIFICATION OF DEFINITIONS REGARDING CERTAIN SURVIVOR BENEFITS.

(a) WIDOWS.—Section 216(c) of the Social Security Act (42 U.S.C. 416(c)) is amended—

(1) by redesignating subclauses (A) through (C) of clause (6) as subclauses (i) through (iii), respectively;

(2) by redesignating clauses (1) through (6) as clauses (A) through (F), respectively;

(3) in clause (E) (as redesignated), by inserting ''except as provided in paragraph (2),'' before ''she was married'';

(4) by inserting ''(1)'' after ''(c)''; and

(5) by adding at the end the following new paragraph:

''(2) The requirements of paragraph (1)(E) in connection with the surviving wife of an individual shall be treated as satisfied if—

''(A) the individual had been married prior to the individual's marriage to the surviving wife,

''(B) the prior wife was institutionalized during the individual's marriage to the prior wife due to mental incompetence or similar incapacity,

''(C) during the period of the prior wife's institutionalization, the individual would have divorced the prior wife and married the surviving wife, but the individual did not do so because such divorce would have been unlawful, by reason of the prior wife's institutionalization, under the laws of the State in which the individual was domiciled at the time (as determined based on evidence satisfactory to the Commissioner of Social Security),

''(D) the prior wife continued to remain institutionalized up to the time of her death, and

''(E) the individual married the surviving wife within 60 days after the prior wife's death.''.

(b) WIDOWERS.—Section 216(g) of such Act (42 U.S.C. 416(g)) is amended—

(1) by redesignating subclauses (A) through (C) of clause (6) as subclauses (i) through (iii), respectively;

(2) by redesignating clauses (1) through (6) as clauses (A) through (F), respectively;

(3) in clause (E) (as redesignated), by inserting ''except as provided in paragraph (2),'' before ''he was married'';

(4) by inserting ''(1)'' after ''(g)''; and

(5) by adding at the end the following new paragraph:

''(2) The requirements of paragraph (1)(E) in connection with the surviving husband of an individual shall be treated as satisfied if—

''(A) the individual had been married prior to the individual's marriage to the surviving husband,

''(B) the prior husband was institutionalized during the individual's marriage to the prior husband due to mental incompetence or similar incapacity,

''(C) during the period of the prior husband's institutionalization, the individual would have divorced the prior husband and married the surviving husband, but the individual did not do so because such divorce would have been unlawful, by reason of the prior husband's institutionalization, under the laws of the State in which the individual was domiciled at the time (as determined based on evidence satisfactory to the Commissioner of Social Security),

''(D) the prior husband continued to remain institutionalized up to the time of his death, and

''(E) the individual married the surviving husband within 60 days after the prior husband's death.''.

(c) CONFORMING AMENDMENT.—Section 216(k) of such Act (42 U.S.C. 416(k)) is amended by striking ''clause (5) of subsection (c) or clause (5) of subsection (g)'' and inserting ''clause (E) of subsection (c)(1) or clause (E) of subsection (g)(1)''.

(d) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to applications for benefits under title II of the Social Security Act filed during months ending after the date of the enactment of this Act.

SEC. 415. CLARIFICATION RESPECTING THE FICA AND SECA TAX EXEMPTIONS FOR AN INDIVIDUAL WHOSE EARNINGS ARE SUBJECT TO THE LAWS OF A TOTALIZATION AGREEMENT PARTNER.

Sections 1401(c), 3101(c), and 3111(c) of the Internal Revenue Code of 1986 are each amended by striking ''to taxes or contributions for similar purposes under'' and inserting ''exclusively to the laws applicable to''.

SEC. 416. COVERAGE UNDER DIVIDED RETIREMENT SYSTEM FOR PUBLIC EMPLOYEES IN KENTUCKY.

(a) IN GENERAL.—Section 218(d)(6)(C) of the Social Security Act (42 U.S.C. 418(d)(6)(C)) is amended by inserting ''Kentucky,'' after ''Illinois,''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on January 1, 2003.

SEC. 417. COMPENSATION FOR THE SOCIAL SECURITY ADVISORY BOARD.

(a) IN GENERAL.—Subsection (f) of section 703 of the Social Security Act (42 U.S.C. 903(f)) is amended to read as follows:

''Compensation, Expenses, and Per Diem

''(f) A member of the Board shall, for each day (including traveltime) during which the member is attending meetings or conferences of the Board or otherwise engaged in the business of the Board, be compensated at the daily rate of basic pay for level IV of the Executive Schedule for each day during which the member is engaged in performing a function of the Board. While serving on business of the Board away from their homes or regular places of business, members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall be effective as of January 1, 2003.

SEC. 418. 60-MONTH PERIOD OF EMPLOYMENT REQUIREMENT FOR APPLICATION OF GOVERNMENT PENSION OFFSET EXEMPTION.

(a) WIFE'S INSURANCE BENEFITS.—Section 202(b)(4)(A) of the Social Security Act (42 U.S.C. 402(b)(4)(A)) is amended by striking ''if, on the last day she was employed by such entity'' and inserting ''if, throughout the period beginning with the period of 60 calendar months preceding the last day she was employed by such entity and ending with such last day''.

(b) HUSBAND'S INSURANCE BENEFITS.—Section 202(c)(2)(A) of such Act (42 U.S.C. 402(c)(2)(A)) is amended by striking ''if, on the last day he was employed by such entity'' and inserting ''if, throughout the period beginning with the period of 60 calendar months preceding the last day he was employed by such entity and ending with such last day''.

(c) WIDOW'S INSURANCE BENEFITS.—Section 202(e)(7)(A) of such Act (42 U.S.C. 402(e)(7)(A)) is amended by striking ''if, on the last day she was employed by such entity'' and inserting ''if, throughout the period beginning with the period of 60 calendar months preceding the last day she was employed by such entity and ending with such last day''.

(d) WIDOWER'S INSURANCE BENEFITS.—Section 202(f)(2)(A) of such Act (42 U.S.C. 402(f)(2)(A)) is amended by striking ''if, on the last day he was employed by such entity'' and inserting ''if, throughout the period beginning with the period of 60 calendar months preceding the last day he was employed by such entity and ending with such last day''.

(e) MOTHER'S AND FATHER'S INSURANCE BENEFITS.—Section 202(g)(4)(A) of the such Act (42 U.S.C. 402(g)(4)(A)) is amended by striking ''if, on the last day the individual was employed by such entity'' and inserting ''if, throughout the period beginning with the period of 60 calendar months preceding the last day the individual was employed by such entity and ending with such last day''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to applications for benefits under title II of the Social Security Act filed on or after the first day of the first month that begins after the date of the enactment of this Act, except that such amendments shall not apply in connection with monthly periodic benefits of any individual based on earnings while in service described in section 202(b)(4)(A), 202(c)(2)(A), 202(e)(7)(A), or 202(f)(2)(A) of the Social Security Act (in the matter preceding clause (i) thereof)—

(1) if the last day of such service occurs before the end of the 90-day period following the date of the enactment of this Act, or

(2) in any case in which the last day of such service occurs after the end of such 90-day period, such individual performed such service during such 90-day period which constituted ''employment'' as defined in section

210 of such Act, and all such service subsequently performed by such individual has constituted such ''employment''.

Subtitle C—Technical Amendments

SEC. 421. TECHNICAL CORRECTION RELATING TO RESPONSIBLE AGENCY HEAD.

Section 1143 of the Social Security Act (42 U.S.C. 1320b–13) is amended—

(1) by striking ''Secretary'' the first place it appears and inserting ''Commissioner of Social Security''; and

(2) by striking ''Secretary'' each subsequent place it appears and inserting ''Commissioner''.

SEC. 422. TECHNICAL CORRECTION RELATING TO RETIREMENT BENEFITS OF MINISTERS.

(a) IN GENERAL.—Section 211(a)(7) of the Social Security Act (42 U.S.C. 411(a)(7)) is amended by inserting '', but shall not include in any such net earnings from self-employment the rental value of any parsonage or any parsonage allowance (whether or not excluded under section 107 of the Internal Revenue Code of 1986) provided after the individual retires, or any other retirement benefit received by such individual from a church plan (as defined in section 414(e) of such Code) after the individual retires'' before the semicolon.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to years beginning before, on, or after December 31, 1994.

SEC. 423. TECHNICAL CORRECTIONS RELATING TO DOMESTIC EMPLOYMENT.

(a) AMENDMENT TO INTERNAL REVENUE CODE.—Section 3121(a)(7)(B) of the Internal Revenue Code of 1986 is amended by striking ''described in subsection (g)(5)'' and inserting ''on a farm operated for profit''.

(b) AMENDMENT TO SOCIAL SECURITY ACT.—Section 209(a)(6)(B) of the Social Security Act (42 U.S.C. 409(a)(6)(B)) is amended by striking ''described in section 210(f)(5)'' and inserting ''on a farm operated for profit''.

(c) CONFORMING AMENDMENT.—Section 3121(g)(5) of such Code and section 210(f)(5) of such Act (42 U.S.C. 410(f)(5)) are amended by striking ''or is domestic service in a private home of the employer''.

SEC. 424. TECHNICAL CORRECTIONS OF OUTDATED REFERENCES.

(a) CORRECTION OF TERMINOLOGY AND CITATIONS RESPECTING REMOVAL FROM THE UNITED STATES.—Section 202(n) of the Social Security Act (42 U.S.C. 402(n)) (as amended by section 412) is amended further—

(1) by striking ''deportation'' each place it appears and inserting ''removal'';

(2) by striking ''deported'' each place it appears and inserting ''removed'';

(3) in paragraph (1) (in the matter preceding subparagraph (A)), by striking ''under section 241(a) (other than under paragraph (1)(C) thereof)'' and inserting ''under section 237(a) (other than paragraph (1)(C) thereof) or 212(a)(6)(A)'';

(4) in paragraph (2), by striking ''under any of the paragraphs of section 241(a) of the Immigration and Nationality Act (other than under paragraph (1)(C) thereof)'' and inserting ''under any of the paragraphs of section 237(a) of the Immigration and Nationality Act (other than paragraph (1)(C) thereof) or under section 212(a)(6)(A) of such Act'';

(5) in paragraph (3)—

(A) by striking ''paragraph (19) of section 241(a)'' and inserting ''subparagraph (D) of section 237(a)(4)''; and

(B) by striking ''paragraph (19)'' and inserting ''subparagraph (D)''; and

(6) in the heading, by striking ''Deportation'' and inserting ''Removal''.

(b) CORRECTION OF CITATION RESPECTING THE TAX DEDUCTION RELATING TO HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.—Section 211(a)(15) of such Act (42 U.S.C. 411(a)(15)) is amended by striking ''section 162(m)'' and inserting ''section 162(l)''.

(c) ELIMINATION OF REFERENCE TO OBSOLETE 20-DAY AGRICULTURAL WORK TEST.—Section 3102(a) of the Internal Revenue Code of 1986 is amended by striking ''and the employee has not performed agricultural labor for the employer on 20 days or more in the calendar year for cash remuneration computed on a time basis''.

SEC. 425. TECHNICAL CORRECTION RESPECTING SELF-EMPLOYMENT INCOME IN COMMUNITY PROPERTY STATES.

(a) SOCIAL SECURITY ACT AMENDMENT.—Section 211(a)(5)(A) of the Social Security Act (42 U.S.C. 411(a)(5)(A)) is amended by striking ''all of the gross income'' and all that follows and inserting ''the gross income and deductions attributable to such trade or business shall be treated as the gross income and deductions of the spouse carrying on such trade or business or, if such trade or business is jointly operated, treated as the gross income and deductions of each spouse on the basis of their respective distributive share of the gross income and deductions;''.

(b) INTERNAL REVENUE CODE OF 1986 AMENDMENT.—Section 1402(a)(5)(A) of the Internal Revenue Code of 1986 is amended by striking ''all of the gross income'' and all that follows and inserting ''the gross income and deductions attributable to such trade or business shall be treated as the gross income and deductions of the spouse carrying on such trade or business or, if such trade or business is jointly operated, treated as the gross income and deductions of each spouse on the basis of their respective distributive share of the gross income and deductions; and''.

The SPEAKER pro tempore. The amendment printed in the bill is adopted.

The text of H.R. 743, as amended, is as follows:

H.R. 743

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Social Security Protection Act of 2003''.

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title and table of contents.

TITLE I—PROTECTION OF BENEFICIARIES

Subtitle A—Representative Payees

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TITLE I—PROTECTION OF BENEFICIARIES

Subtitle A—Representative Payees

SEC. 101. AUTHORITY TO REISSUE BENEFITS MISUSED BY ORGANIZATIONAL REPRESENTATIVE PAYEES.

(a) TITLE II AMENDMENTS.—

(1) REISSUANCE OF BENEFITS.—Section 205(j)(5) of the Social Security Act (42 U.S.C. 405(j)(5)) is amended by inserting after the first sentence the following new sentences: ''In any case in which a representative payee that—

''(A) is not an individual (regardless of whether it is a 'qualified organization' within the meaning of paragraph (4)(B)); or

''(B) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title VIII, title XVI, or any combination of such titles;

misuses all or part of an individual's benefit paid to such representative payee, the Commissioner of Social Security shall certify for payment to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of such benefit so misused. The provisions of this paragraph are subject to the limitations of paragraph (7)(B).''.

(2) MISUSE OF BENEFITS DEFINED.—Section 205(j) of such Act (42 U.S.C. 405(j)) is amended by adding at the end the following new paragraph:

''(8) For purposes of this subsection, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person and converts such payment, or any part thereof, to a use other than for the use and benefit of such other person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this paragraph.''.

(b) TITLE VIII AMENDMENTS.—

(1) REISSUANCE OF BENEFITS.—Section 807(i) of the Social Security Act (42 U.S.C. 1007(i)) (as amended by section 209(b)(1) of this Act) is amended further by inserting after the first sentence the following new sentences: ''In any case in which a representative payee that—

''(A) is not an individual; or

''(B) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title II, title XVI, or any combination of such titles;

misuses all or part of an individual's benefit paid to such representative payee, the Commissioner of Social Security shall pay to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of such benefit so misused. The provisions of this paragraph are subject to the limitations of subsection (l)(2).''.

(2) MISUSE OF BENEFITS DEFINED.—Section 807 of such Act (42 U.S.C. 1007) is amended by adding at the end the following new subsection:

''(j) MISUSE OF BENEFITS.—For purposes of this title, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person under this title and converts such payment, or any part thereof, to a use other than for the use and benefit of such person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this subsection.''.

(3) TECHNICAL AMENDMENT.—Section 807(a) of such Act (42 U.S.C. 1007(a)) is amended, in the first sentence, by striking ''for his or her benefit'' and inserting ''for his or her use and benefit''.

(c) TITLE XVI AMENDMENTS.—

(1) REISSUANCE OF BENEFITS.—Section 1631(a)(2)(E) of such Act (42 U.S.C. 1383(a)(2)(E)) is amended by inserting after the first sentence the following new sentences: ''In any case in which a representative payee that—

''(i) is not an individual (regardless of whether it is a 'qualified organization' within the meaning of subparagraph (D)(ii)); or

''(ii) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title II, title VIII, or any combination of such titles;

misuses all or part of an individual's benefit paid to the representative payee, the Commissioner of Social Security shall pay to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of the benefit so misused. The provisions of this subparagraph are subject to the limitations of subparagraph (H)(ii).''.

(2) EXCLUSION OF REISSUED BENEFITS FROM RESOURCES.—Section 1613(a) of such Act (42 U.S.C. 1382b(a)) is amended—

(A) in paragraph (12), by striking ''and'' at the end;

(B) in paragraph (13), by striking the period and inserting ''; and''; and

(C) by inserting after paragraph (13) the following new paragraph:

''(14) for the 9-month period beginning after the month in which received, any amount received by such individual (or spouse) or any other person whose income is deemed to be included in such individual's (or spouse's) income for purposes of this title as restitution for benefits under this title, title II, or title VIII that a representative payee of such individual (or spouse) or such other person under section 205(j), 807, or 1631(a)(2) has misused.''.

(3) MISUSE OF BENEFITS DEFINED.—Section 1631(a)(2)(A) of such Act (42 U.S.C. 1383(a)(2)(A)) is amended by adding at the end the following new clause:

''(iv) For purposes of this paragraph, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person and converts such payment, or any part thereof, to a use other than for the use and benefit of such other person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this clause.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to any case of benefit misuse by a representative payee with respect to which the Commissioner makes the determination of misuse on or after January 1, 1995.

SEC. 102. OVERSIGHT OF REPRESENTATIVE PAYEES.

(a) CERTIFICATION OF BONDING AND LICENSING REQUIREMENTS FOR NONGOVERNMENTAL ORGANIZATIONAL REPRESENTATIVE PAYEES.—

(1) TITLE II AMENDMENTS.—Section 205(j) of the Social Security Act (42 U.S.C. 405(j)) is amended—

(A) in paragraph (2)(C)(v), by striking ''a community-based nonprofit social service agency licensed or bonded by the State'' in subclause (I) and inserting ''a certified community-based nonprofit social service agency (as defined in paragraph (9))'';

(B) in paragraph (3)(F), by striking ''community-based nonprofit social service agencies'' and inserting ''certified community-based nonprofit social service agencies (as defined in paragraph (9))'';

(C) in paragraph (4)(B), by striking ''any community-based nonprofit social service agency which is bonded or licensed in each State in which it serves as a representative payee'' and inserting ''any certified community-based nonprofit social service agency (as defined in paragraph (9))''; and

(D) by adding after paragraph (8) (as added by section 101(a)(2) of this Act) the following new paragraph:

''(9) For purposes of this subsection, the term 'certified community-based nonprofit social service agency' means a community-based nonprofit social service agency which is in compliance with requirements, under regulations which shall be prescribed by the Commissioner, for annual certification to the Commissioner that it is bonded in accordance with requirements specified by the Commissioner and that it is licensed in each State in which it serves as a representative payee (if licensing is available in such State) in accordance with requirements specified by the Commissioner. Any such annual certification shall include a copy of any independent audit on such agency which may have been performed since the previous certification.''.

(2) TITLE XVI AMENDMENTS.—Section 1631(a)(2) of such Act (42 U.S.C. 1383(a)(2)) is amended—

(A) in subparagraph (B)(vii), by striking ''a community-based nonprofit social service agency licensed or bonded by the State'' in subclause (I) and inserting ''a certified community-based nonprofit social service agency (as defined in subparagraph (I))'';

(B) in subparagraph (D)(ii)—

(i) by striking ''or any community-based'' and all that follows through ''in accordance'' in subclause (II) and inserting ''or any certified community-based nonprofit social service agency (as defined in subparagraph (I)), if the agency, in accordance'';

(ii) by redesignating items (aa) and (bb) as subclauses (I) and (II), respectively (and adjusting the margination accordingly); and

(iii) by striking ''subclause (II)(bb)'' and inserting ''subclause (II)''; and

(C) by adding at the end the following new subparagraph:

''(I) For purposes of this paragraph, the term 'certified community-based nonprofit social service agency' means a community-based nonprofit social service agency which is in compliance with requirements, under regulations which shall be prescribed by the Commissioner, for annual certification to the Commissioner that it is bonded in accordance with requirements specified by the Commissioner and that it is licensed in each State in which it serves as a representative payee (if licensing is available in the State) in accordance with requirements specified by the Commissioner. Any such annual certification shall include a copy of any independent audit on the agency which may have been performed since the previous certification.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the first day of the thirteenth month beginning after the date of the enactment of this Act.

(b) PERIODIC ONSITE REVIEW.—

(1) TITLE II AMENDMENT.—Section 205(j)(6) of such Act (42 U.S.C. 405(j)(6)) is amended to read as follows:

''(6)(A) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner shall provide for the periodic onsite review of any person or agency located in the United States that receives the benefits payable under this title (alone or in combination with benefits payable under title VIII or title XVI) to another individual pursuant to the appointment of such person or agency as a representative payee under this subsection, section 807, or section 1631(a)(2) in any case in which—

''(i) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals;

''(ii) the representative payee is a certified community-based nonprofit social service agency (as defined in paragraph (9) of this subsection or section 1631(a)(2)(I)); or

''(iii) the representative payee is an agency (other than an agency described in clause (ii)) that serves in that capacity with respect to 50 or more such individuals.

''(B) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the

Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to subparagraph (A) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in such reviews and any corrective action taken or planned to be taken to correct such problems, and shall include—

''(i) the number of such reviews;

''(ii) the results of such reviews;

''(iii) the number of cases in which the representative payee was changed and why;

''(iv) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

''(v) the number of cases discovered in which there was a misuse of funds;

''(vi) how any such cases of misuse of funds were dealt with by the Commissioner;

''(vii) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

''(viii) such other information as the Commissioner deems appropriate.''.

(2) TITLE VIII AMENDMENT.—Section 807 of such Act (as amended by section 101(b)(2) of this Act) is amended further by adding at the end the following new subsection:

''(k) PERIODIC ONSITE REVIEW.—(1) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner may provide for the periodic onsite review of any person or agency that receives the benefits payable under this title (alone or in combination with benefits payable under title II or title XVI) to another individual pursuant to the appointment of such person or agency as a representative payee under this section, section 205(j), or section 1631(a)(2) in any case in which—

''(A) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals; or

''(B) the representative payee is an agency that serves in that capacity with respect to 50 or more such individuals.

''(2) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to paragraph (1) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in such reviews and any corrective action taken or planned to be taken to correct such problems, and shall include—

''(A) the number of such reviews;

''(B) the results of such reviews;

''(C) the number of cases in which the representative payee was changed and why;

''(D) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

''(E) the number of cases discovered in which there was a misuse of funds;

''(F) how any such cases of misuse of funds were dealt with by the Commissioner;

''(G) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

''(H) such other information as the Commissioner deems appropriate.''.

(3) TITLE XVI AMENDMENT.—Section 1631(a)(2)(G) of such Act (42 U.S.C. 1383(a)(2)(G)) is amended to read as follows:

''(G)(i) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner shall provide for the periodic onsite review of any person or agency that receives the benefits payable under this title (alone or in combination with benefits payable under title II or title VIII) to another individual pursuant to the appointment of the person or agency as a representative payee under this paragraph, section 205(j), or section 807 in any case in which—

''(I) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals;

''(II) the representative payee is a certified community-based nonprofit social service agency (as defined in subparagraph (I) of this paragraph or section 205(j)(9)); or

''(III) the representative payee is an agency (other than an agency described in subclause (II)) that serves in that capacity with respect to 50 or more such individuals.

''(ii) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to clause (i) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in the reviews and any corrective action taken or planned to be taken to correct the problems, and shall include—

''(I) the number of the reviews;

''(II) the results of such reviews;

''(III) the number of cases in which the representative payee was changed and why;

''(IV) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

''(V) the number of cases discovered in which there was a misuse of funds;

''(VI) how any such cases of misuse of funds were dealt with by the Commissioner;

''(VII) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

''(VIII) such other information as the Commissioner deems appropriate.''.

SEC. 103. DISQUALIFICATION FROM SERVICE AS REPRESENTATIVE PAYEE OF PERSONS CONVICTED OF OFFENSES RESULTING IN IMPRISONMENT FOR MORE THAN 1 YEAR OR FLEEING PROSECUTION, CUSTODY, OR CONFINEMENT.

(a) TITLE II AMENDMENTS.—Section 205(j)(2) of the Social Security Act (42 U.S.C. 405(j)(2)) is amended—

(1) in subparagraph (B)(i)—

(A) by striking ''and'' at the end of subclause (III);

(B) by redesignating subclause (IV) as subclause (VI); and

(C) by inserting after subclause (III) the following new subclauses:

''(IV) obtain information concerning whether such person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year,

''(V) obtain information concerning whether such person is a person described in section 202(x)(1)(A)(iv), and'';

(2) in subparagraph (B), by adding at the end the following new clause:

''(iii) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, social security account number, and photograph (if applicable) of any person investigated under this paragraph, if the officer furnishes the Commissioner with the name of such person and such other identifying information as may reasonably be required by the Commissioner to establish the unique identity of such person, and notifies the Commissioner that—

''(I) such person is described in section 202(x)(1)(A)(iv),

''(II) such person has information that is necessary for the officer to conduct the officer's official duties, and

''(III) the location or apprehension of such person is within the officer's official duties.'';

(3) in subparagraph (C)(i)(II), by striking ''subparagraph (B)(i)(IV),,'' and inserting ''subparagraph (B)(i)(VI)'' and striking ''section 1631(a)(2)(B)(ii)(IV)'' and inserting ''section 1631(a)(2)(B)(ii)(VI)''; and

(4) in subparagraph (C)(i)—

(A) by striking ''or'' at the end of subclause (II);

(B) by striking the period at the end of subclause (III) and inserting a comma; and

(C) by adding at the end the following new subclauses:

''(IV) such person has previously been convicted as described in subparagraph (B)(i)(IV), unless the Commissioner determines that such certification would be appropriate notwithstanding such conviction, or

''(V) such person is person described in section 202(x)(1)(A)(iv).''.

(b) TITLE VIII AMENDMENTS.—Section 807 of such Act (42 U.S.C. 1007) is amended—

(1) in subsection (b)(2)—

(A) by striking ''and'' at the end of subparagraph (C);

(B) by redesignating subparagraph (D) as subparagraph (F); and

(C) by inserting after subparagraph (C) the following new subparagraphs:

''(D) obtain information concerning whether such person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year;

''(E) obtain information concerning whether such person is a person described in section 804(a)(2); and'';

(2) in subsection (b), by adding at the end the following new paragraph:

''(3) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, social security account number, and photograph (if applicable) of any person investigated under this subsection, if the officer furnishes the Commissioner with the name of such person and such other identifying information as may reasonably be required by the Commissioner to establish the unique identity of such person, and notifies the Commissioner that—

''(A) such person is described in section 804(a)(2),

''(B) such person has information that is necessary for the officer to conduct the officer's official duties, and

''(C) the location or apprehension of such person is within the officer's official duties.''; and

(3) in subsection (d)(1)—

(A) by striking ''or'' at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting a semicolon; and

(C) by adding at the end the following new subparagraphs:

''(D) such person has previously been convicted as described in subsection (b)(2)(D), unless the Commissioner determines that such payment would be appropriate notwithstanding such conviction; or

''(E) such person is a person described in section 804(a)(2).''.

(c) TITLE XVI AMENDMENTS.—Section 1631(a)(2)(B) of such Act (42 U.S.C. 1383(a)(2)(B)) is amended—

(1) in clause (ii)—

(A) by striking ''and'' at the end of subclause (III);

(B) by redesignating subclause (IV) as subclause (VI); and

(C) by inserting after subclause (III) the following new subclauses:

''(IV) obtain information concerning whether the person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year;

''(V) obtain information concerning whether such person is a person described in section 1611(e)(4)(A); and'';

(2) in clause (iii)(II)—

(A) by striking ''clause (ii)(IV)'' and inserting ''clause (ii)(VI)''; and

(B) by striking ''section 205(j)(2)(B)(i)(IV)'' and inserting ''section 205(j)(2)(B)(i)(VI)'';

(3) in clause (iii)—

(A) by striking ''or'' at the end of subclause (II);

(B) by striking the period at the end of subclause (III) and inserting a semicolon; and

(C) by adding at the end the following new subclauses:

''(IV) the person has previously been convicted as described in clause (ii)(IV) of this subparagraph, unless the Commissioner determines that the payment would be appropriate notwithstanding the conviction; or

''(V) such person is a person described in section 1611(e)(4)(A).''; and

(4) by adding at the end the following new clause:

''(xiv) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, social security account number, and photograph (if applicable) of any person investigated under this subparagraph, if the officer furnishes the Commissioner with the name of such person and such other identifying information as may reasonably be required by the Commissioner to establish the unique identity of such person, and notifies the Commissioner that—

''(I) such person is described in section 1611(e)(4)(A),

''(II) such person has information that is necessary for the officer to conduct the officer's official duties, and

''(III) the location or apprehension of such person is within the officer's official duties.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the thirteenth month beginning after the date of the enactment of this Act.

(e) REPORT TO THE CONGRESS.—The Commissioner of Social Security, in consultation with the Inspector General of the Social Security Administration, shall prepare a report evaluating whether the existing procedures and reviews for the qualification (including disqualification) of representative payees are sufficient to enable the Commissioner to protect benefits from being misused by representative payees. The Commissioner shall submit the report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate no later than 270 days after the date of the enactment of this Act. The Commissioner shall include in such report any recommendations that the Commissioner considers appropriate.

SEC. 104. FEE FORFEITURE IN CASE OF BENEFIT MISUSE BY REPRESENTATIVE PAYEES.

(a) TITLE II AMENDMENTS.—Section 205(j)(4)(A)(i) of the Social Security Act (42 U.S.C. 405(j)(4)(A)(i)) is amended—

(1) in the first sentence, by striking ''A'' and inserting ''Except as provided in the next sentence, a''; and

(2) in the second sentence, by striking ''The Secretary'' and inserting the following:

''A qualified organization may not collect a fee from an individual for any month with respect to which the Commissioner of Social Security or a court of competent jurisdiction has determined that the organization misused all or part of the individual's benefit, and any amount so collected by the qualified organization for such month shall be treated as a misused part of the individual's benefit for purposes of paragraphs (5) and (6). The Commissioner''.

(b) TITLE XVI AMENDMENTS.—Section 1631(a)(2)(D)(i) of such Act (42 U.S.C. 1383(a)(2)(D)(i)) is amended—

(1) in the first sentence, by striking ''A'' and inserting ''Except as provided in the next sentence, a''; and

(2) in the second sentence, by striking ''The Commissioner'' and inserting the following: ''A qualified organization may not collect a fee from an individual for any month with respect to which the Commissioner of Social Security or a court of competent jurisdiction has determined that the organization misused all or part of the individual's benefit, and any amount so collected by the qualified organization for such month shall be treated as a misused part of the individual's benefit for purposes of subparagraphs (E) and (F). The Commissioner''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any month involving benefit misuse by a representative payee in any case with respect to which the Commissioner of Social Security or a court of competent jurisdiction makes the determination of misuse after 180 days after the date of the enactment of this Act.

SEC. 105. LIABILITY OF REPRESENTATIVE PAYEES FOR MISUSED BENEFITS.

(a) TITLE II AMENDMENTS.—Section 205(j) of the Social Security Act (42 U.S.C. 405(j)) (as amended by sections 101 and 102) is amended further—

(1) by redesignating paragraphs (7), (8), and (9) as paragraphs (8), (9), and (10), respectively;

(2) in paragraphs (2)(C)(v), (3)(F), and (4)(B), by striking ''paragraph (9)'' and inserting ''paragraph (10)'';

(3) in paragraph (6)(A)(ii), by striking ''paragraph (9)'' and inserting ''paragraph (10)''; and

(4) by inserting after paragraph (6) the following new paragraph:

''(7)(A) If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of an individual's benefit that was paid to such representative payee under this subsection, the representative payee shall be liable for the amount misused, and such amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of such overpayments. Subject to subparagraph (B), upon recovering all or any part of such amount, the Commissioner shall certify an amount equal to the recovered amount for payment to such individual or such individual's alternative representative payee.

''(B) The total of the amount certified for payment to such individual or such individual's alternative representative payee under subparagraph (A) and the amount certified for payment under paragraph (5) may not exceed the total benefit amount misused by the representative payee with respect to such individual.''.

(b) TITLE VIII AMENDMENT.—Section 807 of such Act (as amended by section 102(b)(2)) is amended further by adding at the end the following new subsection:

''(l) LIABILITY FOR MISUSED AMOUNTS.—

''(1) IN GENERAL.—If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of a qualified individual's benefit that was paid to such representative payee under this section, the representative payee shall be liable for the amount misused, and such amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of such overpayments. Subject to paragraph (2), upon recovering all or any part of such amount, the Commissioner shall make payment of an amount equal to the recovered amount to such qualified individual or such qualified individual's alternative representative payee.

''(2) LIMITATION.—The total of the amount paid to such individual or such individual's alternative representative payee under paragraph (1) and the amount paid under subsection (i) may not exceed the total benefit amount misused by the representative payee with respect to such individual.''.

(c) TITLE XVI AMENDMENTS.—Section 1631(a)(2) of such Act (42 U.S.C. 1383(a)(2)) (as amended by section 102(b)(3)) is amended further—

(1) in subparagraph (G)(i)(II), by striking ''section 205(j)(9)'' and inserting ''section 205(j)(10)''; and

(2) by striking subparagraph (H) and inserting the following:

''(H)(i) If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of an individual's benefit that was paid to the representative payee under this paragraph, the representative payee shall be liable for the amount misused, and the amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of the overpayments. Subject to clause (ii), upon recovering all or any part of the amount, the Commissioner shall make payment of an amount equal to the recovered amount to such individual or such individual's alternative representative payee.

''(ii) The total of the amount paid to such individual or such individual's alternative representative payee under clause (i) and the amount paid under subparagraph (E) may not exceed the total benefit amount misused by the representative payee with respect to such individual.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to benefit misuse by a representative payee in any case with respect to which the Commissioner of Social Security or a court of competent jurisdiction makes the determination of misuse after 180 days after the date of the enactment of this Act.

SEC. 106. AUTHORITY TO REDIRECT DELIVERY OF BENEFIT PAYMENTS WHEN A REPRESENTATIVE PAYEE FAILS TO PROVIDE REQUIRED ACCOUNTING.

(a) TITLE II AMENDMENTS.—Section 205(j)(3) of the Social Security Act (42 U.S.C. 405(j)(3)) (as amended by sections 102(a)(1)(B) and 105(a)(2)) is amended—

(1) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(2) by inserting after subparagraph (D) the following new subparagraph:

''(E) In any case in which the person described in subparagraph (A) or (D) receiving payments on behalf of another fails to submit a report required by the Commissioner of Social Security under subparagraph (A) or (D), the Commissioner may, after furnishing notice to such person and the individual entitled to such payment, require that such person appear in

person at a field office of the Social Security Administration serving the area in which the individual resides in order to receive such payments.''.

(b) TITLE VIII AMENDMENTS.—Section 807(h) of such Act (42 U.S.C. 1007(h)) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(2) by inserting after paragraph (2) the following new paragraph:

''(3) AUTHORITY TO REDIRECT DELIVERY OF BENEFIT PAYMENTS WHEN A REPRESENTATIVE PAYEE FAILS TO PROVIDE REQUIRED ACCOUNTING.—In any case in which the person described in paragraph (1) or (2) receiving benefit payments on behalf of a qualified individual fails to submit a report required by the Commissioner of Social Security under paragraph (1) or (2), the Commissioner may, after furnishing notice to such person and the qualified individual, require that such person appear in person at a United States Government facility designated by the Social Security Administration as serving the area in which the qualified individual resides in order to receive such benefit payments.''.

(c) TITLE XVI AMENDMENT.—Section 1631(a)(2)(C) of such Act (42 U.S.C. 1383(a)(2)(C)) is amended by adding at the end the following new clause:

''(v) In any case in which the person described in clause (i) or (iv) receiving payments on behalf of another fails to submit a report required by the Commissioner of Social Security under clause (i) or (iv), the Commissioner may, after furnishing notice to the person and the individual entitled to the payment, require that such person appear in person at a field office of the Social Security Administration serving the area in which the individual resides in order to receive such payments.''.

(d) EFFECTIVE DATE.—The amendment made by this section shall take effect 180 days after the date of the enactment of this Act.

Subtitle B—Enforcement

SEC. 111. CIVIL MONETARY PENALTY AUTHORITY WITH RESPECT TO WRONGFUL CONVERSIONS BY REPRESENTATIVE PAYEES.

(a) IN GENERAL.—Section 1129(a) of the Social Security Act (42 U.S.C. 1320a–8) is amended by adding at the end the following new paragraph:

''(3) Any person (including an organization, agency, or other entity) who, having received, while acting in the capacity of a representative payee pursuant to section 205(j), 807, or 1631(a)(2), a payment under title II, VIII, or XVI for the use and benefit of another individual, converts such payment, or any part thereof, to a use that such person knows or should know is other than for the use and benefit of such other individual shall be subject to, in addition to any other penalties that may be prescribed by law, a civil money penalty of not more than $5,000 for each such conversion. Such person shall also be subject to an assessment, in lieu of damages sustained by the United States resulting from the conversion, of not more than twice the amount of any payments so converted.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to violations committed after the date of the enactment of this Act.

TITLE II—PROGRAM PROTECTIONS

SEC. 201. CIVIL MONETARY PENALTY AUTHORITY WITH RESPECT TO KNOWING WITHHOLDING OF MATERIAL FACTS.

(a) TREATMENT OF WITHHOLDING OF MATERIAL FACTS.—

(1) CIVIL PENALTIES.—Section 1129(a)(1) of the Social Security Act (42 U.S.C. 1320a–8(a)(1)) is amended—

(A) by striking ''who'' in the first sentence and inserting ''who—'';

(B) by striking ''makes'' in the first sentence and all that follows through ''shall be subject to,'' and inserting the following:

''(A) makes, or causes to be made, a statement or representation of a material fact, for use in determining any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title VIII or XVI, that the person knows or should know is false or misleading,

''(B) makes such a statement or representation for such use with knowing disregard for the truth, or

''(C) omits from a statement or representation for such use, or otherwise withholds disclosure of, a fact which the person knows or should know is material to the determination of any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title VIII or XVI, if the person knows, or should know, that the statement or representation with such omission is false or misleading or that the withholding of such disclosure is misleading,

shall be subject to,'';

(C) by inserting ''or each receipt of such benefits or payments while withholding disclosure of such fact'' after ''each such statement or representation'' in the first sentence;

(D) by inserting ''or because of such withholding of disclosure of a material fact'' after ''because of such statement or representation'' in the second sentence; and

(E) by inserting ''or such a withholding of disclosure'' after ''such a statement or representation'' in the second sentence.

(2) ADMINISTRATIVE PROCEDURE FOR IMPOSING PENALTIES.—Section 1129A(a) of such Act (42 U.S.C. 1320a–8a(a)) is amended—

(A) by striking ''who'' the first place it appears and inserting ''who—''; and

(B) by striking ''makes'' and all that follows through ''shall be subject to,'' and inserting the following:

''(1) makes, or causes to be made, a statement or representation of a material fact, for use in determining any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title XVI that the person knows or should know is false or misleading,

''(2) makes such a statement or representation for such use with knowing disregard for the truth, or

''(3) omits from a statement or representation for such use, or otherwise withholds disclosure of, a fact which the person knows or should know is material to the determination of any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title XVI, if the person knows, or should know, that the statement or representation with such omission is false or misleading or that the withholding of such disclosure is misleading,

shall be subject to,''.

(b) CLARIFICATION OF TREATMENT OF RECOVERED AMOUNTS.—Section 1129(e)(2)(B) of such Act (42 U.S.C. 1320a–8(e)(2)(B)) is amended by striking ''In the case of amounts recovered arising out of a determination relating to title VIII or XVI,'' and inserting ''In the case of any other amounts recovered under this section,''.

(c) CONFORMING AMENDMENTS.—

(1) Section 1129(b)(3)(A) of such Act (42 U.S.C. 1320a–8(b)(3)(A)) is amended by striking ''charging fraud or false statements''.

(2) Section 1129(c)(1) of such Act (42 U.S.C. 1320a–8(c)(1)) is amended by striking ''and representations'' and inserting '', representations, or actions''.

(3) Section 1129(e)(1)(A) of such Act (42 U.S.C. 1320a–8(e)(1)(A)) is amended by striking ''statement or representation referred to in subsection (a) was made'' and inserting ''violation occurred''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations committed after the date on which the Commissioner implements the centralized computer file described in section 202.

SEC. 202. ISSUANCE BY COMMISSIONER OF SOCIAL SECURITY OF RECEIPTS TO ACKNOWLEDGE SUBMISSION OF REPORTS OF CHANGES IN WORK OR EARNINGS STATUS OF DISABLED BENEFICIARIES.

Effective as soon as possible, but not later than 1 year after the date of the enactment of this Act, until such time as the Commissioner of Social Security implements a centralized computer file recording the date of the submission of information by a disabled beneficiary (or representative) regarding a change in the beneficiary's work or earnings status, the Commissioner shall issue a receipt to the disabled beneficiary (or representative) each time he or she submits documentation, or otherwise reports to the Commissioner, on a change in such status.

SEC. 203. DENIAL OF TITLE II BENEFITS TO PERSONS FLEEING PROSECUTION, CUSTODY, OR CONFINEMENT, AND TO PERSONS VIOLATING PROBATION OR PAROLE.

(a) IN GENERAL.—Section 202(x) of the Social Security Act (42 U.S.C. 402(x)) is amended—

(1) in the heading, by striking ''Prisoners'' and all that follows and inserting the following: ''Prisoners, Certain Other Inmates of Publicly Funded Institutions, Fugitives, Probationers, and Parolees'';

(2) in paragraph (1)(A)(ii)(IV), by striking ''or'' at the end;

(3) in paragraph (1)(A)(iii), by striking the period at the end and inserting a comma;

(4) by inserting after paragraph (1)(A)(iii) the following:

''(iv) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State, or

''(v) is violating a condition of probation or parole imposed under Federal or State law.

In the case of an individual from whom such monthly benefits have been withheld pursuant to clause (iv) or (v), the Commissioner may, for good cause shown, pay such withheld benefits to the individual.''; and

(5) in paragraph (3), by adding at the end the following new subparagraph:

''(C) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, Social Security number, and photograph (if applicable) of any beneficiary under this title, if the officer furnishes the Commissioner with the name of the beneficiary, and other identifying information as reasonably required by the Commissioner to establish the unique identity of the beneficiary, and notifies the Commissioner that—

''(i) the beneficiary—

''(I) is described in clause (iv) or (v) of paragraph (1)(A); and

''(II) has information that is necessary for the officer to conduct the officer's official duties; and

''(ii) the location or apprehension of the beneficiary is within the officer's official duties.''.

(b) REGULATIONS.—Not later than the first day of the first month that begins on or after the date that is 9 months after the date of the enactment of this Act, the Commissioner of Social Security shall promulgate regulations governing payment by the Commissioner, for good cause shown, of withheld benefits, pursuant to the last sentence of section 202(x)(1)(A) of the Social Security Act (as amended by subsection (a)).

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the first

day of the first month that begins on or after the date that is 9 months after the date of the enactment of this Act.

SEC. 204. REQUIREMENTS RELATING TO OFFERS TO PROVIDE FOR A FEE A PRODUCT OR SERVICE AVAILABLE WITHOUT CHARGE FROM THE SOCIAL SECURITY ADMINISTRATION.

(a) IN GENERAL.—Section 1140 of the Social Security Act (42 U.S.C. 1320b–10) is amended—

(1) in subsection (a), by adding at the end the following new paragraph:

''(4)(A) No person shall offer, for a fee, to assist an individual to obtain a product or service that the person knows or should know is provided free of charge by the Social Security Administration unless, at the time the offer is made, the person provides to the individual to whom the offer is tendered a notice that—

''(i) explains that the product or service is available free of charge from the Social Security Administration, and

''(ii) complies with standards prescribed by the Commissioner of Social Security respecting the content of such notice and its placement, visibility, and legibility.

''(B) Subparagraph (A) shall not apply to any offer—

''(i) to serve as a claimant representative in connection with a claim arising under title II, title VIII, or title XVI; or

''(ii) to prepare, or assist in the preparation of, an individual's plan for achieving self-support under title XVI.''; and

(2) in the heading, by striking ''PROHIBITION OF MISUSE OF SYMBOLS, EMBLEMS, OR NAMES IN REFERENCE'' and inserting ''PROHIBITIONS RELATING TO REFERENCES''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to offers of assistance made after the sixth month ending after the Commissioner of Social Security promulgates final regulations prescribing the standards applicable to the notice required to be provided in connection with such offer. The Commissioner shall promulgate such final regulations within 1 year after the date of the enactment of this Act.

SEC. 205. REFUSAL TO RECOGNIZE CERTAIN INDIVIDUALS AS CLAIMANT REPRESENTATIVES.

Section 206(a)(1) of the Social Security Act (42 U.S.C. 406(a)(1)) is amended by inserting after the second sentence the following: ''Notwithstanding the preceding sentences, the Commissioner, after due notice and opportunity for hearing, (A) may refuse to recognize as a representative, and may disqualify a representative already recognized, any attorney who has been disbarred or suspended from any court or bar to which he or she was previously admitted to practice or who has been disqualified from participating in or appearing before any Federal program or agency, and (B) may refuse to recognize, and may disqualify, as a non-attorney representative any attorney who has been disbarred or suspended from any court or bar to which he or she was previously admitted to practice. A representative who has been disqualified or suspended pursuant to this section from appearing before the Social Security Administration as a result of collecting or receiving a fee in excess of the amount authorized shall be barred from appearing before the Social Security Administration as a representative until full restitution is made to the claimant and, thereafter, may be considered for reinstatement only under such rules as the Commissioner may prescribe.''.

SEC. 206. PENALTY FOR CORRUPT OR FORCIBLE INTERFERENCE WITH ADMINISTRATION OF SOCIAL SECURITY ACT.

Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.) is amended by inserting after section 1129A the following new section:

''ATTEMPTS TO INTERFERE WITH ADMINISTRATION OF SOCIAL SECURITY ACT

''SEC. 1129B. Whoever corruptly or by force or threats of force (including any threatening letter or communication) attempts to intimidate or impede any officer, employee, or contractor of the Social Security Administration (including any State employee of a disability determination service or any other individual designated by the Commissioner of Social Security) acting in an official capacity to carry out a duty under this Act, or in any other way corruptly or by force or threats of force (including any threatening letter or communication) obstructs or impedes, or attempts to obstruct or impede, the due administration of this Act, shall be fined not more than $5,000, imprisoned not more than 3 years, or both, except that if the offense is committed only by threats of force, the person shall be fined not more than $3,000, imprisoned not more than 1 year, or both. In this subsection, the term 'threats of force' means threats of harm to the officer or employee of the United States or to a contractor of the Social Security Administration, or to a member of the family of such an officer or employee or contractor.''.

SEC. 207. USE OF SYMBOLS, EMBLEMS, OR NAMES IN REFERENCE TO SOCIAL SECURITY OR MEDICARE.

(a) IN GENERAL.—Section 1140(a)(1) of the Social Security Act (42 U.S.C. 1320b–10(a)(1)) is amended—

(1) in subparagraph (A), by inserting '' 'Centers for Medicare & Medicaid Services','' after '' 'Health Care Financing Administration','', by striking ''or 'Medicaid','' and inserting '' 'Medicaid', 'Death Benefits Update', 'Federal Benefit Information', 'Funeral Expenses', or 'Final Supplemental Plan','' and by inserting '' 'CMS','' after '' 'HCFA','';

(2) in subparagraph (B), by inserting ''Centers for Medicare & Medicaid Services,'' after ''Health Care Financing Administration,'' each place it appears; and

(3) in the matter following subparagraph (B), by striking ''the Health Care Financing Administration,'' each place it appears and inserting ''the Centers for Medicare & Medicaid Services,''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to items sent after 180 days after the date of the enactment of this Act.

SEC. 208. DISQUALIFICATION FROM PAYMENT DURING TRIAL WORK PERIOD UPON CONVICTION OF FRAUDULENT CONCEALMENT OF WORK ACTIVITY.

(a) IN GENERAL.—Section 222(c) of the Social Security Act (42 U.S.C. 422(c)) is amended by adding at the end the following new paragraph:

''(5) Upon conviction by a Federal court that an individual has fraudulently concealed work activity during a period of trial work from the Commissioner of Social Security by—

''(A) providing false information to the Commissioner of Social Security as to whether the individual had earnings in or for a particular period, or as to the amount thereof;

''(B) receiving disability insurance benefits under this title while engaging in work activity under another identity, including under another social security account number or a number purporting to be a social security account number; or

''(C) taking other actions to conceal work activity with an intent fraudulently to secure payment in a greater amount than is due or when no payment is authorized,

no benefit shall be payable to such individual under this title with respect to a period of disability for any month before such conviction during which the individual rendered services during the period of trial work with respect to which the fraudulently concealed work activity occurred, and amounts otherwise due under this title as restitution, penalties, assessments, fines, or other repayments shall in all cases be in addition to any amounts for which such individual is liable as overpayments by reason of such concealment.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to work activity performed after the date of the enactment of this Act.

SEC. 209. AUTHORITY FOR JUDICIAL ORDERS OF RESTITUTION.

(a) AMENDMENTS TO TITLE II.—Section 208 of the Social Security Act (42 U.S.C. 408) is amended—

(1) by redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively; and

(2) by inserting after subsection (a) the following new subsection:

''(b)(1) Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Social Security Administration.

''(2) Sections 3612, 3663, and 3664 of title 18, United States Code, shall apply with respect to the issuance and enforcement of orders of restitution under this subsection. In so applying such sections, the Social Security Administration shall be considered the victim.

''(3) If the court does not order restitution, or orders only partial restitution, under this subsection, the court shall state on the record the reasons therefor.''.

(b) AMENDMENTS TO TITLE VIII.—Section 807(i) of such Act (42 U.S.C. 1007(i)) is amended—

(1) by striking ''(i) RESTITUTION.—In any case where'' and inserting the following:

''(i) RESTITUTION.—

''(1) IN GENERAL.—In any case where''; and

(2) by adding at the end the following new paragraph:

''(2) COURT ORDER FOR RESTITUTION.—

''(A) IN GENERAL.—Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Social Security Administration.

''(B) RELATED PROVISIONS.—Sections 3612, 3663, and 3664 of title 18, United States Code, shall apply with respect to the issuance and enforcement of orders of restitution under this paragraph. In so applying such sections, the Social Security Administration shall be considered the victim.

''(C) STATED REASONS FOR NOT ORDERING RESTITUTION.—If the court does not order restitution, or orders only partial restitution, under this paragraph, the court shall state on the record the reasons therefor.''.

(c) AMENDMENTS TO TITLE XVI.—Section 1632 of such Act (42 U.S.C. 1383a) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

''(b)(1) Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Social Security Administration.

''(2) Sections 3612, 3663, and 3664 of title 18, United States Code, shall apply with respect to the issuance and enforcement of orders of restitution under this subsection. In so applying such sections, the Social Security Administration shall be considered the victim.

''(3) If the court does not order restitution, or orders only partial restitution, under this subsection, the court shall state on the record the reasons therefor.''.

(d) SPECIAL ACCOUNT FOR RECEIPT OF RESTITUTION PAYMENTS.—Section 704(b) of such Act (42 U.S.C. 904(b)) is amended by adding at the end the following new paragraph:

''(3)(A) Except as provided in subparagraph (B), amounts received by the Social Security Administration pursuant to an order of restitution under section 208(b), 807(i), or 1632(b) shall be credited to a special fund established in the Treasury of the United States for amounts so received or recovered. The amounts so credited, to the extent and in the amounts provided in advance in appropriations Acts, shall be available

to defray expenses incurred in carrying out titles II, VIII, and XVI.

''(B) Subparagraph (A) shall not apply with respect to amounts received in connection with misuse by a representative payee (within the meaning of sections 205(j), 807, and 1631(a)(2)) of funds paid as benefits under title II, VIII, or XVI. Such amounts received in connection with misuse of funds paid as benefits under title II shall be transferred to the Managing Trustee of the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, as determined appropriate by the Commissioner of Social Security, and such amounts shall be deposited by the Managing Trustee into such Trust Fund. All other such amounts shall be deposited by the Commissioner into the general fund of the Treasury as miscellaneous receipts.''.

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall apply with respect to violations occurring on or after the date of the enactment of this Act.

TITLE III—ATTORNEY FEE PAYMENT SYSTEM IMPROVEMENTS

SEC. 301. CAP ON ATTORNEY ASSESSMENTS.

(a) IN GENERAL.—Section 206(d)(2)(A) of the Social Security Act (42 U.S.C. 406(d)(2)(A)) is amended—

(1) by inserting '', except that the maximum amount of the assessment may not exceed the greater of $75 or the adjusted amount as provided pursuant to the following two sentences'' after ''subparagraph (B)''; and

(2) by adding at the end the following new sentence: ''In the case of any calendar year beginning after the amendments made by section 301 of the Social Security Protection Act of 2003 take effect, the dollar amount specified in the preceding sentence (including a previously adjusted amount) shall be adjusted annually under the procedures used to adjust benefit amounts under section 215(i)(2)(A)(ii), except such adjustment shall be based on the higher of $75 or the previously adjusted amount that would have been in effect for December of the preceding year, but for the rounding of such amount pursuant to the following sentence. Any amount so adjusted that is not a multiple of $1 shall be rounded to the next lowest multiple of $1, but in no case less than $75.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to fees for representation of claimants which are first required to be certified or paid under section 206 of the Social Security Act on or after the first day of the first month that begins after 180 days after the date of the enactment of this Act.

SEC. 302. EXTENSION OF ATTORNEY FEE PAYMENT SYSTEM TO TITLE XVI CLAIMS.

(a) IN GENERAL.—Section 1631(d)(2) of the Social Security Act (42 U.S.C. 1383(d)(2)) is amended—

(1) in subparagraph (A), in the matter preceding clause (i)—

(A) by striking ''section 206(a)'' and inserting ''section 206'';

(B) by striking ''(other than paragraph (4) thereof)'' and inserting ''(other than subsections (a)(4) and (d) thereof)''; and

(C) by striking ''paragraph (2) thereof'' and inserting ''such section'';

(2) in subparagraph (A)(i), by striking ''in subparagraphs (A)(ii)(I) and (C)(i),'' and inserting ''in subparagraphs (A)(ii)(I) and (D)(i) of subsection (a)(2)'', and by striking ''and'' at the end;

(3) by striking subparagraph (A)(ii) and inserting the following:

''(ii) by substituting, in subsections (a)(2)(B) and (b)(1)(B)(i), the phrase 'section 1631(a)(7)(A) or the requirements of due process of law' for the phrase 'subsection (g) or (h) of section 223';

''(iii) by substituting, in subsection (a)(2)(C)(i), the phrase 'under title II' for the phrase 'under title XVI';

''(iv) by substituting, in subsection (b)(1)(A), the phrase 'pay the amount of such fee' for the phrase 'certify the amount of such fee for payment' and by striking, in subsection (b)(1)(A), the phrase 'or certified for payment'; and

''(v) by substituting, in subsection (b)(1)(B)(ii), the phrase 'deemed to be such amounts as determined before any applicable reduction under section 1631(g), and reduced by the amount of any reduction in benefits under this title or title II made pursuant to section 1127(a)' for the phrase 'determined before any applicable reduction under section 1127(a))'.''; and

(4) by striking subparagraph (B) and inserting the following new subparagraphs:

''(B) Subject to subparagraph (C), if the claimant is determined to be entitled to past-due benefits under this title and the person representing the claimant is an attorney, the Commissioner of Social Security shall pay out of such past-due benefits to such attorney an amount equal to the lesser of—

''(i) so much of the maximum fee as does not exceed 25 percent of such past-due benefits (as determined before any applicable reduction under section 1631(g) and reduced by the amount of any reduction in benefits under this title or title II pursuant to section 1127(a)), or

''(ii) the amount of past-due benefits available after any applicable reductions under sections 1631(g) and 1127(a).

''(C)(i) Whenever a fee for services is required to be paid to an attorney from a claimant's past-due benefits pursuant to subparagraph (B), the Commissioner shall impose on the attorney an assessment calculated in accordance with clause (ii).

''(ii)(I) The amount of an assessment under clause (i) shall be equal to the product obtained by multiplying the amount of the representative's fee that would be required to be paid by subparagraph (B) before the application of this subparagraph, by the percentage specified in subclause (II), except that the maximum amount of the assessment may not exceed $75. In the case of any calendar year beginning after the amendments made by section 302 of the Social Security Protection Act of 2003 take effect, the dollar amount specified in the preceding sentence (including a previously adjusted amount) shall be adjusted annually under the procedures used to adjust benefit amounts under section 215(i)(2)(A)(ii), except such adjustment shall be based on the higher of $75 or the previously adjusted amount that would have been in effect for December of the preceding year, but for the rounding of such amount pursuant to the following sentence. Any amount so adjusted that is not a multiple of $1 shall be rounded to the next lowest multiple of $1, but in no case less than $75.

''(II) The percentage specified in this subclause is such percentage rate as the Commissioner determines is necessary in order to achieve full recovery of the costs of determining and approving fees to attorneys from the past-due benefits of claimants, but not in excess of 6.3 percent.

''(iii) The Commissioner may collect the assessment imposed on an attorney under clause (i) by offset from the amount of the fee otherwise required by subparagraph (B) to be paid to the attorney from a claimant's past-due benefits.

''(iv) An attorney subject to an assessment under clause (i) may not, directly or indirectly, request or otherwise obtain reimbursement for such assessment from the claimant whose claim gave rise to the assessment.

''(v) Assessments on attorneys collected under this subparagraph shall be deposited in the Treasury in a separate fund created for this purpose.

''(vi) The assessments authorized under this subparagraph shall be collected and available for obligation only to the extent and in the amount provided in advance in appropriations Acts. Amounts so appropriated are authorized to remain available until expended, for administrative expenses in carrying out this title and related laws.''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to fees for representation of claimants which are first required to be certified or paid under section 1631(d)(2) of the Social Security Act on or after the first day of the first month that begins after 270 days after the date of the enactment of this Act.

(2) SUNSET.—Such amendments shall not apply with respect to fees for representation of claimants in the case of any claim for benefits with respect to which the agreement for representation is entered into after 5 years after the date on which the Commissioner of Social Security first implements the amendments made by this section.

(c) STUDY REGARDING FEE-WITHHOLDING FOR NON-ATTORNEY REPRESENTATIVES.—

(1) STUDY.—As soon as practicable after the date of the enactment of this Act, the Comptroller General of the United States shall undertake a study regarding fee-withholding for non-attorney representatives representing claimants before the Social Security Administration.

(2) MATTERS TO BE STUDIED.—In conducting the study under this subsection, the Comptroller General shall—

(A) compare the non-attorney representatives who seek fee approval for representing claimants before the Social Security Administration to attorney representatives who seek such fee approval, with regard to—

(i) their training, qualifications, and competency,

(ii) the type and quality of services provided, and

(iii) the extent to which claimants are protected through oversight of such representatives by the Social Security Administration or other organizations, and

(B) consider the potential results of extending to non-attorney representatives the fee withholding procedures that apply under titles II and XVI of the Social Security Act for the payment of attorney fees, including the effect on claimants and program administration.

(3) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report detailing the results of the Comptroller General's study conducted pursuant to this subsection.

TITLE IV—MISCELLANEOUS AND TECHNICAL AMENDMENTS

Subtitle A—Amendments Relating to the Ticket to Work and Work Incentives Improvement Act of 1999

SEC. 401. APPLICATION OF DEMONSTRATION AUTHORITY SUNSET DATE TO NEW PROJECTS.

Section 234 of the Social Security Act (42 U.S.C. 434) is amended—

(1) in the first sentence of subsection (c), by striking ''conducted under subsection (a)'' and inserting ''initiated under subsection (a) on or before December 17, 2004''; and

(2) in subsection (d)(2), by amending the first sentence to read as follows: ''The authority to initiate projects under the preceding provisions of this section shall terminate on December 18, 2004.''.

SEC. 402. EXPANSION OF WAIVER AUTHORITY AVAILABLE IN CONNECTION WITH DEMONSTRATION PROJECTS PROVIDING FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS.

Section 302(c) of the Ticket to Work and Work Incentives Improvement Act of 1999 (42 U.S.C. 434 note) is amended by striking ''(42

U.S.C. 401 et seq.),'' and inserting ''(42 U.S.C. 401 et seq.) and the requirements of section 1148 of such Act (42 U.S.C. 1320b–19) as they relate to the program established under title II of such Act,''.

SEC. 403. FUNDING OF DEMONSTRATION PROJECTS PROVIDED FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS.

Section 302(f) of the Ticket to Work and Work Incentives Improvement Act of 1999 (42 U.S.C. 434 note) is amended to read as follows:

''(f) EXPENDITURES.—Administrative expenses for demonstration projects under this section shall be paid from funds available for the administration of title II or XVIII of the Social Security Act, as appropriate. Benefits payable to or on behalf of individuals by reason of participation in projects under this section shall be made from the Federal Disability Insurance Trust Fund and the Federal Old-Age and Survivors Insurance Trust Fund, as determined appropriate by the Commissioner of Social Security, and from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, as determined appropriate by the Secretary of Health and Human Services, from funds available for benefits under such title II or XVIII.''.

SEC. 404. AVAILABILITY OF FEDERAL AND STATE WORK INCENTIVE SERVICES TO ADDITIONAL INDIVIDUALS.

(a) FEDERAL WORK INCENTIVES OUTREACH PROGRAM.—

(1) IN GENERAL.—Section 1149(c)(2) of the Social Security Act (42 U.S.C. 1320b–20(c)(2)) is amended to read as follows:

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' means an individual—

''(A) who is a disabled beneficiary as defined in section 1148(k)(2) of this Act;

''(B) who is receiving a cash payment described in section 1616(a) of this Act or a supplementary payment described in section 212(a)(3) of Public Law 93–66 (without regard to whether such payment is paid by the Commissioner pursuant to an agreement under section 1616(a) of this Act or under section 212(b) of Public Law 93–66);

''(C) who, pursuant to section 1619(b) of this Act, is considered to be receiving benefits under title XVI of this Act; or

''(D) who is entitled to benefits under part A of title XVIII of this Act by reason of the penultimate sentence of section 226(b) of this Act.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply with respect to grants, cooperative agreements, or contracts entered into on or after the date of the enactment of this Act.

(b) STATE GRANTS FOR WORK INCENTIVES ASSISTANCE.—

(1) DEFINITION OF DISABLED BENEFICIARY.—Section 1150(g)(2) of such Act (42 U.S.C. 1320b–21(g)(2)) is amended to read as follows:

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' means an individual—

''(A) who is a disabled beneficiary as defined in section 1148(k)(2) of this Act;

''(B) who is receiving a cash payment described in section 1616(a) of this Act or a supplementary payment described in section 212(a)(3) of Public Law 93–66 (without regard to whether such payment is paid by the Commissioner pursuant to an agreement under section 1616(a) of this Act or under section 212(b) of Public Law 93–66);

''(C) who, pursuant to section 1619(b) of this Act, is considered to be receiving benefits under title XVI of this Act; or

''(D) who is entitled to benefits under part A of title XVIII of this Act by reason of the penultimate sentence of section 226(b) of this Act.''.

(2) ADVOCACY OR OTHER SERVICES NEEDED TO MAINTAIN GAINFUL EMPLOYMENT.—Section 1150(b)(2) of such Act (42 U.S.C. 1320b–21(b)(2)) is amended by striking ''secure or regain'' and inserting ''secure, maintain, or regain''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to payments provided after the date of the enactment of this Act.

SEC. 405. TECHNICAL AMENDMENT CLARIFYING TREATMENT FOR CERTAIN PURPOSES OF INDIVIDUAL WORK PLANS UNDER THE TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM.

(a) IN GENERAL.—Section 1148(g)(1) of the Social Security Act (42 U.S.C. 1320b–19) is amended by adding at the end, after and below subparagraph (E), the following new sentence:

''An individual work plan established pursuant to this subsection shall be treated, for purposes of section 51(d)(6)(B)(i) of the Internal Revenue Code of 1986, as an individualized written plan for employment under a State plan for vocational rehabilitation services approved under the Rehabilitation Act of 1973.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in section 505 of the Ticket to Work and Work Incentives Improvement Act of 1999 (Public Law 106–170; 113 Stat. 1921).

Subtitle B—Miscellaneous Amendments

SEC. 411. ELIMINATION OF TRANSCRIPT REQUIREMENT IN REMAND CASES FULLY FAVORABLE TO THE CLAIMANT.

(a) IN GENERAL.—Section 205(g) of the Social Security Act (42 U.S.C. 405(g)) is amended in the sixth sentence by striking ''and a transcript'' and inserting ''and, in any case in which the Commissioner has not made a decision fully favorable to the individual, a transcript''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to final determinations issued (upon remand) on or after the date of the enactment of this Act.

SEC. 412. NONPAYMENT OF BENEFITS UPON REMOVAL FROM THE UNITED STATES.

(a) IN GENERAL.—Paragraphs (1) and (2) of section 202(n) of the Social Security Act (42 U.S.C. 402(n)(1), (2)) are each amended by striking ''or (1)(E)''.

(b) EFFECTIVE DATE.—The amendment made by this section to section 202(n)(1) of the Social Security Act shall apply to individuals with respect to whom the Commissioner of Social Security receives a removal notice from the Attorney General after the date of the enactment of this Act. The amendment made by this section to section 202(n)(2) of the Social Security Act shall apply with respect to removals occurring after the date of the enactment of this Act.

SEC. 413. REINSTATEMENT OF CERTAIN REPORTING REQUIREMENTS.

Section 3003(a)(1) of the Federal Reports Elimination and Sunset Act of 1995 (31 U.S.C. 1113 note) shall not apply to any report required to be submitted under any of the following provisions of law:

(1)(A) Section 201(c)(2) of the Social Security Act (42 U.S.C. 401(c)(2)).

(B) Section 1817(b)(2) of the Social Security Act (42 U.S.C. 1395i(b)(2)).

(C) Section 1841(b)(2) of the Social Security Act (42 U.S.C. 1395t(b)(2)).

(2)(A) Section 221(c)(3)(C) of the Social Security Act (42 U.S.C. 421(c)(3)(C)).

(B) Section 221(i)(3) of the Social Security Act (42 U.S.C. 421(i)(3)).

SEC. 414. CLARIFICATION OF DEFINITIONS REGARDING CERTAIN SURVIVOR BENEFITS.

(a) WIDOWS.—Section 216(c) of the Social Security Act (42 U.S.C. 416(c)) is amended—

(1) by redesignating subclauses (A) through (C) of clause (6) as subclauses (i) through (iii), respectively;

(2) by redesignating clauses (1) through (6) as clauses (A) through (F), respectively;

(3) in clause (E) (as redesignated), by inserting ''except as provided in paragraph (2),'' before ''she was married'';

(4) by inserting ''(1)'' after ''(c)''; and

(5) by adding at the end the following new paragraph:

''(2) The requirements of paragraph (1)(E) in connection with the surviving wife of an individual shall be treated as satisfied if—

''(A) the individual had been married prior to the individual's marriage to the surviving wife,

''(B) the prior wife was institutionalized during the individual's marriage to the prior wife due to mental incompetence or similar incapacity,

''(C) during the period of the prior wife's institutionalization, the individual would have divorced the prior wife and married the surviving wife, but the individual did not do so because such divorce would have been unlawful, by reason of the prior wife's institutionalization, under the laws of the State in which the individual was domiciled at the time (as determined based on evidence satisfactory to the Commissioner of Social Security),

''(D) the prior wife continued to remain institutionalized up to the time of her death, and

''(E) the individual married the surviving wife within 60 days after the prior wife's death.''.

(b) WIDOWERS.—Section 216(g) of such Act (42 U.S.C. 416(g)) is amended—

(1) by redesignating subclauses (A) through (C) of clause (6) as subclauses (i) through (iii), respectively;

(2) by redesignating clauses (1) through (6) as clauses (A) through (F), respectively;

(3) in clause (E) (as redesignated), by inserting ''except as provided in paragraph (2),'' before ''he was married'';

(4) by inserting ''(1)'' after ''(g)''; and

(5) by adding at the end the following new paragraph:

''(2) The requirements of paragraph (1)(E) in connection with the surviving husband of an individual shall be treated as satisfied if—

''(A) the individual had been married prior to the individual's marriage to the surviving husband,

''(B) the prior husband was institutionalized during the individual's marriage to the prior husband due to mental incompetence or similar incapacity,

''(C) during the period of the prior husband's institutionalization, the individual would have divorced the prior husband and married the surviving husband, but the individual did not do so because such divorce would have been unlawful, by reason of the prior husband's institutionalization, under the laws of the State in which the individual was domiciled at the time (as determined based on evidence satisfactory to the Commissioner of Social Security),

''(D) the prior husband continued to remain institutionalized up to the time of his death, and

''(E) the individual married the surviving husband within 60 days after the prior husband's death.''.

(c) CONFORMING AMENDMENT.—Section 216(k) of such Act (42 U.S.C. 416(k)) is amended by striking ''clause (5) of subsection (c) or clause (5) of subsection (g)'' and inserting ''clause (E) of subsection (c)(1) or clause (E) of subsection (g)(1)''.

(d) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to applications for benefits under title II of the Social Security Act filed during months ending after the date of the enactment of this Act.

SEC. 415. CLARIFICATION RESPECTING THE FICA AND SECA TAX EXEMPTIONS FOR AN INDIVIDUAL WHOSE EARNINGS ARE SUBJECT TO THE LAWS OF A TOTALIZATION AGREEMENT PARTNER.

Sections 1401(c), 3101(c), and 3111(c) of the Internal Revenue Code of 1986 are each amended by striking ''to taxes or contributions for similar purposes under'' and inserting ''exclusively to the laws applicable to''.

SEC. 416. COVERAGE UNDER DIVIDED RETIREMENT SYSTEM FOR PUBLIC EMPLOYEES IN KENTUCKY.

(a) IN GENERAL.—Section 218(d)(6)(C) of the Social Security Act (42 U.S.C. 418(d)(6)(C)) is amended by inserting ''Kentucky,'' after ''Illinois,''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on January 1, 2003.

SEC. 417. COMPENSATION FOR THE SOCIAL SECURITY ADVISORY BOARD.

(a) IN GENERAL.—Subsection (f) of section 703 of the Social Security Act (42 U.S.C. 903(f)) is amended to read as follows:

''Compensation, Expenses, and Per Diem

''(f) A member of the Board shall, for each day (including traveltime) during which the member is attending meetings or conferences of the Board or otherwise engaged in the business of the Board, be compensated at the daily rate of basic pay for level IV of the Executive Schedule. While serving on business of the Board away from their homes or regular places of business, members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall be effective as of January 1, 2003.

SEC. 418. 60-MONTH PERIOD OF EMPLOYMENT REQUIREMENT FOR APPLICATION OF GOVERNMENT PENSION OFFSET EXEMPTION.

(a) WIFE'S INSURANCE BENEFITS.—Section 202(b)(4)(A) of the Social Security Act (42 U.S.C. 402(b)(4)(A)) is amended by striking ''if, on'' and inserting ''if, during any portion of the last 60 months of such service ending with''.

(b) HUSBAND'S INSURANCE BENEFITS.—Section 202(c)(2)(A) of such Act (42 U.S.C. 402(c)(2)(A)) is amended by striking ''if, on'' and inserting ''if, during any portion of the last 60 months of such service ending with''.

(c) WIDOW'S INSURANCE BENEFITS.—Section 202(e)(7)(A) of such Act (42 U.S.C. 402(e)(7)(A)) is amended by striking ''if, on'' and inserting ''if, during any portion of the last 60 months of such service ending with''.

(d) WIDOWER'S INSURANCE BENEFITS.—Section 202(f)(2)(A) of such Act (42 U.S.C. 402(f)(2)(A)) is amended by striking ''if, on'' and inserting ''if, during any portion of the last 60 months of such service ending with''.

(e) MOTHER'S AND FATHER'S INSURANCE BENEFITS.—Section 202(g)(4)(A) of the such Act (42 U.S.C. 402(g)(4)(A)) is amended by striking ''if, on'' and inserting '''if, during any portion of the last 60 months of such service ending with''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to applications for benefits under title II of the Social Security Act filed on or after the first day of the first month that begins after the date of the enactment of this Act, except that such amendments shall not apply in connection with monthly periodic benefits of any individual based on earnings while in service described in section 202(b)(4)(A), 202(c)(2)(A), 202(e)(7)(A), or 202(f)(2)(A) of the Social Security Act (in the matter preceding clause (i) thereof)—

(1) if the last day of such service occurs before the end of the 90-day period following the date of the enactment of this Act, or

(2) in any case in which the last day of such service occurs after the end of such 90-day period, such individual performed such service during such 90-day period which constituted ''employment'' as defined in section 210 of such Act, and all such service subsequently performed by such individual has constituted such ''employment''.

Subtitle C—Technical Amendments

SEC. 421. TECHNICAL CORRECTION RELATING TO RESPONSIBLE AGENCY HEAD.

Section 1143 of the Social Security Act (42 U.S.C. 1320b–13) is amended—

(1) by striking ''Secretary'' the first place it appears and inserting ''Commissioner of Social Security''; and

(2) by striking ''Secretary'' each subsequent place it appears and inserting ''Commissioner''.

SEC. 422. TECHNICAL CORRECTION RELATING TO RETIREMENT BENEFITS OF MINISTERS.

(a) IN GENERAL.—Section 211(a)(7) of the Social Security Act (42 U.S.C. 411(a)(7)) is amended by inserting '', but shall not include in any such net earnings from self-employment the rental value of any parsonage or any parsonage allowance (whether or not excluded under section 107 of the Internal Revenue Code of 1986) provided after the individual retires, or any other retirement benefit received by such individual from a church plan (as defined in section 414(e) of such Code) after the individual retires'' before the semicolon.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to years beginning before, on, or after December 31, 1994.

SEC. 423. TECHNICAL CORRECTIONS RELATING TO DOMESTIC EMPLOYMENT.

(a) AMENDMENT TO INTERNAL REVENUE CODE.—Section 3121(a)(7)(B) of the Internal Revenue Code of 1986 is amended by striking ''described in subsection (g)(5)'' and inserting ''on a farm operated for profit''.

(b) AMENDMENT TO SOCIAL SECURITY ACT.—Section 209(a)(6)(B) of the Social Security Act (42 U.S.C. 409(a)(6)(B)) is amended by striking ''described in section 210(f)(5)'' and inserting ''on a farm operated for profit''.

(c) CONFORMING AMENDMENT.—Section 3121(g)(5) of such Code and section 210(f)(5) of such Act (42 U.S.C. 410(f)(5)) are amended by striking ''or is domestic service in a private home of the employer''.

SEC. 424. TECHNICAL CORRECTIONS OF OUTDATED REFERENCES.

(a) CORRECTION OF TERMINOLOGY AND CITATIONS RESPECTING REMOVAL FROM THE UNITED STATES.—Section 202(n) of the Social Security Act (42 U.S.C. 402(n)) (as amended by section 412) is amended further—

(1) by striking ''deportation'' each place it appears and inserting ''removal'';

(2) by striking ''deported'' each place it appears and inserting ''removed'';

(3) in paragraph (1) (in the matter preceding subparagraph (A)), by striking ''under section 241(a) (other than under paragraph (1)(C) thereof)'' and inserting ''under section 237(a) (other than paragraph (1)(C) thereof) or 212(a)(6)(A)'';

(4) in paragraph (2), by striking ''under any of the paragraphs of section 241(a) of the Immigration and Nationality Act (other than under paragraph (1)(C) thereof)'' and inserting ''under any of the paragraphs of section 237(a) of the Immigration and Nationality Act (other than paragraph (1)(C) thereof) or under section 212(a)(6)(A) of such Act'';

(5) in paragraph (3)—

(A) by striking ''paragraph (19) of section 241(a)'' and inserting ''subparagraph (D) of section 237(a)(4)''; and

(B) by striking ''paragraph (19)'' and inserting ''subparagraph (D)''; and

(6) in the heading, by striking ''Deportation'' and inserting ''Removal''.

(b) CORRECTION OF CITATION RESPECTING THE TAX DEDUCTION RELATING TO HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.—Section 211(a)(15) of such Act (42 U.S.C. 411(a)(15)) is amended by striking ''section 162(m)'' and inserting ''section 162(l)''.

(c) ELIMINATION OF REFERENCE TO OBSOLETE 20-DAY AGRICULTURAL WORK TEST.—Section 3102(a) of the Internal Revenue Code of 1986 is amended by striking ''and the employee has not performed agricultural labor for the employer on 20 days or more in the calendar year for cash remuneration computed on a time basis''.

SEC. 425. TECHNICAL CORRECTION RESPECTING SELF-EMPLOYMENT INCOME IN COMMUNITY PROPERTY STATES.

(a) SOCIAL SECURITY ACT AMENDMENT.—Section 211(a)(5)(A) of the Social Security Act (42 U.S.C. 411(a)(5)(A)) is amended by striking ''all of the gross income'' and all that follows and inserting ''the gross income and deductions attributable to such trade or business shall be treated as the gross income and deductions of the spouse carrying on such trade or business or, if such trade or business is jointly operated, treated as the gross income and deductions of each spouse on the basis of their respective distributive share of the gross income and deductions;''.

(b) INTERNAL REVENUE CODE OF 1986 AMENDMENT.—Section 1402(a)(5)(A) of the Internal Revenue Code of 1986 is amended by striking ''all of the gross income'' and all that follows and inserting ''the gross income and deductions attributable to such trade or business shall be treated as the gross income and deductions of the spouse carrying on such trade or business or, if such trade or business is jointly operated, treated as the gross income and deductions of each spouse on the basis of their respective distributive share of the gross income and deductions; and''.

The SPEAKER pro tempore. After 1 hour of debate on the bill, as amended, it shall be in order to consider the further amendment printed in House Report 108–54, if offered by the gentleman from Texas (Mr. GREEN) or his designee, which shall be considered read, and shall be debatable for 40 minutes, equally divided and controlled by the proponent and an opponent.

The gentleman from Florida (Mr. SHAW) and the gentleman from California (Mr. MATSUI) each will control 30 minutes of debate on the bill, as amended.

The Chair recognizes the gentleman from Florida (Mr. SHAW).

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

This afternoon I am pleased to present to the House for its consideration the Social Security Protection Act of 2003, which is bipartisan legislation that fights fraud and abuse in Social Security programs.

First, this bill protects nearly 8 million beneficiaries who cannot manage their own affairs and rely on representative payees appointed by the Social Security Administration. It does this by raising payee standards and by imposing stricter penalties on those who mismanage the benefits they are entrusted to administer.

Second, this bill denies Social Security benefits to fugitive felons and probation and parole violators. Third, the Protection Act provides tools to further safeguard Social Security programs including new civil monetary penalties.

Finally, this bill helps people with disabilities by giving greater access to legal representation when applying for benefits by improving work incentive programs and by expanding eligibility for the Work Opportunity Tax Credit to encourage more employers to hire individuals with disabilities.

Despite the fact that a majority of the Members voted to pass this bill last month, the needed two-thirds approval

required under suspension of the rules was not achieved. That is because special interest groups betrayed Social Security and America's seniors to appease the few who believe they could get special treatment and be allowed to exploit an unintended loophole that presently exists in the law. These groups misinformed both public and the Congress by falsely claiming that teachers and other public servants who pay into a public employee pension plan instead of Social Security are being singled out for unfair treatment. According to the General Accounting Office and the Social Security Administration, these claims are false.

In fact, government workers who do not pay Social Security taxes receive higher spouse or widow benefits than workers who do, given equal retirement benefits from work. By taking advantage of the loophole, a select group of public employees receives full Social Security spouse and widow benefits that no other working spouse in America receives, including other teachers who pay into Social Security for their entire career.

I want to share this example provided by the Social Security Administration because it shows so well that assertions of targeting public servants for unfair reduction in spousal benefits are just simply incorrect.

As this placard will show, we are comparing two working couples, the Bakers and the Smiths. They have equal retirement benefits from their work. In both cases the husband receives a Social Security work benefit of $1,200 per month, and the wife receives $300 per month based on her work. They are equal in every way except that Mrs. Baker paid Social Security taxes and receives her benefits from Social Security, but Mrs. Smith paid into a public pension plan instead of Social Security and receives her benefits from that plan.

Both Mrs. Baker's and Mrs. Smith's spouse benefits are reduced. Mrs. Baker's spouse benefits of $600, which is one half of her husband's benefit amount, is reduced $1 for every dollar of her Social Security benefit, providing her with a $300 spouse benefit. Mrs. Smith's spouse benefit, also $600, is reduced $2 for $3 by her public pension benefit, providing her with a $400 spouse benefit.

The end result, Mrs. Smith's benefit is $100 higher than Mrs. Baker's, even though Mrs. Baker paid her whole career into Social Security. Clearly, Mrs. Smith is not being discriminated against because she paid into a public pension plan instead of Social Security.

Mrs. Smith has a twin sister, Mrs. Jones, who is also a teacher; but Mrs. Jones was a teacher in Texas who switched to a school cafeteria job on the last day and paid Social Security taxes in for that last day. Mrs. Jones has an advantage over every other working spouse in America. She receives both her worker's benefit and full spousal benefit. As a result her spousal benefit would be $300 higher than Mrs. Baker's and $200 higher than her twin's. Clearly, for someone who worked 1 day under Social Security, that is just plain unfair.

Every Member of Congress deeply appreciates the valuable contribution of teachers and public servants and all workers, whether they be in Texas, Georgia, Florida, or New York. However, no single group of workers should have an unfair advantage over workers in other school districts, in other pension systems, or all across this Nation.

We absolutely need a full discussion of all Social Security provisions affecting public employees, which is why the Subcommittee on Social Security will have a hearing on these issues and legislative opportunities in the coming weeks. While we want to make Social Security fair for all workers, we must take care not to worsen Social Security's already bleak fiscal picture or undermine the principle of Social Security as an earned benefit. It is an earned benefit. That would negatively affect both government workers and all Americans who depend on Social Security.

This bipartisan bill does the right thing and has the support of many organizations. It was developed using recommendations from and in cooperation with the Social Security Administration and the Social Security Inspector General. It is also supported by the AARP, Citizens Against Government Waste, the National Conference of State Social Security Administrators, the Consortium for Citizens with Disabilities, the National Alliance for the Mentally Ill, the Association of Administrative Law Judges, the National Organization of Social Security Claimants' Representatives, and numerous other national and local law enforcement agencies and organizations.

We should protect senior citizens from unscrupulous representative payees skimming off of the top. We should prevent fugitive felons and probation or parole violators from using Social Security dollars to finance their illegal activity. We should pass H.R. 743 to stop this fraud and abuse in Social Security and in the process save the taxpayers $655 million over the next 10 years.

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

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

Mr. Speaker, I would like to commend my colleague from the State of Florida (Mr. SHAW), the Chair of the Subcommittee on Social Security of the Committee on Ways and Means. We entered into a bipartisan discussion, and we have a bipartisan bill at this time.

The gentleman mentioned the Inspector General of the Social Security Administration. The Social Security Administration and the beneficiary community all came together last year to put this piece of legislation together. It was essentially the same bill that passed last year, and just 2 weeks ago it came again before the House Committee on Ways and Means and passed on a 35 in favor of to two against vote count. So this is a good bill. I hope we have final passage in favor of this piece of legislation.

I might just very briefly go over the points of the legislation. One, it deals with representative payees; and basically what this means is that when we have a person who is perhaps mentally disabled, a minor, or somebody who is a frail elderly, they may not be able to collect the benefits themselves or know how to handle their benefit, Social Security benefits, that is. So we have a representative payee that will take the money and make sure that proper accounting of the money is taken care of. Essentially in some cases we have had representative payees where they have actually absconded with the money. This would tighten up the laws on representative payees and, secondly, would make sure that beneficiaries are held harmless and receive the full benefits even when the representative payee takes the money from them. It also would provide a greater legal representation for SSDI recipients, those people that are seeking disability benefits under Social Security, by providing for greater legal representation by changing some of the requirements for lawyers under the Social Security Administration Act.

Lastly, it would deny benefits to fugitive felons. Right now under the law, through the quirk in the law, unfortunately, fugitive felons are able to receive Social Security benefits, and this would deny those benefits to fugitive felons.

There are a number of other technical provisions in the legislation. One area I might just spend a few moments on is the one that my colleague from Florida talked about, and that is the government pension offset issue. As the Members know, this legislation was passed in 1976. It did not take place until the mid-1980s. It was not fully put in place until the 1980s. It was basically to take care of the disparity where one of the spouses has two employments over a period of their lifetime of work, one in the local or State government and one in the private sector. So one would then be eligible for both Social Security benefits and also eligible at the same time for a government pension.

Under the law that currently is in place, a surviving widow or widower in this circumstance would have a reduction in their benefit level, depending upon the size of their pension. It was a law to try to correct an inequity. Unfortunately, the government pension offset has in some cases been fair but in many case has been unfair. One, many of the recipients do not know until actually their spouse dies that they are subject to that rule, in which case all of a sudden their lives have become totally disruptive. In fact, we

have calculated, and studies have shown this, that when one spouse dies, it still requires 80 percent of the former income that the couple had in order to live comfortably, and this in many cases drops that income level down to 30 or 40 percent of what they received when they were both alive. So there is a problem with this piece of legislation.

What the gentleman from Florida (Mr. SHAW) and I have attempted to do was strengthen the potential loopholes that some call it loopholes and some say it is only a way to make sure their benefits are collected properly.

The gentleman from Florida (Mr. SHAW) has indicated that he intends to hold hearings on the government pension offset issue, and we really appreciate that because I believe that some action should be taken in this Congress on that issue.

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Obviously, we cannot reinstate full benefits, but perhaps there is some way we can at least help these recipients that are subject to this rule so that they will be able to continue on when one of the spouses passes away.

It is, however, a situation now where some of my colleagues feel that they have a problem with this particular provision. This provision was not in the bill last year to close this provision on the government pension offset; it was added to the bill in this Congress, and many of my colleagues have questions about it.

It would have been my hope that we would have dealt with this issue and the larger issue of trying to deal with the government pension offset, because in this situation it would put pressure on all of us to try to deal with this comprehensively. But we do have it before us at this time, and as many of us know, the gentleman from Texas (Mr. GREEN) will have an amendment in which he will move to strike that one provision out of this legislation.

I intend to support his motion to strike this by way of an amendment but, at the same time I would hope that my colleagues on both sides of the aisle would support the final passage of this legislation, because it is a good bill and certainly we do believe that the other provisions of this legislation must move forward.

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

Mr. SHAW. Mr. Speaker, I yield myself such time as I may consume. Very, very briefly, what the gentleman from California said about people receiving bad information from the Social Security Administration is absolutely correct, and we are working on that. This came out at the hearing that we had, and this is something that our committee will be addressing.

Now, the reason that the correction, as far as the unfair benefits being paid out to people who never really paid into Social Security more than one day of their working life, that information did not come out from the General Accounting Office until after we passed our bill last June.

The Democrat-controlled Senate, however, did have the benefit of the General Accounting Office study when they passed their bill, and they passed it by unanimous consent and they attached this provision to it.

This is not a partisan issue. I understand the problems within certain States and those are only two States, by the way, Texas and Georgia. However, for the rest of this country, it is looking at Georgia and Texas as an unfair abuse of the Social Security system because of the inartful drawing of that one provision. This is what we are trying to correct here this afternoon.

Mr. Speaker, I would say to the gentleman from California (Mr. MATSUI) that at this particular time I do not expect to use all of our time on general debate. We have already been through this on suspension. I would invite the gentleman to put a couple of speakers up at this time.

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

Mr. MATSUI. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Speaker, I thank the gentleman from California (Mr. MATSUI), our ranking member on the Subcommittee on Social Security, for yielding me this time.

One thing I do agree with the chairman of the Subcommittee on Social Security about is that we should reform the government pension offset. Instead of talking about technicalities or ways that people have figured a way around it, we ought to look at the whole issue. There has been legislation cosponsored by the majority of this House for 3 years, but we have not had a hearing yet on dealing with that. That is what is frustrating.

So instead of dealing with the big issue, they are going to say, okay, for those teachers or firefighters or police officers in Texas or Georgia or whatever other States, they are going to punish those because they found a way under current law to be able to receive their widows' benefits. We are talking about widows benefits. I do not know about the GAO study or whatever they wanted to talk about, but I do know that we are talking about widows' benefits.

Let me give an example. I have a lady in my own district in the Aldine School District; her husband passed away 10 years ago. She has been receiving his Social Security widow's benefits. She teaches school. She is 73 years old now. After decades of teaching math, she is ready to retire; but if she retires, she will have her widow's benefits under Social Security reduced so substantially that there will almost be nothing left, because of her teacher retirement under the State of Texas.

Now, again, I do not know how the request was made for these GAO studies, but I do know that the facts on the ground show something different than what my colleagues say. This teacher will have to wait to retire. She would have to go to work for 5 years at a school that has Social Security. Well, she does not have that choice. We have some districts in Texas who do, some who do not. Very few actually do. So she would have to be 78 years old under the bill to be able to continue receiving her widow's benefits. That is wrong. That has been wrong, and it is affecting so many people. That is why we have an amendment, and I thank the Committee on Rules for giving us an opportunity to strike that section.

We have an opportunity through that amendment that will do it. Let us deal with the whole issue, but let us also support the amendment that will leave this provision in here for people who need it.

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

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

I first would like to thank the chairman of the subcommittee, the gentleman from Florida (Mr. SHAW), and also the ranking member, the gentleman from California (Mr. MATSUI) for the work that they have done on this legislation.

Certainly, those of us who have worked on this issue in the past know that we need to deal with these issues for all of those beneficiaries who are out there trying to collect their well-earned Social Security benefits, and also for those who have in the past had difficulties going before the Administration, the Social Security Administration, to get the benefits they deserve. Too, oftentimes we find that some of the folks that are now trying to collect their benefits are old, disabled; in many cases they have become incompetent and cannot do some of these things for themselves, and we have had to find ways to help them move their case along. The ''representative payee'' program has been a good one. Oftentimes, unfortunately, it has been abused by some, and we are trying to make sure that we forever guarantee that those people who have earned these benefits will get them and not someone who is trying to take advantage of them and claims to be providing advocacy on their behalf.

This is a good bill. H.R. 743 was a bill that was passed last year by this House. I hope it does have a chance to become law this year. I do want to support, and I associate myself with the words of the gentleman from Texas (Mr. GREEN) who spoke. We have an issue with the government pension offset that we must address. We must address it in a way that deals with reform in its entirety.

Many of us have talked about the need to make sure that we strengthen Social Security into the future. There

are a lot of folks, teachers, police officers, firefighters, who find that because they have not been in the system, or if they have been in part of the system for part of the time, the treatment that they will receive is different from those who have been within Social Security or completely outside of Social Security throughout the process. We must deal with this.

To some people who may be watching, it may seem confusing what we are talking about with regard to the government pension offset but, really, the bottom line here is whether you understand GPO and what it stands for or not. What we are trying to do is make sure the system under Social Security is fair for everyone. At this stage there is an issue that has been raised whether or not through this legislation we should be trying to make changes to the GPO.

I would urge all of my colleagues to support the bill, and I also urge my colleagues to support the Green amendment that he has offered today.

Mr. MATSUI. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Texas (Mr. RODRIGUEZ).

Mr. RODRIGUEZ. Mr. Speaker, let me take this time to also rise and say that we really need to look at that government pension offset.

The government pension offset unfairly reduces the retirement benefits of public employees who have dedicated their lives to serving their communities and our children. Many of those impacted expected to receive the Social Security benefit that their spouse earned, and we are talking about the majority, almost 90 percent are women that are widowed. So if we look at what we are doing, it is extremely discriminatory towards those women in this category. Often they remain unaware of the offset until they reach retirement age.

Educators are shocked to learn that their decision to enter the education profession, often at considerable financial sacrifice, has caused them to lose benefits they have counted on. The resulting loss of income forces some into poverty and despair. Section 418 of the Social Security Protection Act would close the so-called loophole that allows educators in my home State of Texas to avoid the unjust and harsh impact of the government pension offset by transferring it to the school districts covering Social Security just before they retire.

I would like to add that I am not alone in this. Mr. Speaker, 176 other Members of this House from both sides of the aisle have cosponsored legislation to eliminate this provision. If Members agree that this provision is unfair, I would strongly urge them to vote in favor of this amendment when it comes forward and to vote against this bill.

Once again, I asked the chairman on the Republican side to bring this forward and try to deal with this, because it is extremely important. I know we have argued about offshore and allowing companies to go offshore and have that loophole for the major companies. But when it is a loophole that applies to women and widows, we need to look at that and see if we can come back, and I would just ask the chairman and appeal to him to bring forward that bill and have an up-or-down vote on the entire bill and allow it to go and impact throughout the counties for these teachers and those individuals and those widows that fall under that category.

Mr. SHAW. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. BRADY), a member of the Subcommittee on Social Security.

Mr. BRADY of Texas. Mr. Speaker, I support this bill. Let me address my remarks toward the teacher loophole portion of this, because this is what we are discussing the most.

I admire teachers. They are hard-working and incredibly dedicated, as we all know. They are my friends, my sister-in-law, and my next-door neighbor, literally. But keeping open the Texas teacher loophole is terribly unfair.

The loophole practice was first reported to the fraud hotline of Social Security a few years ago. A subsequent investigation by the General Accounting Office followed and, upon their finding that millions of dollars were being siphoned from Social Security, the recommendation was made to Congress to close it. The Senate voted 99 to 0 to close it. But that is why we are here today in the House, to preserve the integrity of Social Security.

This is how the loophole works in Texas, in my State. Teachers in the State retirement system do not pay into Social Security. They have opted out. They pay instead into a substitute retirement plan, the teacher retirement system of Texas. As they near retirement, a Texas teacher resigns from her school district. She pays then another school district that is in Social Security; she pays them between $200 and $500 to work for them 1 day, in the cafeteria, doing maintenance, or as a clerical aid. Typically, for that 1 day of work, the teacher contributes $3 into Social Security and thanks to the loophole, collects nearly $100,000 in Social Security benefits over her retirement. That is $3 into Social Security, $100,000 taken from Social Security. This is terribly unfair. It is unfair to all of the teachers in other States who have no loophole. It is unfair to all the working families in Texas, in America, who have no loophole, including our soldiers overseas; and it is certainly unfair to our elderly who, even if we close the loophole today, will see $450 million drained from their Social Security Trust Fund.

On the Web site for the Texas Federation of Teachers, their President, John Cole, describes the loophole as a trick and proudly proclaims the gimmick is perfectly legal. The gimmick is perfectly legal.

Well, the gimmick may be legal, but is it right? Virtually no other worker in Texas or America can take a job in a school cafeteria for a day, contribute $3 into Social Security, and walk away with nearly $100,000 more than their next-door neighbor. How do we justify this? We would not allow someone to spend 1 day as a substitute teacher and take home $100,000 in teacher retirement, so why would we allow a teacher to work 1 day in Social Security and take home $100,000 they did not earn?

Alarmingly, this 25-year-old obscure loophole just recently discovered is now being institutionalized. In Texas, in my home State, teachers groups regularly hold retirement seminars to instruct their members on how to take advantage of the loophole. Some school districts make as much as $280,000 a year. That is a quarter of a million dollars a year, charging fees to teachers to work for them for just a day. During the General Accounting Office investigation, they even discovered one Texas university has gone so far as to regularly schedule 5 days per year where university professors can work their last day as a janitor under Social Security, contribute $3, and receive an extra $100,000. That is $100,000 that university professors in other States cannot earn, because they do not have a loophole. And it is $100,000 the janitor they worked alongside of cannot earn either, because they do not have a loophole.

We are not going to create two classes of citizens in America, those who have loopholes and those who do not. Congress has a clear choice. We can keep open this lucrative loophole for a few that is draining $450 million from everyone else's Social Security, or we can stand up for our seniors, stand up for our elderly, stand up for the 99 percent of America's workers who are playing by the fair rules.

□ 1245

If we insist on keeping this loophole open, Congress, I think, has forfeited any future credibility to claiming to protect Social Security for our seniors. We will rightly be labeled hypocrites.

What can we do to help our teachers, but still be fair to America? The question has been raised today, and it is a fair one. I am convinced the answer lies in repeal or at least modification of the windfall elimination provision, which docks workers who have earned both the Social Security retirement and the government pension. I think the principle we should be applying is this: if you have earned two pensions, you should receive two pensions.

I have asked the chairman of the Subcommittee on Social Security, the gentleman from Florida (Mr. SHAW), to hold hearings on the windfall provision; and he has agreed. I appreciate his willingness to promptly study the impact and fairness of the windfall provision as it relates to today's retirees.

I think we will find when we do study it, and I am in total agreement with

our teachers on this, that the windfall makes it much more difficult to recruit into teaching the professionals who have had other careers. I think it penalizes educators who held a second job in order to make ends meet. Teachers tell me this would go a long way towards helping them. And best of all, it is not a gimmick. It is fair for them, and it is fair to the rest of America.

I urge the House to pass H.R. 743 without amendment. We must not allow our precious Social Security to be drained away; and most importantly, we cannot create two classes of citizens in America, those who have loopholes and those who do not.

Mr. MATSUI. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Texas (Mr. DOGGETT), a member of the Committee on Ways and Means.

Mr. DOGGETT. What a truly disappointing presentation. Mr. Speaker, this is not about ''gimmicks,'' and it is not really even about Texas teachers. It is about whether this Congress will have on the floor of the House its first ever vote in recent memory on correcting the Government Pension Offset and Windfall Elimination Provision.

Last year, when the constituents of the gentleman from Texas (Mr. BRADY) contacted him about this, he said that these provisions seemed to be ''most unfair.'' He pointed out, quite correctly, that ''about 40 percent of the total number of affected beneficiaries are widows and widowers''; that ''240,000 affected beneficiaries are women.''

I think that we need an opportunity in this Congress to address the Government Pension Offset. When the gentleman from Florida (Mr. SHAW) released the GAO report to which he has referred today, although he and the gentleman from Texas (Mr. BRADY) use terms like ''fraud'' and attack the professional associations of our teachers in Texas, although he even has the audacity today to invoke our soldiers overseas against our police officers and our firefighters and teachers who deserve a GPO correction, when the gentleman from Florida (Mr. SHAW) introduced the GAO report, he said ''The apparently growing use'' of what he calls a loophole ''is only a symptom of general concern about whether the GPO itself is fair. . . . That is why my plan . . . would reduce the Government Pension Offset.'' [Aug. 15, 2002 press release]

His plan that he refers to is the one that he and the gentleman from Texas (Mr. BRADY) voted against when we presented it in the Committee on Ways and Means. It is the plan which the Committee on Rules made out of order today. Not Texas teachers, not ''gimmicks,'' not the Texas Federation of Teachers, but police officers in New York City and firefighters in San Francisco, and everyone in between who has been a public servant and who has suffered as a result of this Windfall Elimination Provision, they are the ones that they are standing against today.

''GPO'' stands for ''Government Pension Offset.'' It cuts into the retirement security of dedicated public servants, like firefighters, police officers, and teachers who provide us physical and economic security and who need retirement security. ''GPO'' really means ''gouge police officers,'' and it gouges our teachers and firefighters seeking their well-earned retirement security.

GPO also stands for ''good photo opportunity.'' That is what is involved here. Whether it is police officers, firefighters, or teachers, Members are eager to stand with them and get their picture taken. But when it comes time to vote with them and protect their retirement security, they come up with one excuse after another.

This provision dealing with the self-help provisions that Texas teachers have used, and used in accordance with the letter of the law as written, specifically as written by this Congress, was buried on page 70 of the original bill. They did not even have the courage to bring it up for a vote in the committee at that point, or to wait until our Texas teachers could be here.

An apt analogy to what is happening here today is to find oneself driving down a highway and seeing a senior citizen, a retired teacher, pulled off along the side of the road with a flat tire.

The reaction of most folks is to stop and help. Well, the Congress comes along and it stops to help. It tells the retirees, ''You cannot fix this problem yourself,'' the way our Texas teachers have done, ''that is our job.'' Then, while the senior waits for help, the Congress gets back in the car and drives off, leaving them stranded beside the road.

That is exactly what has happened here as this Republican Congress refuses to address the problem that our Texas teachers and our firefighters are rightly concerned about. Instead, they pick up a tire iron all right, but they are using it on our retirees, not the flat.

The GPO bills introduced and never set for a hearing or never voted on will never provide retirement coverage, only political coverage. When Members pose with public servants for a good photo opportunity, a ''GPO,'' they hope those employees will not notice that: When they smile, the real message is, ''I am standing with you, but I am not voting with you.''

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

Mr. Speaker, I must say, and be sure that all the Members that are listening to this debate know, this debate has nothing to do with the Government Pension Offset that the last speaker was referring to. That particular provision has a price tag of $9 billion.

As chairman of the Subcommittee on Social Security, I would like to correct that, or at least go halfway towards correcting that. But part of my job as chairman of this subcommittee is also to protect the integrity of the Social Security program itself. To go off willy-nilly and start throwing dollars out means the demise of the Social Security system. It will come up short well before 2016, which is the day on which the cash coming into the system is not enough to pay the benefits. We have to be concerned about that.

We are going to have hearings on the Government Pension Offset, and try to find ways to pay for it. But we have to pay for it within the system. To do otherwise would be just plain reckless.

Mr. Speaker, I yield 3 minutes to the gentleman from Missouri (Mr. HULSHOF), a distinguished member of the subcommittee.

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

The gentleman from Texas (Mr. DOGGETT) who spoke last has regaled us on a number of occasions with some interesting and I would say provocative speeches over the last couple of years about the use and abuse of tax shelters. He has proclaimed himself, Mr. Speaker, the defender of the individual taxpayer against abusive corporate tax shelters. He has often cited Enron when that issue was before Congress. He has railed against the expansion of the business meal deduction, saying taxpayers would subsidize $400 bottles of wine, a thinly-veiled swipe at the former Speaker.

In the immediate aftermath of September 11, in the committee he went as far as to say that Republicans on the committee were looking for tax cuts for Osama bin Laden. Now he attempts to wrap himself into the fireman's coat and shield himself with the policeman's shield. It is just not so.

Section 418 of the Social Security Protection Act closes a loophole. The General Accounting Office says this about that loophole: ''4,819 individuals from Texas and Georgia have performed work in Social Security-covered positions for short periods, and in fact even for a day, in order to offset'' or get away from this government pension offset in this exemption.

This is a loophole, a loophole that is being exploited. In 2002, one-fourth of all the public education retirees in the State of Texas took advantage of this loophole.

Let me give an example of an egregious type of way that this is being exploited, and unfortunately, much to the chagrin of other hardworking Social Security payees across the country. School officials reported individuals were taking, or one individual traveled 800 miles one way, 800 miles, a two-day trip, to be employed for a single day, traveling back 800 miles back to that person's home in order to get away from this loophole.

As my friend, the gentleman from Texas (Mr. BRADY), noted, a lot of these school districts are seeing the money flow in because they are charging these retirees, these teachers, a processing fee for their school districts. Ultimately, what it means is that

these workers are seeing their annual pensions increased by the tune of about $5,000 a year to which they are not entitled.

So we can talk about the government pension offset all we would like, or the windfall elimination provision. Yet what we are trying to do is root out waste, fraud and abuse. The General Accounting Office has told us clearly and unequivocally this is a loophole that is being exploited, and it is time that this Congress acted to close this loophole, because other retirees are the ones that are losing the advantage of their social security.

Mr. MATSUI. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I would like to just make a couple of observations, if I may. I appreciate the Chair of the subcommittee on Social Security of the Committee on Ways and Means, his discussion.

I just want to point out, the President had said during the campaign of 2000 that he wanted to reform Social Security. He came up in 2001, December of 2001, with a commission report and three recommendations all dealing with privatization of Social Security. The gentleman himself has come up with a privatization plan. We still have not seen Social Security reform in the committee, nor have we seen it on the floor of the House.

Initially, I was hoping to take care of the GPO under Social Security reform. Obviously, we cannot do it because there is no intention of bringing Social Security reform to the House floor until after the 2004 election, after the President presumably is reelected. So it is unfortunate we have to deal with this issue now.

I also want to say that with respect to the gentleman from Texas (Mr. DOGGETT), he was trying to deal through the whole issue of corporate shelters with things like the Bermuda inversion issue, in which companies in the United States went offshore in order to avoid U.S. taxes, thereby increasing taxes for individual citizens. These are the things that he has been working on.

Lastly, this is about the government pension offset, to a large extent; it is not about loopholes. The reason I say this, just 3 weeks ago the gentleman voted, the gentleman who just spoke voted in committee on a piece of legislation actually in which we were going to try to give benefits to our young men and women overseas, in the Persian Gulf at this time, by adding little provisions like eliminating taxation on foreigners who actually bet on U.S. gaming and horse races.

These are the kinds of things that are real loopholes. These are the things that are loopholes. These are ordinary citizens who are just trying to deal with their own livelihood when one of their spouses dies.

Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Speaker, I am so pleased that the last speaker raised this issue of corporate loopholes, because it is the same crowd that stood in the Committee on Ways and Means repeatedly and on the floor of this House and has defended corporations that renounce their citizenship and head off for tax havens like Bermuda. They say that this is fine, that this is legal, and that we do not need to do anything about it.

As to the Government Pension Offset and the issue of the alleged ''loophole'' in Texas, what the gentleman failed to mention is that we offered in committee to close the alleged ''loophole'' for Texas teachers, but to do it in connection with reforming the GPO problem that they have consistently refused to correct all this time. Fix the two together.

We make them that same offer today. This is not about gimmicks in Texas, it is about people that file bills, as the gentleman from Florida (Mr. SHAW) has done, that they never intend to move through the Congress; file bills they do not even get a hearing on, and say they are on the side of the firefighters, police officers, and teachers while doing nothing for them.

Mr. SHAW. Mr. Speaker, I yield 30 seconds to the gentleman from Missouri (Mr. HULSHOF).

Mr. HULSHOF. Mr. Speaker, again I would say to the gentleman who just spoke, who has self-proclaimed his time here as far as trying to shut down these corporate abusive shelters, in existing law that the Social Security Protection Act attempts to protect is a loophole that is being exploited, a single-day exception where workers attempt to get around this law.

Perhaps if the gentleman's constituents had set up post office boxes in Bermuda, perhaps we would see some righteous indignation in favor of this legislation instead of opposed.

□ 1300

Mr. MATSUI. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from the State of Maine (Mr. ALLEN).

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

Mr. Speaker, I rise to make an argument outside of the scope of this latest controversy, though I will say the sooner this Congress deals with the GPO issue, the better, because it is a very important issue back in my home State of Maine. But I do rise in support of this bill, H.R. 743.

I commend the work of the chairman of the subcommittee, the gentleman from Florida (Mr. SHAW) and the ranking member, the gentleman from California (Mr. MATSUI) for their effort to bring this bill forward.

I want to confine my remarks to one particular section of the bill, section 414. That section will directly benefit one of my constituents, Nancy Wilson of Bremen, Maine. Nancy Wilson has been denied Social Security benefits through a quirk in the law for more than 10 years, and thanks to the efforts of the Committee on Ways and Means, H.R. 743 will fix that quirk and will enable Nancy Wilson to receive the benefits to which she otherwise would have been entitled.

Since the 105th Congress I have been working to pass legislation that would assist Mrs. Wilson. In both the 105th and 106th Congresses, private legislation passed this House but was not acted on by the other body. Since then the Committee on Ways and Means has graciously worked with me in both the 107th and 108th Congresses to include language similar to my bill, H.R. 249, in the Social Security Protection Act in order to help Mrs. Wilson.

As anyone who has worked with her knows, Nancy Wilson is a tenacious battler. She will not give up. She will not allow her elected representatives to give up until she receives the justice that she feels she deserves and that she does deserve. I hope with the passage of this bill, Nancy's efforts will finally be vindicated.

I urge the swift enactment of this legislation.

Mr. SHAW. Mr. Speaker, I yield 2½ minutes to the gentleman from Arizona (Mr. HAYWORTH), a distinguished member of the committee.

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

Mr. HAYWORTH. Mr. Speaker, I thank the chairman of the subcommittee for yielding me time, and I appreciate and applaud the remarks of my friend from Maine (Mr. ALLEN) across the aisle because it typifies, at long last, we actually had discussion on the bill we are working on this afternoon and the benefits it brings, rather than another convoluted process.

So let us focus on the legislation at hand, H.R. 743. The preceding speaker pointed out how it would directly help one of his constituents.

Mr. Speaker, let me suggest to you that this legislation will help thousands, if not millions, of Social Security recipients because it protects Social Security. First and foremost, we strengthen the ability of this government and the Social Security Administration to deny benefits to fugitive felons and probation or parole violators. We have such a huge system which so many Americans depend on that it is hard to believe, but true, there are actually felons and fugitives who have depended on Social Security and taken money out of the system. That is wrong. That is going to stop.

It deters fraud. It creates new civil monetary penalties for those who would commit fraud against our seniors and against Social Security recipients. It prevents persons from misrepresenting themselves as they provide Social Security-related services. We move to protect what so many Americans depend upon.

And I should also point out that one key group of constituents whom I was

honored to work with, with the Commissioner of the Social Security Administration, came to Arizona, to Tempe, Arizona, to issue our first ticket to work for a disabled member of our society who wanted to emphasize the ability in disability, we broaden and strengthen the ability with ticket to work. We help individuals with disabilities gain access to representation and to get back to work. We expand the eligibility for the work opportunity tax credits. Employers outside of a predesignated number in the past can take advantage of the work opportunity tax credit. It allows the Social Security Administration to examine alternative methods of encouraging work.

This is a good bill. Pass it on the merits. Support H.R. 743.

Mr. MATSUI. Mr. Speaker, I yield 2½ minutes to the distinguished gentlewoman from the State of Texas (Ms. JACKSON-LEE).

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

Ms. JACKSON-LEE of Texas. Mr. Speaker, it is interesting, this is a good bill. I am frankly appalled that we have a situation where we have to fix the question of fugitive felons receiving Federal dollars, and I believe we should fix it. That is the point I rise to make, Mr. Speaker.

Forgive me for talking in a second-level voice, but this could have been a bill that all of us supported. My good friend from Arizona (Mr. HAYWORTH) stood a couple of years ago disagreeing with opposing the government pension offset. What we are trying to do is to fix it to make it work.

We offered, I understand, I am not on the committee but I understand that the gentleman from Connecticut's (Mr. SHAYS) legislation that could have fixed this question that we are concerned with about teachers and police and firefighters was offered in committee and was rejected along a party line vote.

Mr. Speaker, this is legislation that should be supported by all. We should have a 100 percent vote on the Green amendment, which I am supporting, for these teachers and widows that we are talking about. This is a simple amendment because what it does is this amendment works to correct the problem, and that is in 418.

This amendment is important to have. The legislation does nothing to remedy the GPO to make it fair to public servants. This amendment strips this one hidden offensive provision in this otherwise noncontroversial bill that deals with prohibiting a widow to be eligible for a pension based upon State, local, or Federal jobs, that is ridiculous, or requiring them to work an extra 5 years.

Now why, Mr. Speaker, we could not work together to ensure that we had a bipartisan bill. My voice is weak, it is broken, but I could not miss talking about this inequity.

Why are we here fighting about a bill that has some very good elements? Why are we here fighting over the Green amendment? It should be under unanimous consent, because it makes sense for people not just in Texas but in New York. And I think it is important, Mr. Speaker, to say here we go again, dividing unnecessarily along party lines on what is good for America. And frankly, I think we got a whole lot of work to do with our troops in Iraq in terms of benefits that they need and veterans benefits that they need and tax changes that they need. We could do this in a bipartisan way.

So I hope, Mr. Speaker, that we will find a way to unanimously support this Green amendment that will strike this language that puts elderly people back to work, and I hope we will find a way to correct this legislation so we have a bill that will have the support of all Members.

Mr. Speaker, I am saddened to have come to the floor today to speak out yet against H.R. 743. The Social Security Protection Act of 2003. This bill was broken last time it came up on the floor. Many public servants in our districts noticed that. We noticed it was broken and voted the bill down. But, here it is again—and it still has not been fixed. There is much good in this bill. If the Majority Leadership would take out the small error that will hurt our teachers and firefighters and police, this bill could be in front of the President soon. That would be a great service.

Social Security represents a covenant between the U.S. Federal Government and the American people. It is a promise that if a person works hard, and contributes into this investment program, that when it comes time for them to retire—their government will ensure that a fair benefit is there for them. It seems that too often, criminals take advantage of the trust between the Social Security Administration and the seniors and disabled Americans it serves. They misuse Social Security benefits. Such activity is worse than just stealing, because it threatens the confidence that the American people have in the government. That confidence is the foundation of our democracy.

So last Congress, I joined with every voting Member of this House in support of The Social Security Act of 2002. It was an excellent piece of bipartisan legislation, which would have made great strides towards cutting down on the abuse of the Social Security system. Most of the major provisions of that bill are reflected in the bill before us today, and I still support them. The bills would both protect Social Security recipients by mandating reissue of funds when their payments are misused. Representative payees who misuse a person's benefits would be forced to reimburse those funds, plus would be subject to fines of up to $5000 if they knowingly provided false or misleading information.

For further protection, representative payees for over 15 individuals would be required to be licensed and bonded, and would be subject to periodic reviews. The bills would allow the Commissioner to withhold benefits from fugitive felons, and persons fleeing prosecution. The bills also provide for numerous improvements to the present system, which would reduce fraud and abuse of the program.

The bill passed unanimously in the House last Congress, and similar legislation cleared the Senate. But unfortunately this important legislation got hung up at the end of last year. With such support and progress, this should have been an easy piece of work to get through this year, and a score for the American taxpayers. Instead, a wrench has been thrown into the works, through the addition of a small section that has provoked a deluge of phone calls into my office from, it seems like, every schoolteacher in my district.

The Texas branch of the American Federation of Teachers describes Section 418 as ''poison for Texas school employees.'' That section relates to the Government Pension Offset. At present, if an individual receives a government pension based on work that was not covered by Social Security, his or her Social Security spousal or survivor benefit is reduced by an amount equal to two-thirds the government pension. This provision of current law is called the Government Pension Offset (GPO). However, under the ''last day rule,'' an individual is exempt from the GPO if he or she works in a job covered by Social Security on the last day of employment.

Many school disticts offer teachers non-Social Security government pensions, so till now many teachers have been forced to take advantage of the ''last day'' loophole. Just before they retire, they get a job in a business with a Social Security pension for a day, in order to receive their deserved benefits. This is a ridiculous system, and the appropriate way to fix it would have been to repeal the GPO. In fact, I have co-sponsored H.R. 594 with my colleague from California, BUCK MCKEON, and 132 others to do just that.

Instead, the bill before us today closes the loophole. I am usually all for getting rid of loopholes, but now is no time to be ''sticking-it'' to teachers—just as we are trying to leave no child behind, just as we have a shortage of qualified teachers in many areas. This could drive many people away from careers in teaching.

For example, last month I received a call from one woman in my District who was a teacher earlier in her life. Her husband recently passed away and she has been contemplating going back into teaching. But she has been warned that she could actually jeopardize her financial future by going to work. As a widow, she will be entitled to her husband's social security benefits. However, if she starts to teach in a school district with a government non-Social Security pension, she could lose $360 per month in retirement benefits—over $4000 per year.

Why should she risk it? If H.R. 743 passed today, it won't be only she that loses. It will be our Nation's children who lose—an experienced, intelligent teacher.

The GPO issue needs to be addressed, but not today. Right now, we are giving money to criminals who are beating our system and undermining confidence in the future of Social Security and the government as a whole. We need to protect Social Security, and we need to do it soon. But I will wait until we can do it without attacking our teachers, and penalizing our children.

I will vote ''no'' on H.R. 743 unless the offending provision is taken out, and urge my colleagues to do the same.

Mr. MATSUI. Mr. Speaker, I yield 2 minutes and 10 seconds to the distinguished gentleman from the State of Texas (Mr. HINOJOSA).

Mr. HINOJOSA. Mr. Speaker, I rise in opposition to H.R. 743 and I wish to express my strong support for the amendment offered by my friend, the gentleman from Texas (Mr. GREEN).

The underlying bill was rejected by the House last month when it was considered under suspension of the rules. Yet it is being brought before us again with the same objectionable provision that will hurt teachers, police officers, firefighters and other State and local workers in Texas and lots of States around the country.

H.R. 743 would compel experienced public servants to quit their jobs prematurely and work in the private sector for 5 years before they retire in order to avoid a reduction in their pension caused by the Social Security offset. We all know that our Nation has a critical shortage of teachers and public safety personnel. This provision would only exacerbate the problem.

That is why I support the Green amendment to strip this offending provision from the bill. Unfortunately, the Committee on Rules has prevented this House from considering a permanent fix to the problems associated with the government pension offset.

My friend, the gentleman from Texas (Mr. DOGGETT), proposed an amendment to the Committee on Rules that would end this policy that forces public employees to offset their State pensions against the Social Security benefits they have earned. But the Committee on Rules refused to allow the Doggett amendment to be considered today. As a result, State and municipal employees throughout the Nation will continue to be hurt by this unfair policy.

At a time when Federal and State budgets for education and public safety are being slashed, this is just one more slap in the face to those teachers and those public safety officers who are working hard to educate our children and protect our communities. We need to let them know that education and security are national priorities and that we value their dedication. I encourage my colleagues to move quickly to bring relief to teachers and other public employees by supporting the Green amendment.

Mr. SHAW. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. HERGER), a member of the committee.

Mr. HERGER. Mr. Speaker, I rise in strong support of the Social Security Program Protection Act. I would like to thank the gentleman from Florida (Chairman Shaw) and the other members of the Committee on Ways and Means who have worked tirelessly to improve Social Security programs that provide an important, crucially important, safety net for many of our Nation's neediest disabled and elderly individuals. These changes have been designed to ensure that the right benefits go to the right people, a principle which should guide our efforts on behalf of the taxpayers we serve.

I am especially pleased that the bill before us includes a provision designed to keep convicted fugitive felons from getting Social Security checks. These efforts build upon the criminal welfare provision which I introduced and which were enacted into law more than 3 years ago. By all accounts, these laws have been effective in stopping illegal fraudulent Social Security payments to prisoners. We have also stopped hard-earned taxpayer dollars from being used to subsidize addicts with disability checks. Overall, we have saved taxpayers and beneficiaries literally billions of dollars.

Other provisions in the legislation before us, such as granting the Social Security Administration the tools it needs to weed out waste and fraud, will further protect vulnerable beneficiaries.

Mr. Speaker, this bill passed with overwhelming bipartisan support in the last Congress. I urge my colleagues to join me today in supporting it once again.

Mr. MATSUI. If the Speaker may inquire whether the gentleman from Florida (Mr. SHAW) has any further speakers?

The SPEAKER pro tempore (Mr. LINDER). Does the gentleman from Florida (Mr. SHAW) have any further speakers?

Mr. SHAW. At this particular time I may close, depending on what I hear from the other side.

Mr. MATSUI. Mr. Speaker, how much time remains?

The SPEAKER pro tempore. The gentleman from California (Mr. MATSUI) has 5 minutes remaining. The gentleman from Florida (Mr. SHAW) has 5½ minutes remaining.

Mr. MATSUI. Mr. Speaker, I yield 3 minutes to the gentleman from the State of Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Speaker, I think the debate has been good because it has talked about what the concern is, that we really need to deal with government pension offset.

I know there has been legislation introduced now for a number of years and that there is a commitment to have a hearing on it, but we have a bill right now; the latest legislation, H.R. 594, has at least 50 Republican Members and in a very short time has received almost 200 co-sponsors of it, that would eliminate the controversial government pension offset. And I guess that is what is frustrating because we have so much support to eliminate it or at least, as had been earlier talked about, let us moderate it. Do not punish widows that are public employees, two-thirds. Let us make them only pay one-third. Sure, they only worked a day maybe, but they are not getting it for their work under Social Security.

□ 1315

They are getting it because they were married to their spouse for at least 10 years and, in some cases, 30 and 40 years; and yet, because they were public schoolteachers, they had to take advantage of that loophole because, otherwise if their husband died before they were 62, they did not receive anything. So they found a way under current law to seek redress, and this bill is going to close that loophole, supposedly.

Again, maybe it should be, if my amendment is adopted, I would like the committee to really bring out a reform during this Congress because, again, we have been waiting now for many years. In fact, my colleague from Arizona (Mr. HAYWORTH), I remember 3 years ago he and I stood at a press conference with lots of Members talking about we need to reform the government pension offset, and that is what ought to be done, but do not punish the States of Georgia or Texas or whatever other jurisdiction said, well, wait a minute, we know it is wrong, we know it is wrong to penalize a widow who teaches school.

For example, a colleague of mine from Texas has a military base, Fort Hood, with a lot of his constituents now in the Persian Gulf. They said we have a program that is called Troops to Teachers. Our armed services pay Social Security so they retire from the military, and yet they are going to go back to teach and they are going to be penalized for the Social Security they earned in the military if they retire in Texas from the teacher retirement system and they do not work for a school district that has Social Security.

The system is wrong, and my colleagues are making it worse by changing it by this bill; and this is what is so bad. My colleagues can show me all of the studies, but I cannot explain those studies to my constituents who are teachers who said you mean to tell me I have been married 30 years to my husband and everything because we are talking about 80 percent of these people are women, and we know nationally the retirement income for women is so much lower than men. We have teachers who have been married all these years, and sure, they are going to take advantage, but that is because they have been married to someone who paid into Social Security for at least 10 years, in some cases 3 or 4 decades.

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

This is a good bill. I want to commend the gentleman from the State of Florida, the Chair of the subcommittee. We put together a bipartisan bill. Obviously with the Social Security Administration, with the beneficiary groups and certainly with the Inspector General's office, and certainly this is a good piece of legislation.

I hope that each of my colleagues, as I, will vote for final passage of this legislation. Obviously, we do have one controversy here, and it is the government pension offset issue; and the gentleman from Florida has indicated he

will address this issue through a hearing of the subcommittee sometime in the near future, I believe after the April recess; and so I look forward to working with him with the idea of perhaps given the time constraints and other problems that we might have that we can really address this issue in a comprehensive way.

I do hope that there will be some way that we can vote in favor of the gentleman from Texas's (Mr. GREEN) amendment when it is offered in about 40, 45 minutes because I think that will keep the pressure on the institution, both bodies and the executive branch of government, to address this issue.

There is no question that many people are caught unaware when one spouse dies that they did not know about the government pension offset. It results in a reduction of their level of income by 40, 50, even in many cases 60 percent, and secondly, we do have to deal with the inequalities of the proposal. There is no question that in some cases it does actually help and it creates inequality in terms of people that have multiple jobs.

On the other hand, it does create some inequality, and as a result of that, we really need to address this issue in a comprehensive way; and given the fact we probably will not deal with Social Security reform in this Congress, it is incumbent on us at least to address this issue and perhaps a few other issues, as well, as long as they are not extremely costly.

Mr. Speaker, I urge a ''yes'' vote on final passage, a ''yes'' vote when the gentleman from Texas (Mr. GREEN) offers his amendment.

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

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

(Mr. SHAW asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. SHAW. Mr. Speaker, I place in the RECORD a large number of letters in support from police groups, fire groups, AARP, and a number of other letters.

AARP,
Washington, DC, March 5, 2003.

Hon. CLAY SHAW,
House of Representatives, Washington, DC.

DEAR REPRESENTATIVE SHAW: On behalf of AARP and its 35 million members, I wish to commend you and Representative Matsui for introducing H.R. 743, the ''Social Security Program Protection Act of 2003.'' This comprehensive legislation is important to claimants, beneficiaries and the overall Social Security program.

We are pleased that the legislation would protect beneficiaries against abuses by representative payees. For many years, AARP recruited volunteers as representative payees so that Social Security beneficiaries who needed a representative payee but could not find one would not lose any benefits. These programs were quite successful but were limited in scope.

AARP has had a longstanding interest in curbing deceptive mailings targeted at older Americans. This legislation builds upon prior legislation and could discourage other mailers from scaring older people about their Social Security and Medicare benefits.

The legislation would strengthen the Ticket to Work Act and conduct pilot projects to improve work incentives for those with a disability. These changes would send a strong signal that our society values the contributions of all its citizens.

Thank you again for your leadership in moving H.R. 743 in the House.

Sincerely,

DAVID CERTNER,
Director, Federal Affairs.

COUNCIL FOR CITIZENS
AGAINST GOVERNMENT WASTE,
Washington, DC, March 10, 2003.

Hon. CLAY SHAW, *Chairman,*
Hon. ROBERT MATSUI, *Ranking Member,*
Committee on Ways and Means, Subcommittee on Social Security, House of Representatives, Washington, DC.

DEAR CHAIRMAN SHAW AND RANKING MEMBER MATSUI: On behalf of the more than 1 million members and supporters of the Council for Citizens Against Government Waste (CCAGW), I commend you both for introducing H.R. 743, the Social Security Protection Act of 2003. CCAGW supports this important legislation.

Passage of H.R. 743 would fiscally strengthen the Social Security program by reining in the loss of millions flowing away from beneficiaries each year due to waste, fraud and abuse. It strengthens the supervision of individuals and institutions that handle benefit checks belonging to others, bars Social Security payments to fugitives, and would allow federal courts to order an individual who breaks a Social Security-related law to make restitution to the fund.

The members of CCAGW also support your efforts to close the loophole regarding government pension offsets for Social Security benefits. This loophole has allowed thousands of individuals to receive Social Security benefits for previous employment for which they did not pay into the system. The Government Accounting Office (GAO) has recommended eliminating this loophole, estimating that failure to do so will cost the program $450 million in long-term overpayments.

Enactment of H.R. 743 would boost solvency of the Social Security program and ensure that benefits would go to those who have earned it by instituting strict safeguards for annuitants and the programs on which they depend. This bill will be among those considered for inclusion in CCAGW's 2003 Congressional Ratings.

Sincerely,

THOMAS SCHATZ,
President.

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS POSITION STATEMENT

Overview: This bill is intended to make changes to various sections of the Federal Social Security Act. One of the many changes provides for an extended period of employment in a position covered by Social Security in order to be eligible for the Government Pension Offset (GPO) exemption.

Current law: The current Social Security Act allows any employee to be exempt from the GPO if, on their last day of employment, they are in a covered position. While this little noticed provision has been in the law for many years it has recently become the subject of discussion and possible abuse. It has been noted that a number of employees who have worked in a non-covered position during their normal working career have switched over to a position covered by Social Security on their last day of employment in order to circumvent the GPO impact on their benefits.

This perceived abuse can be significantly reduced by the passage of this legislation. In addition, this change for the state and local government employees, brings the criteria into synchronization with the Federal employee requirements.

Position: The National Conference of State Social Security Administrators supports the changes proposed in section 418 of H.R. 743.

Contact: If you have any questions or comments regarding this Position Statement or other activities of the NCSSSA, please contact either Nicholas C. Merrill, Jr. (IL) Legislative Committee Chairman, at (217) 785–2340, or Steve Delaney, (OR) President, at (503) 603–7694.

NCSSSA background: Since its formation in 1952, the NCSSSA has worked closely with SSA and IRS to address social security and medicare coverage and employment tax issues raised by state and local government employers and state social security administrators throughout the United States. The NCSSSA works with federal officials to ensure legislative and regulatory changes address state and local concerns. The NCSSSA provides leadership to state and local governments through accurate interpretation of federal laws and regulations, communication of Federal tax policy, and resolution of problems arising at the state and local level.

NATIONAL COUNCIL OF SOCIAL SECURITY
MANAGEMENT ASSOCIATIONS, INC.,
Hackensack, NJ, March 31, 2003.

Hon. CLAY SHAW,
Chairman, Social Security Subcommittee, House Ways and Means Committee, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN SHAW: We appreciate that your efforts as Chairman of the Social Security Subcommittee have brought to light many issues that affect the stability and solvency of the Social Security program. Your continued attention to detail ensures that SSA recipients will be better served in the future.

One such issue is a loophole that currently exists in the law regarding the Government Pension Offset. The National Council of Social Security Management Associations (NCSSMA) favors the provision in H.R. 743, ''The Social Security Protection Act of 2003,'' that closes this loophole that affects the Government Pension Offset.

As you are aware, legislation was enacted in 1977 creating a Government Pension Offset (GPO) to equalize the treatment of workers covered by Social Security and those with noncovered government pensions. The GPO prevents workers from receiving a full spousal benefit on top of a pension earned from noncovered government employment. The law, however, provides an exemption to the GPO if an individual's last day of state/local employment is in a job that is covered by both Social Security and the state/local government's pension system. That provision provides a loophole that needs to be closed.

The Government Accounting Office found last year that 3,500 teachers in Texas switched to clerical or janitorial positions covered by Social Security on the last day of their employment in order to avoid the GPO. The GAO estimates that use of the loophole thus far could cost Social Security $450 million and even more if use of the loophole grows. Not closing this loophole would be fiscally irresponsible and unfair to other citizens who comply with the intent of the law. Therefore we favor the provision in H.R. 743 designed to rectify this problem.

Sincerely,

ANTHONY PEZZA,
President.

CONSORTIUM FOR
CITIZENS WITH DISABILITIES,
Washington, DC, March 4, 2003.

Hon. E. CLAY SHAW,
Hon. ROBERT MATSUI,
House of Representatives, Washington, DC.

DEAR REPRESENTATIVES SHAW AND MATSUI: On behalf of the Consortium for Citizens with Disabilities Task Forces on Social Security and Work Incentives Implementation, we are writing to express our support for the speedy passage of H.R. 743, the Social Security Protection Act of 2003.

We appreciate the hard work and the perservance of the Subcommittee on Social Security in addressing this important legislation over the course of two Congresses and again in this 108th Congress. Your leadership and commitment last year resulted in the passage of the Social Security Program Protection Act of 2002, H.R. 4070, in the House by a vote of 425 to 0. Clearly, the issues addressed in the bipartisan Social Security Protection Act are important to people with disabilities who must depend on the Title II and Title XVI disability programs. We urge House passage of H.R. 743.

H.R. 743 is a very important bill for people with disabilities. We believe that it should be enacted as soon as possible. People with disabilities need the protections of the representative payee provisions. People with disabilities who are attempting to work need the statutory changes to the Ticket to Work program in order to better utilize the intended work incentive provisions enacted in 1999. In addition, beneficiaries with disabilities need the provision requiring the Social Security Administration to issue written receipts, and to implement a centralized computer file record, whenever beneficiaries report earnings or a change in work status. These important provisions have not been controversial—in fact, they have enjoyed significant bipartisan support—and have simply fallen prey to the legislative process over the last two Congresses. We appreciate your interest in moving H.R. 743 quickly so that these important protections can become available to beneficiaries as soon as possible.

One of the most important sections of H.R. 743 for people with disabilities is the section dealing with improved protections for beneficiaries who need representative payees. Approximately 6 million Social Security and Supplemental Security Income beneficiaries have representative payees, often family members or friends, who receive the benefits on their behalf and have a responsibility to manage the benefits on behalf of the beneficiaries.

H.R. 743 includes important provisions strengthening SSA's ability to address abuses by representative payees. The provisions would: require non-governmental fee-for-services organizational representative payees to be bonded and licensed under state or local law; provide that when an organization has been found to have misused an individual's benefits, the organization would not qualify for the fee; allow SSA to re-issue benefits to beneficiaries whose funds had been misused; allow SSA to treat misused benefits as ''overpayments'' to the representative payee, thereby triggering SSA's authority to recover the money through tax refund offsets, referral to collection agencies, notifying credit bureaus, and offset of any future federal benefits/payments; and require monitoring of representative payees, including monitoring of organizations over a certain size and government agencies serving as representative payees.

In addition, H.R. 743 would extend the direct payment of attorneys fees in SSI cases on a voluntary basis. Advocates believe that such a program will make legal representation more accessible for people with disabilities who need assistance in handling their cases as they move through the extremely complex disability determination and appeals systems.

CCD is a working coalition of national consumer, advocacy, provider, and professional organizations working together with and on behalf of the 54 million children and adults with disabilities and their families living in the United States. The CCD Social Security and Work Incentives Implementation Task Forces focus on disability policy issues in the Title XVI Supplemental Security Income program and the Title II disability programs. We look forward to the House passage and final enactment of H.R. 743.

Sincerely,

Co-chairs, Social Security and Work Incentives Implementation Task Forces: Marty Ford, The Arc and UCP Public Policy Collaboration; Ethel Zelenske, National Organization of Social Security Claimants' Representatives; Cheryl Bates-Harris, National Association of Protection and Advocacy Systems; Susan Prokop, Paralyzed Veterans of America; Melanie Brunson, American Council of the Blind; Paul Seifert, International Association of Psychosocial Rehabilitation Services.

NATIONAL ORGANIZATION OF SOCIAL
SECURITY CLAIMANTS'
REPRESENTATIVES,
Midland Park, NJ, February 26, 2003.

Hon. E. CLAY SHAW, Jr.,
Subcommittee on Social Security, Committee on Ways and Means, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: On behalf of the National Organization of Social Security Claimants' Representatives (''NOSSCR''), we offer our support for the important goals of H.R. 743, the Social Security Protection Act of 2003.

Specifically, we support the protections in Title I for beneficiaries who have representative payees and support provisions which, for the first time, require the Social Security Administration to issue receipts to beneficiaries when they report earnings or a change in work status. Additionally, title III of this measure contains two important provisions NOSSCR strongly supports. These provisions are designed to ensure access to legal representation for those Social Security and Supplemental Security Income (''SSI'') claimants who seek to be represented as they pursue their claims and appeals. First, the bill limits the assessment of the user fee to $75.00 or 6.3 percent, whichever is lower. Second, the bill extends the current Title II fee withholding and direct payment procedure to the Title XVI program, giving SSI claimants the same access to representation as is currently available to Social Security disability claimants. Together, these provisions make changes that will help claimants obtain representation as they navigate what can often be a confusing and difficult process.

We are dismayed, however, by the addition of a sunset provision for the extension of withholding to the Title XVI program. Enactment of an attorneys' fee payment system with an ''end date'' will undercut its very purpose: to enable more SSI claimants seeking a lawyer to hire one. The sunset provision shortchanges SSI claimants who desire legal representation. We are not aware of any policy justification for this provision, and we urge its deletion from the bill.

NOSSCR appreciates your continued interest in improving the Social Security and SSI programs and ensuring the best possible service delivery. We look forward to your Subcommittee's consideration of this legislation.

Very truly yours,

NANCY G. SHOR,
Executive Director.

ASSOCIATION OF
ADMINISTRATIVE LAW JUDGES,
Milwaukee, WI, February 28, 2003.

Hon. CLAY SHAW, Jr.,
Chairperson, Subcommittee on Social Security, Rayburn House Office Building, Washington, DC.

DEAR CHAIRPERSON SHAW: I write on behalf of the Association Law Judges. We represent about 1000 administrative law judges in the Social Security Administration and in the Department of Health and Human Services which comprise about 80% of the administrative law judges in the Federal government. I am writing in regard to H.R. 743, a bill to provide additional safeguards for Social Security and Supplement Security Income beneficiaries with representative payees, to enhance program protections, and for other purposes.

We support the goals of H.R. 743. In particular, we support the attorney fee payment system improvements provided for in the bill, but we believe that the legislation should not include any ''sunset'' provisions. We further support the provisions in the legislation for the elimination of transcript requirements in remand cases fully favorable to the claimant.

We also favor the provision in the legislation that directs the Social Security Administration to issue receipts to acknowledge submissions of earnings by beneficiaries.

Thank you for your work on this important legislation.

Sincerely,

RONALD G. BERNOSKI,
President.

Mr. Speaker, we are going to go into the amendment process in just a moment. I think it is important for the House to realize here that what we are talking about in all this debate has been on a very narrow point that really only affects basically one State, possibly two, and that is a question of where their particular pension law is written in such a way that it creates a loophole and gives their teachers, their firefighters, an advantage over the rest of the country.

This is not about teachers. It is not about widows. It is not about firefighters. It is about basic fairness.

So I would hope that in the final vote I think we will get a big vote in favor of the bill itself. I have no doubt about it, but I would urge the Members to defeat the amendment that is going to be offered by the gentleman from Texas (Mr. GREEN) that would preserve this loophole for these few people. It is just simply not fair.

Mr. REYES. Mr. Speaker, I rise today in support of the Green Substitute amendment to H.R. 743. This amendment would result in removing Section 418 from the bill. This section negatively affects teachers and other public servants in my state of Texas. This is unacceptable. Our hardworking teachers deserve more.

I know full well the effort and hard work that teachers dedicate to their students. My wife was a teacher for many years and my daughter, who just completed her doctorate degree in education, is currently an administrator at a local school district. I believe that teaching is

one of the most honorable professions. I credit our teachers with laying the foundation for the future of our country and the world. In addition to teaching children the basic skills they need, teachers are an important guiding force for our children. After parents, they are one of the greatest influences on children. We therefore need to make sure we have well-qualified and well-paid teachers educating students.

As you know Mr. Speaker, passage of this bill before us would reduce the spousal Social Security benefits for countless teachers. H.R. 743 also affects school support personnel, police officers, firefighters, and other public servants. At a time when multi-billion dollar tax breaks are being given to our country's top income earners, our teachers and other public servants would be penalized through this bill. These are people we should be protecting and rewarding. We should not make them pay for the tax cuts we give those who are more fortunate. For this reason I cannot support the original version of this bill.

Mr. Speaker, I have co-sponsored H.R. 594, a bill introduced by my colleague, Mr. MCKEON, that will eliminate the Government Pension Offset and the Windfall Elimination Provisions that target our teachers and other public servants by denying them the opportunity to retain their full spousal Social Security benefits. This bill would be a more appropriate permanent solution to the unfair treatment of teachers' social security benefits. However, until we can pass that bill, I strongly urge my colleagues to support the Green Substitute, oppose H.R. 743 unless it is amended, and continue to support our teachers. I yield back the balance of my time.

Mr. PAUL. Mr. Speaker, I rise in reluctant opposition to HR 743, the Social Security Protection Act. While this bill contains many provisions worthy of support, it also removes the only means by which many widowed Texas public school teachers can receive the same spousal social security benefits as every other American. As I am sure my colleagues are aware, widowed public school employees in Texas, like public employees throughout the The Government Pension Offset even applies if the public employee in question worked all the quarters necessary to qualify for full social security benefits either before or after working in the public school system!

The effect of the Government Pension Offset is to punish people for teaching in public schools! However, current law provides widowed Texas public school teachers a means of collecting the full social security spousal benefits. Unfortunately, this bill removes that option from Texas teachers. Since I believe the Congress should repeal the Government Pension Offset by passing HR 524, which repeals both the Government Pension Offset and the Windfall Elimination Provision, another provision that denies public employees full social security benefits, I must oppose this bill.

Instead of punishing public school teachers, Congress should be encouraging good people to enter the education profession by passing my Teacher Tax Cut Act (HR 613) which provides every teacher with a $1,000 tax credit, as well as my Professional Educators Tax Credit act (HR 614), which provides a $1,000 tax credit to counselors, librarians, and all school personnel. Congress should also act to protect the integrity of the Social Security Trust Fund by passing my Social Security Preservation Act (HR 219), which ensures that Social Security monies are not spent on other programs. Congress should also pass my Social Security for American Citizens Only Act (HR 489), which ensures that non-citizens who have not worked the required number of quarters and illegal immigrants do not receive social security benefits.

Mrs. JONES of Ohio. Mr. Speaker, I rise in support of H.R. 743. First, I would like to acknowledge Mr. MATSUI for working diligently on the Social Security Act of 2003.

As we all know, H.R. 743 will extend the direct fee withholding program payment to attorneys who represent supplemental security income claimants, thus encouraging more attorneys to represent them.

It is vital that we pass legislation that addresses the major concerns of our seniors, the blind, and the disabled.

This legislation imposes greater standards on individuals and organizations that serve as representative payees for social security and supplemental security income recipients; this legislation will make non-governmental representative payees liable for ''misused'' funds and subject them to civil monetary penalties; H.R. 743 will reduce the fee assessments from the Social Security Administration that charges attorneys for fee withholding.

Overall, the Social Security Act of 2003 will be beneficial to recipients and those who serve as representatives for recipients.

Furthermore, H.R. 743 will make a number of technical changes designed to reduce social security fraud and abuse.

Mr. Speaker, I will close my statement for the RECORD with supporting H.R. 743.

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

The SPEAKER pro tempore (Mr. LINDER). All time having been yielded back, it is now in order to consider the amendment in the nature of a substitute printed in House Report 108–54.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. GREEN OF TEXAS

Mr. GREEN of Texas. Mr. Chairman, I offer an amendment in the nature of a substitute.

The SPEAKER pro tempore. The Clerk will designate the amendment in the nature of a substitute.

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

Amendment in the nature of a substitute offered by Mr. GREEN of Texas:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Social Security Protection Act of 2003''.

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title and table of contents.

TITLE I—PROTECTION OF BENEFICIARIES

Subtitle A—Representative Payees

Sec. 101. Authority to reissue benefits misused by organizational representative payees.
Sec. 102. Oversight of representative payees.
Sec. 103. Disqualification from service as representative payee of persons convicted of offenses resulting in imprisonment for more than 1 year or fleeing prosecution, custody, or confinement.
Sec. 104. Fee forfeiture in case of benefit misuse by representative payees.
Sec. 105. Liability of representative payees for misused benefits.
Sec. 106. Authority to redirect delivery of benefit payments when a representative payee fails to provide required accounting.

Subtitle B—Enforcement

Sec. 111. Civil monetary penalty authority with respect to wrongful conversions by representative payees.

TITLE II—PROGRAM PROTECTIONS

Sec. 201. Civil monetary penalty authority with respect to knowing withholding of material facts.
Sec. 202. Issuance by Commissioner of Social Security of receipts to acknowledge submission of reports of changes in work or earnings status of disabled beneficiaries.
Sec. 203. Denial of title II benefits to persons fleeing prosecution, custody, or confinement, and to persons violating probation or parole.
Sec. 204. Requirements relating to offers to provide for a fee a product or service available without charge from the Social Security Administration.
Sec. 205. Refusal to recognize certain individuals as claimant representatives.
Sec. 206. Penalty for corrupt or forcible interference with administration of Social Security Act.
Sec. 207. Use of symbols, emblems, or names in reference to social security or medicare.
Sec. 208. Disqualification from payment during trial work period upon conviction of fraudulent concealment of work activity.
Sec. 209. Authority for judicial orders of restitution.

TITLE III—ATTORNEY FEE PAYMENT SYSTEM IMPROVEMENTS

Sec. 301. Cap on attorney assessments.
Sec. 302. Extension of attorney fee payment system to title XVI claims.

TITLE IV—MISCELLANEOUS AND TECHNICAL AMENDMENTS

Subtitle A—Amendments Relating to the Ticket to Work and Work Incentives Improvement Act of 1999

Sec. 401. Application of demonstration authority sunset date to new projects.
Sec. 402. Expansion of waiver authority available in connection with demonstration projects providing for reductions in disability insurance benefits based on earnings.
Sec. 403. Funding of demonstration projects provided for reductions in disability insurance benefits based on earnings.
Sec. 404. Availability of Federal and State work incentive services to additional individuals.
Sec. 405. Technical amendment clarifying treatment for certain purposes of individual work plans under the Ticket to Work and Self-Sufficiency Program.

Subtitle B—Miscellaneous Amendments

Sec. 411. Elimination of transcript requirement in remand cases fully favorable to the claimant.
Sec. 412. Nonpayment of benefits upon removal from the United States.
Sec. 413. Reinstatement of certain reporting requirements.
Sec. 414. Clarification of definitions regarding certain survivor benefits.

Sec. 415. Clarification respecting the FICA and SECA tax exemptions for an individual whose earnings are subject to the laws of a totalization agreement partner.
Sec. 416. Coverage under divided retirement system for public employees in Kentucky.
Sec. 417. Compensation for the Social Security Advisory Board.
Subtitle C—Technical Amendments
Sec. 421. Technical correction relating to responsible agency head.
Sec. 422. Technical correction relating to retirement benefits of ministers.
Sec. 423. Technical corrections relating to domestic employment.
Sec. 424. Technical corrections of outdated references.
Sec. 425. Technical correction respecting self-employment income in community property States.

TITLE I—PROTECTION OF BENEFICIARIES

Subtitle A—Representative Payees

SEC. 101. AUTHORITY TO REISSUE BENEFITS MISUSED BY ORGANIZATIONAL REPRESENTATIVE PAYEES.

(a) TITLE II AMENDMENTS.—

(1) REISSUANCE OF BENEFITS.—Section 205(j)(5) of the Social Security Act (42 U.S.C. 405(j)(5)) is amended by inserting after the first sentence the following new sentences: ''In any case in which a representative payee that—

''(A) is not an individual (regardless of whether it is a 'qualified organization' within the meaning of paragraph (4)(B)); or

''(B) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title VIII, title XVI, or any combination of such titles;

misuses all or part of an individual's benefit paid to such representative payee, the Commissioner of Social Security shall certify for payment to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of such benefit so misused. The provisions of this paragraph are subject to the limitations of paragraph (7)(B).''.

(2) MISUSE OF BENEFITS DEFINED.—Section 205(j) of such Act (42 U.S.C. 405(j)) is amended by adding at the end the following new paragraph:

''(8) For purposes of this subsection, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person and converts such payment, or any part thereof, to a use other than for the use and benefit of such other person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this paragraph.''.

(b) TITLE VIII AMENDMENTS.—

(1) REISSUANCE OF BENEFITS.—Section 807(i) of the Social Security Act (42 U.S.C. 1007(i)) (as amended by section 209(b)(1) of this Act) is amended further by inserting after the first sentence the following new sentences: ''In any case in which a representative payee that—

''(A) is not an individual; or

''(B) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title II, title XVI, or any combination of such titles;

misuses all or part of an individual's benefit paid to such representative payee, the Commissioner of Social Security shall pay to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of such benefit so misused. The provisions of this paragraph are subject to the limitations of subsection (l)(2).''.

(2) MISUSE OF BENEFITS DEFINED.—Section 807 of such Act (42 U.S.C. 1007) is amended by adding at the end the following new subsection:

''(j) MISUSE OF BENEFITS.—For purposes of this title, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person under this title and converts such payment, or any part thereof, to a use other than for the use and benefit of such person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this subsection.''.

(3) TECHNICAL AMENDMENT.—Section 807(a) of such Act (42 U.S.C. 1007(a)) is amended, in the first sentence, by striking ''for his or her benefit'' and inserting ''for his or her use and benefit''.

(c) TITLE XVI AMENDMENTS.—

(1) REISSUANCE OF BENEFITS.—Section 1631(a)(2)(E) of such Act (42 U.S.C. 1383(a)(2)(E)) is amended by inserting after the first sentence the following new sentences: ''In any case in which a representative payee that—

''(i) is not an individual (regardless of whether it is a 'qualified organization' within the meaning of subparagraph (D)(ii)); or

''(ii) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this title, title II, title VIII, or any combination of such titles;

misuses all or part of an individual's benefit paid to the representative payee, the Commissioner of Social Security shall pay to the beneficiary or the beneficiary's alternative representative payee an amount equal to the amount of the benefit so misused. The provisions of this subparagraph are subject to the limitations of subparagraph (H)(ii).''.

(2) EXCLUSION OF REISSUED BENEFITS FROM RESOURCES.—Section 1613(a) of such Act (42 U.S.C. 1382b(a)) is amended—

(A) in paragraph (12), by striking ''and'' at the end;

(B) in paragraph (13), by striking the period and inserting ''; and''; and

(C) by inserting after paragraph (13) the following new paragraph:

''(14) for the 9-month period beginning after the month in which received, any amount received by such individual (or spouse) or any other person whose income is deemed to be included in such individual's (or spouse's) income for purposes of this title as restitution for benefits under this title, title II, or title VIII that a representative payee of such individual (or spouse) or such other person under section 205(j), 807, or 1631(a)(2) has misused.''.

(3) MISUSE OF BENEFITS DEFINED.—Section 1631(a)(2)(A) of such Act (42 U.S.C. 1383(a)(2)(A)) is amended by adding at the end the following new clause:

''(iv) For purposes of this paragraph, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person and converts such payment, or any part thereof, to a use other than for the use and benefit of such other person. The Commissioner of Social Security may prescribe by regulation the meaning of the term 'use and benefit' for purposes of this clause.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to any case of benefit misuse by a representative payee with respect to which the Commissioner makes the determination of misuse on or after January 1, 1995.

SEC. 102. OVERSIGHT OF REPRESENTATIVE PAYEES.

(a) CERTIFICATION OF BONDING AND LICENSING REQUIREMENTS FOR NONGOVERNMENTAL ORGANIZATIONAL REPRESENTATIVE PAYEES.—

(1) TITLE II AMENDMENTS.—Section 205(j) of the Social Security Act (42 U.S.C. 405(j)) is amended—

(A) in paragraph (2)(C)(v), by striking ''a community-based nonprofit social service agency licensed or bonded by the State'' in subclause (I) and inserting ''a certified community-based nonprofit social service agency (as defined in paragraph (9))'';

(B) in paragraph (3)(F), by striking ''community-based nonprofit social service agencies'' and inserting ''certified community-based nonprofit social service agencies (as defined in paragraph (9))'';

(C) in paragraph (4)(B), by striking ''any community-based nonprofit social service agency which is bonded or licensed in each State in which it serves as a representative payee'' and inserting ''any certified community-based nonprofit social service agency (as defined in paragraph (9))''; and

(D) by adding after paragraph (8) (as added by section 101(a)(2) of this Act) the following new paragraph:

''(9) For purposes of this subsection, the term 'certified community-based nonprofit social service agency' means a community-based nonprofit social service agency which is in compliance with requirements, under regulations which shall be prescribed by the Commissioner, for annual certification to the Commissioner that it is bonded in accordance with requirements specified by the Commissioner and that it is licensed in each State in which it serves as a representative payee (if licensing is available in such State) in accordance with requirements specified by the Commissioner. Any such annual certification shall include a copy of any independent audit on such agency which may have been performed since the previous certification.''.

(2) TITLE XVI AMENDMENTS.—Section 1631(a)(2) of such Act (42 U.S.C. 1383(a)(2)) is amended—

(A) in subparagraph (B)(vii), by striking ''a community-based nonprofit social service agency licensed or bonded by the State'' in subclause (I) and inserting ''a certified community-based nonprofit social service agency (as defined in subparagraph (I))'';

(B) in subparagraph (D)(ii)—

(i) by striking ''or any community-based'' and all that follows through ''in accordance'' in subclause (II) and inserting ''or any certified community-based nonprofit social service agency (as defined in subparagraph (I)), if the agency, in accordance'';

(ii) by redesignating items (aa) and (bb) as subclauses (I) and (II), respectively (and adjusting the margination accordingly); and

(iii) by striking ''subclause (II)(bb)'' and inserting ''subclause (II)''; and

(C) by adding at the end the following new subparagraph:

''(I) For purposes of this paragraph, the term 'certified community-based nonprofit social service agency' means a community-based nonprofit social service agency which is in compliance with requirements, under regulations which shall be prescribed by the Commissioner, for annual certification to the Commissioner that it is bonded in accordance with requirements specified by the Commissioner and that it is licensed in each State in which it serves as a representative payee (if licensing is available in the State) in accordance with requirements specified by the Commissioner. Any such annual certification shall include a copy of any independent audit on the agency which may have been performed since the previous certification.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the first day of the thirteenth month beginning after the date of the enactment of this Act.

(b) PERIODIC ONSITE REVIEW.—

(1) TITLE II AMENDMENT.—Section 205(j)(6) of such Act (42 U.S.C. 405(j)(6)) is amended to read as follows:

''(6)(A) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner shall provide for the periodic onsite review of any person or agency located in the United States that receives the benefits payable under this title (alone or in combination with benefits payable under title VIII or title XVI) to another individual pursuant to the appointment of such person or agency as a representative payee under this subsection, section 807, or section 1631(a)(2) in any case in which—

''(i) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals;

''(ii) the representative payee is a certified community-based nonprofit social service agency (as defined in paragraph (9) of this subsection or section 1631(a)(2)(I)); or

''(iii) the representative payee is an agency (other than an agency described in clause (ii)) that serves in that capacity with respect to 50 or more such individuals.

''(B) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to subparagraph (A) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in such reviews and any corrective action taken or planned to be taken to correct such problems, and shall include—

''(i) the number of such reviews;

''(ii) the results of such reviews;

''(iii) the number of cases in which the representative payee was changed and why;

''(iv) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

''(v) the number of cases discovered in which there was a misuse of funds;

''(vi) how any such cases of misuse of funds were dealt with by the Commissioner;

''(vii) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

''(viii) such other information as the Commissioner deems appropriate.''.

(2) TITLE VIII AMENDMENT.—Section 807 of such Act (as amended by section 101(b)(2) of this Act) is amended further by adding at the end the following new subsection:

''(k) PERIODIC ONSITE REVIEW.—(1) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner may provide for the periodic onsite review of any person or agency that receives the benefits payable under this title (alone or in combination with benefits payable under title II or title XVI) to another individual pursuant to the appointment of such person or agency as a representative payee under this section, section 205(j), or section 1631(a)(2) in any case in which—

''(A) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals; or

''(B) the representative payee is an agency that serves in that capacity with respect to 50 or more such individuals.

''(2) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to paragraph (1) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in such reviews and any corrective action taken or planned to be taken to correct such problems, and shall include—

''(A) the number of such reviews;

''(B) the results of such reviews;

''(C) the number of cases in which the representative payee was changed and why;

''(D) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

''(E) the number of cases discovered in which there was a misuse of funds;

''(F) how any such cases of misuse of funds were dealt with by the Commissioner;

''(G) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

''(H) such other information as the Commissioner deems appropriate.''.

(3) TITLE XVI AMENDMENT.—Section 1631(a)(2)(G) of such Act (42 U.S.C. 1383(a)(2)(G)) is amended to read as follows:

''(G)(i) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner shall provide for the periodic onsite review of any person or agency that receives the benefits payable under this title (alone or in combination with benefits payable under title II or title VIII) to another individual pursuant to the appointment of the person or agency as a representative payee under this paragraph, section 205(j), or section 807 in any case in which—

''(I) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals;

''(II) the representative payee is a certified community-based nonprofit social service agency (as defined in subparagraph (I) of this paragraph or section 205(j)(9)); or

''(III) the representative payee is an agency (other than an agency described in subclause (II)) that serves in that capacity with respect to 50 or more such individuals.

''(ii) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to clause (i) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this title. Each such report shall describe in detail all problems identified in the reviews and any corrective action taken or planned to be taken to correct the problems, and shall include—

''(I) the number of the reviews;

''(II) the results of such reviews;

''(III) the number of cases in which the representative payee was changed and why;

''(IV) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

''(V) the number of cases discovered in which there was a misuse of funds;

''(VI) how any such cases of misuse of funds were dealt with by the Commissioner;

''(VII) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

''(VIII) such other information as the Commissioner deems appropriate.''.

SEC. 103. DISQUALIFICATION FROM SERVICE AS REPRESENTATIVE PAYEE OF PERSONS CONVICTED OF OFFENSES RESULTING IN IMPRISONMENT FOR MORE THAN 1 YEAR OR FLEEING PROSECUTION, CUSTODY, OR CONFINEMENT.

(a) TITLE II AMENDMENTS.—Section 205(j)(2) of the Social Security Act (42 U.S.C. 405(j)(2)) is amended—

(1) in subparagraph (B)(i)—

(A) by striking ''and'' at the end of subclause (III);

(B) by redesignating subclause (IV) as subclause (VI); and

(C) by inserting after subclause (III) the following new subclauses:

''(IV) obtain information concerning whether such person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year,

''(V) obtain information concerning whether such person is a person described in section 202(x)(1)(A)(iv), and'';

(2) in subparagraph (B), by adding at the end the following new clause:

''(iii) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, social security account number, and photograph (if applicable) of any person investigated under this paragraph, if the officer furnishes the Commissioner with the name of such person and such other identifying information as may reasonably be required by the Commissioner to establish the unique identity of such person, and notifies the Commissioner that—

''(I) such person is described in section 202(x)(1)(A)(iv),

''(II) such person has information that is necessary for the officer to conduct the officer's official duties, and

''(III) the location or apprehension of such person is within the officer's official duties.'';

(3) in subparagraph (C)(i)(II), by striking ''subparagraph (B)(i)(IV),,'' and inserting ''subparagraph (B)(i)(VI)'' and striking ''section 1631(a)(2)(B)(ii)(IV)'' and inserting ''section 1631(a)(2)(B)(ii)(VI)''; and

(4) in subparagraph (C)(i)—

(A) by striking ''or'' at the end of subclause (II);

(B) by striking the period at the end of subclause (III) and inserting a comma; and

(C) by adding at the end the following new subclauses:

''(IV) such person has previously been convicted as described in subparagraph (B)(i)(IV), unless the Commissioner determines that such certification would be appropriate notwithstanding such conviction, or

''(V) such person is person described in section 202(x)(1)(A)(iv).''.

(b) TITLE VIII AMENDMENTS.—Section 807 of such Act (42 U.S.C. 1007) is amended—

(1) in subsection (b)(2)—

(A) by striking ''and'' at the end of subparagraph (C);

(B) by redesignating subparagraph (D) as subparagraph (F); and

(C) by inserting after subparagraph (C) the following new subparagraphs:

''(D) obtain information concerning whether such person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year;

''(E) obtain information concerning whether such person is a person described in section 804(a)(2); and'';

(2) in subsection (b), by adding at the end the following new paragraph:

''(3) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, social security account number, and photograph (if applicable) of any person investigated under this subsection, if the officer furnishes the Commissioner with the name of such person and such other identifying information as may reasonably be required by the Commissioner to establish the unique identity of such person, and notifies the Commissioner that—

''(A) such person is described in section 804(a)(2),

''(B) such person has information that is necessary for the officer to conduct the officer's official duties, and

''(C) the location or apprehension of such person is within the officer's official duties.''; and

(3) in subsection (d)(1)—

(A) by striking ''or'' at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting a semicolon; and

(C) by adding at the end the following new subparagraphs:

''(D) such person has previously been convicted as described in subsection (b)(2)(D), unless the Commissioner determines that such payment would be appropriate notwithstanding such conviction; or

''(E) such person is a person described in section 804(a)(2).''.

(c) TITLE XVI AMENDMENTS.—Section 1631(a)(2)(B) of such Act (42 U.S.C. 1383(a)(2)(B)) is amended—

(1) in clause (ii)—

(A) by striking ''and'' at the end of subclause (III);

(B) by redesignating subclause (IV) as subclause (VI); and

(C) by inserting after subclause (III) the following new subclauses:

''(IV) obtain information concerning whether the person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year;

''(V) obtain information concerning whether such person is a person described in section 1611(e)(4)(A); and'';

(2) in clause (iii)(II)—

(A) by striking ''clause (ii)(IV)'' and inserting ''clause (ii)(VI)''; and

(B) by striking ''section 205(j)(2)(B)(i)(IV)'' and inserting ''section 205(j)(2)(B)(i)(VI)'';

(3) in clause (iii)—

(A) by striking ''or'' at the end of subclause (II);

(B) by striking the period at the end of subclause (III) and inserting a semicolon; and

(C) by adding at the end the following new subclauses:

''(IV) the person has previously been convicted as described in clause (ii)(IV) of this subparagraph, unless the Commissioner determines that the payment would be appropriate notwithstanding the conviction; or

''(V) such person is a person described in section 1611(e)(4)(A).''; and

(4) by adding at the end the following new clause:

''(xiv) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, social security account number, and photograph (if applicable) of any person investigated under this subparagraph, if the officer furnishes the Commissioner with the name of such person and such other identifying information as may reasonably be required by the Commissioner to establish the unique identity of such person, and notifies the Commissioner that—

''(I) such person is described in section 1611(e)(4)(A),

''(II) such person has information that is necessary for the officer to conduct the officer's official duties, and

''(III) the location or apprehension of such person is within the officer's official duties.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the thirteenth month beginning after the date of the enactment of this Act.

(e) REPORT TO THE CONGRESS.—The Commissioner of Social Security, in consultation with the Inspector General of the Social Security Administration, shall prepare a report evaluating whether the existing procedures and reviews for the qualification (including disqualification) of representative payees are sufficient to enable the Commissioner to protect benefits from being misused by representative payees. The Commissioner shall submit the report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate no later than 270 days after the date of the enactment of this Act. The Commissioner shall include in such report any recommendations that the Commissioner considers appropriate.

SEC. 104. FEE FORFEITURE IN CASE OF BENEFIT MISUSE BY REPRESENTATIVE PAYEES.

(a) TITLE II AMENDMENTS.—Section 205(j)(4)(A)(i) of the Social Security Act (42 U.S.C. 405(j)(4)(A)(i)) is amended—

(1) in the first sentence, by striking ''A'' and inserting ''Except as provided in the next sentence, a''; and

(2) in the second sentence, by striking ''The Secretary'' and inserting the following: ''A qualified organization may not collect a fee from an individual for any month with respect to which the Commissioner of Social Security or a court of competent jurisdiction has determined that the organization misused all or part of the individual's benefit, and any amount so collected by the qualified organization for such month shall be treated as a misused part of the individual's benefit for purposes of paragraphs (5) and (6). The Commissioner''.

(b) TITLE XVI AMENDMENTS.—Section 1631(a)(2)(D)(i) of such Act (42 U.S.C. 1383(a)(2)(D)(i)) is amended—

(1) in the first sentence, by striking ''A'' and inserting ''Except as provided in the next sentence, a''; and

(2) in the second sentence, by striking ''The Commissioner'' and inserting the following: ''A qualified organization may not collect a fee from an individual for any month with respect to which the Commissioner of Social Security or a court of competent jurisdiction has determined that the organization misused all or part of the individual's benefit, and any amount so collected by the qualified organization for such month shall be treated as a misused part of the individual's benefit for purposes of subparagraphs (E) and (F). The Commissioner''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any month involving benefit misuse by a representative payee in any case with respect to which the Commissioner of Social Security or a court of competent jurisdiction makes the determination of misuse after 180 days after the date of the enactment of this Act.

SEC. 105. LIABILITY OF REPRESENTATIVE PAYEES FOR MISUSED BENEFITS.

(a) TITLE II AMENDMENTS.—Section 205(j) of the Social Security Act (42 U.S.C. 405(j)) (as amended by sections 101 and 102) is amended further—

(1) by redesignating paragraphs (7), (8), and (9) as paragraphs (8), (9), and (10), respectively;

(2) in paragraphs (2)(C)(v), (3)(F), and (4)(B), by striking ''paragraph (9)'' and inserting ''paragraph (10)'';

(3) in paragraph (6)(A)(ii), by striking ''paragraph (9)'' and inserting ''paragraph (10)''; and

(4) by inserting after paragraph (6) the following new paragraph:

''(7)(A) If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of an individual's benefit that was paid to such representative payee under this subsection, the representative payee shall be liable for the amount misused, and such amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of such overpayments. Subject to subparagraph (B), upon recovering all or any part of such amount, the Commissioner shall certify an amount equal to the recovered amount for payment to such individual or such individual's alternative representative payee.

''(B) The total of the amount certified for payment to such individual or such individual's alternative representative payee under subparagraph (A) and the amount certified for payment under paragraph (5) may not exceed the total benefit amount misused by the representative payee with respect to such individual.''.

(b) TITLE VIII AMENDMENT.—Section 807 of such Act (as amended by section 102(b)(2)) is amended further by adding at the end the following new subsection:

''(l) LIABILITY FOR MISUSED AMOUNTS.—

''(1) IN GENERAL.—If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of a qualified individual's benefit that was paid to such representative payee under this section, the representative payee shall be liable for the amount misused, and such amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of such overpayments. Subject to paragraph (2), upon recovering all or any part of such amount, the Commissioner shall make payment of an amount equal to the recovered amount to such qualified individual or such qualified individual's alternative representative payee.

''(2) LIMITATION.—The total of the amount paid to such individual or such individual's alternative representative payee under paragraph (1) and the amount paid under subsection (i) may not exceed the total benefit

amount misused by the representative payee with respect to such individual.''.

(c) TITLE XVI AMENDMENTS.—Section 1631(a)(2) of such Act (42 U.S.C. 1383(a)(2)) (as amended by section 102(b)(3)) is amended further—

(1) in subparagraph (G)(i)(II), by striking ''section 205(j)(9)'' and inserting ''section 205(j)(10)''; and

(2) by striking subparagraph (H) and inserting the following:

''(H)(i) If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of an individual's benefit that was paid to the representative payee under this paragraph, the representative payee shall be liable for the amount misused, and the amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this title to the representative payee for all purposes of this Act and related laws pertaining to the recovery of the overpayments. Subject to clause (ii), upon recovering all or any part of the amount, the Commissioner shall make payment of an amount equal to the recovered amount to such individual or such individual's alternative representative payee.

''(ii) The total of the amount paid to such individual or such individual's alternative representative payee under clause (i) and the amount paid under subparagraph (E) may not exceed the total benefit amount misused by the representative payee with respect to such individual.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to benefit misuse by a representative payee in any case with respect to which the Commissioner of Social Security or a court of competent jurisdiction makes the determination of misuse after 180 days after the date of the enactment of this Act.

SEC. 106. AUTHORITY TO REDIRECT DELIVERY OF BENEFIT PAYMENTS WHEN A REPRESENTATIVE PAYEE FAILS TO PROVIDE REQUIRED ACCOUNTING.

(a) TITLE II AMENDMENTS.—Section 205(j)(3) of the Social Security Act (42 U.S.C. 405(j)(3)) (as amended by sections 102(a)(1)(B) and 105(a)(2)) is amended—

(1) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(2) by inserting after subparagraph (D) the following new subparagraph:

''(E) In any case in which the person described in subparagraph (A) or (D) receiving payments on behalf of another fails to submit a report required by the Commissioner of Social Security under subparagraph (A) or (D), the Commissioner may, after furnishing notice to such person and the individual entitled to such payment, require that such person appear in person at a field office of the Social Security Administration serving the area in which the individual resides in order to receive such payments.''.

(b) TITLE VIII AMENDMENTS.—Section 807(h) of such Act (42 U.S.C. 1007(h)) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(2) by inserting after paragraph (2) the following new paragraph:

''(3) AUTHORITY TO REDIRECT DELIVERY OF BENEFIT PAYMENTS WHEN A REPRESENTATIVE PAYEE FAILS TO PROVIDE REQUIRED ACCOUNTING.—In any case in which the person described in paragraph (1) or (2) receiving benefit payments on behalf of a qualified individual fails to submit a report required by the Commissioner of Social Security under paragraph (1) or (2), the Commissioner may, after furnishing notice to such person and the qualified individual, require that such person appear in person at a United States Government facility designated by the Social Security Administration as serving the area in which the qualified individual resides in order to receive such benefit payments.''.

(c) TITLE XVI AMENDMENT.—Section 1631(a)(2)(C) of such Act (42 U.S.C. 1383(a)(2)(C)) is amended by adding at the end the following new clause:

''(v) In any case in which the person described in clause (i) or (iv) receiving payments on behalf of another fails to submit a report required by the Commissioner of Social Security under clause (i) or (iv), the Commissioner may, after furnishing notice to the person and the individual entitled to the payment, require that such person appear in person at a field office of the Social Security Administration serving the area in which the individual resides in order to receive such payments.''.

(d) EFFECTIVE DATE.—The amendment made by this section shall take effect 180 days after the date of the enactment of this Act.

Subtitle B—Enforcement

SEC. 111. CIVIL MONETARY PENALTY AUTHORITY WITH RESPECT TO WRONGFUL CONVERSIONS BY REPRESENTATIVE PAYEES.

(a) IN GENERAL.—Section 1129(a) of the Social Security Act (42 U.S.C. 1320a–8) is amended by adding at the end the following new paragraph:

''(3) Any person (including an organization, agency, or other entity) who, having received, while acting in the capacity of a representative payee pursuant to section 205(j), 807, or 1631(a)(2), a payment under title II, VIII, or XVI for the use and benefit of another individual, converts such payment, or any part thereof, to a use that such person knows or should know is other than for the use and benefit of such other individual shall be subject to, in addition to any other penalties that may be prescribed by law, a civil money penalty of not more than $5,000 for each such conversion. Such person shall also be subject to an assessment, in lieu of damages sustained by the United States resulting from the conversion, of not more than twice the amount of any payments so converted.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to violations committed after the date of the enactment of this Act.

TITLE II—PROGRAM PROTECTIONS

SEC. 201. CIVIL MONETARY PENALTY AUTHORITY WITH RESPECT TO KNOWING WITHHOLDING OF MATERIAL FACTS.

(a) TREATMENT OF WITHHOLDING OF MATERIAL FACTS.—

(1) CIVIL PENALTIES.—Section 1129(a)(1) of the Social Security Act (42 U.S.C. 1320a–8(a)(1)) is amended—

(A) by striking ''who'' in the first sentence and inserting ''who—'';

(B) by striking ''makes'' in the first sentence and all that follows through ''shall be subject to,'' and inserting the following:

''(A) makes, or causes to be made, a statement or representation of a material fact, for use in determining any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title VIII or XVI, that the person knows or should know is false or misleading,

''(B) makes such a statement or representation for such use with knowing disregard for the truth, or

''(C) omits from a statement or representation for such use, or otherwise withholds disclosure of, a fact which the person knows or should know is material to the determination of any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title VIII or XVI, if the person knows, or should know, that the statement or representation with such omission is false or misleading or that the withholding of such disclosure is misleading,

shall be subject to,'';

(C) by inserting ''or each receipt of such benefits or payments while withholding disclosure of such fact'' after ''each such statement or representation'' in the first sentence;

(D) by inserting ''or because of such withholding of disclosure of a material fact'' after ''because of such statement or representation'' in the second sentence; and

(E) by inserting ''or such a withholding of disclosure'' after ''such a statement or representation'' in the second sentence.

(2) ADMINISTRATIVE PROCEDURE FOR IMPOSING PENALTIES.—Section 1129A(a) of such Act (42 U.S.C. 1320a–8a(a)) is amended—

(A) by striking ''who'' the first place it appears and inserting ''who—''; and

(B) by striking ''makes'' and all that follows through ''shall be subject to,'' and inserting the following:

''(1) makes, or causes to be made, a statement or representation of a material fact, for use in determining any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title XVI that the person knows or should know is false or misleading,

''(2) makes such a statement or representation for such use with knowing disregard for the truth, or

''(3) omits from a statement or representation for such use, or otherwise withholds disclosure of, a fact which the person knows or should know is material to the determination of any initial or continuing right to or the amount of monthly insurance benefits under title II or benefits or payments under title XVI, if the person knows, or should know, that the statement or representation with such omission is false or misleading or that the withholding of such disclosure is misleading,

shall be subject to,''.

(b) CLARIFICATION OF TREATMENT OF RECOVERED AMOUNTS.—Section 1129(e)(2)(B) of such Act (42 U.S.C. 1320a–8(e)(2)(B)) is amended by striking ''In the case of amounts recovered arising out of a determination relating to title VIII or XVI,'' and inserting ''In the case of any other amounts recovered under this section,''.

(c) CONFORMING AMENDMENTS.—

(1) Section 1129(b)(3)(A) of such Act (42 U.S.C. 1320a–8(b)(3)(A)) is amended by striking ''charging fraud or false statements''.

(2) Section 1129(c)(1) of such Act (42 U.S.C. 1320a–8(c)(1)) is amended by striking ''and representations'' and inserting '', representations, or actions''.

(3) Section 1129(e)(1)(A) of such Act (42 U.S.C. 1320a–8(e)(1)(A)) is amended by striking ''statement or representation referred to in subsection (a) was made'' and inserting ''violation occurred''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations committed after the date on which the Commissioner implements the centralized computer file described in section 202.

SEC. 202. ISSUANCE BY COMMISSIONER OF SOCIAL SECURITY OF RECEIPTS TO ACKNOWLEDGE SUBMISSION OF REPORTS OF CHANGES IN WORK OR EARNINGS STATUS OF DISABLED BENEFICIARIES.

Effective as soon as possible, but not later than 1 year after the date of the enactment

of this Act, until such time as the Commissioner of Social Security implements a centralized computer file recording the date of the submission of information by a disabled beneficiary (or representative) regarding a change in the beneficiary's work or earnings status, the Commissioner shall issue a receipt to the disabled beneficiary (or representative) each time he or she submits documentation, or otherwise reports to the Commissioner, on a change in such status.

SEC. 203. DENIAL OF TITLE II BENEFITS TO PERSONS FLEEING PROSECUTION, CUSTODY, OR CONFINEMENT, AND TO PERSONS VIOLATING PROBATION OR PAROLE.

(a) IN GENERAL.—Section 202(x) of the Social Security Act (42 U.S.C. 402(x)) is amended—

(1) in the heading, by striking ''Prisoners'' and all that follows and inserting the following: ''Prisoners, Certain Other Inmates of Publicly Funded Institutions, Fugitives, Probationers, and Parolees'';

(2) in paragraph (1)(A)(ii)(IV), by striking ''or'' at the end;

(3) in paragraph (1)(A)(iii), by striking the period at the end and inserting a comma;

(4) by inserting after paragraph (1)(A)(iii) the following:

''(iv) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State, or

''(v) is violating a condition of probation or parole imposed under Federal or State law.

In the case of an individual from whom such monthly benefits have been withheld pursuant to clause (iv) or (v), the Commissioner may, for good cause shown, pay such withheld benefits to the individual.''; and

(5) in paragraph (3), by adding at the end the following new subparagraph:

''(C) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1106(c) of this Act), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, Social Security number, and photograph (if applicable) of any beneficiary under this title, if the officer furnishes the Commissioner with the name of the beneficiary, and other identifying information as reasonably required by the Commissioner to establish the unique identity of the beneficiary, and notifies the Commissioner that—

''(i) the beneficiary—

''(I) is described in clause (iv) or (v) of paragraph (1)(A); and

''(II) has information that is necessary for the officer to conduct the officer's official duties; and

''(ii) the location or apprehension of the beneficiary is within the officer's official duties.''.

(b) REGULATIONS.—Not later than the first day of the first month that begins on or after the date that is 9 months after the date of the enactment of this Act, the Commissioner of Social Security shall promulgate regulations governing payment by the Commissioner, for good cause shown, of withheld benefits, pursuant to the last sentence of section 202(x)(1)(A) of the Social Security Act (as amended by subsection (a)).

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the first day of the first month that begins on or after the date that is 9 months after the date of the enactment of this Act.

SEC. 204. REQUIREMENTS RELATING TO OFFERS TO PROVIDE FOR A FEE A PRODUCT OR SERVICE AVAILABLE WITHOUT CHARGE FROM THE SOCIAL SECURITY ADMINISTRATION.

(a) IN GENERAL.—Section 1140 of the Social Security Act (42 U.S.C. 1320b–10) is amended—

(1) in subsection (a), by adding at the end the following new paragraph:

''(4)(A) No person shall offer, for a fee, to assist an individual to obtain a product or service that the person knows or should know is provided free of charge by the Social Security Administration unless, at the time the offer is made, the person provides to the individual to whom the offer is tendered a notice that—

''(i) explains that the product or service is available free of charge from the Social Security Administration, and

''(ii) complies with standards prescribed by the Commissioner of Social Security respecting the content of such notice and its placement, visibility, and legibility.

''(B) Subparagraph (A) shall not apply to any offer—

''(i) to serve as a claimant representative in connection with a claim arising under title II, title VIII, or title XVI; or

''(ii) to prepare, or assist in the preparation of, an individual's plan for achieving self-support under title XVI.''; and

(2) in the heading, by striking ''PROHIBITION OF MISUSE OF SYMBOLS, EMBLEMS, OR NAMES IN REFERENCE'' and inserting ''PROHIBITIONS RELATING TO REFERENCES''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to offers of assistance made after the sixth month ending after the Commissioner of Social Security promulgates final regulations prescribing the standards applicable to the notice required to be provided in connection with such offer. The Commissioner shall promulgate such final regulations within 1 year after the date of the enactment of this Act.

SEC. 205. REFUSAL TO RECOGNIZE CERTAIN INDIVIDUALS AS CLAIMANT REPRESENTATIVES.

Section 206(a)(1) of the Social Security Act (42 U.S.C. 406(a)(1)) is amended by inserting after the second sentence the following: ''Notwithstanding the preceding sentences, the Commissioner, after due notice and opportunity for hearing, (A) may refuse to recognize as a representative, and may disqualify a representative already recognized, any attorney who has been disbarred or suspended from any court or bar to which he or she was previously admitted to practice or who has been disqualified from participating in or appearing before any Federal program or agency, and (B) may refuse to recognize, and may disqualify, as a non-attorney representative any attorney who has been disbarred or suspended from any court or bar to which he or she was previously admitted to practice. A representative who has been disqualified or suspended pursuant to this section from appearing before the Social Security Administration as a result of collecting or receiving a fee in excess of the amount authorized shall be barred from appearing before the Social Security Administration as a representative until full restitution is made to the claimant and, thereafter, may be considered for reinstatement only under such rules as the Commissioner may prescribe.''.

SEC. 206. PENALTY FOR CORRUPT OR FORCIBLE INTERFERENCE WITH ADMINISTRATION OF SOCIAL SECURITY ACT.

Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.) is amended by inserting after section 1129A the following new section:

''ATTEMPTS TO INTERFERE WITH ADMINISTRATION OF SOCIAL SECURITY ACT

''SEC. 1129B. Whoever corruptly or by force or threats of force (including any threatening letter or communication) attempts to intimidate or impede any officer, employee, or contractor of the Social Security Administration (including any State employee of a disability determination service or any other individual designated by the Commissioner of Social Security) acting in an official capacity to carry out a duty under this Act, or in any other way corruptly or by force or threats of force (including any threatening letter or communication) obstructs or impedes, or attempts to obstruct or impede, the due administration of this Act, shall be fined not more than $5,000, imprisoned not more than 3 years, or both, except that if the offense is committed only by threats of force, the person shall be fined not more than $3,000, imprisoned not more than 1 year, or both. In this subsection, the term 'threats of force' means threats of harm to the officer or employee of the United States or to a contractor of the Social Security Administration, or to a member of the family of such an officer or employee or contractor.''.

SEC. 207. USE OF SYMBOLS, EMBLEMS, OR NAMES IN REFERENCE TO SOCIAL SECURITY OR MEDICARE.

(a) IN GENERAL.—Section 1140(a)(1) of the Social Security Act (42 U.S.C. 1320b–10(a)(1)) is amended—

(1) in subparagraph (A), by inserting '' 'Centers for Medicare & Medicaid Services','' after '' 'Health Care Financing Administration','', by striking ''or 'Medicaid','' and inserting '' 'Medicaid', 'Death Benefits Update', 'Federal Benefit Information', 'Funeral Expenses', or 'Final Supplemental Plan','' and by inserting '' 'CMS','' after '' 'HCFA','';

(2) in subparagraph (B), by inserting ''Centers for Medicare & Medicaid Services,'' after ''Health Care Financing Administration,'' each place it appears; and

(3) in the matter following subparagraph (B), by striking ''the Health Care Financing Administration,'' each place it appears and inserting ''the Centers for Medicare & Medicaid Services,''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to items sent after 180 days after the date of the enactment of this Act.

SEC. 208. DISQUALIFICATION FROM PAYMENT DURING TRIAL WORK PERIOD UPON CONVICTION OF FRAUDULENT CONCEALMENT OF WORK ACTIVITY.

(a) IN GENERAL.—Section 222(c) of the Social Security Act (42 U.S.C. 422(c)) is amended by adding at the end the following new paragraph:

''(5) Upon conviction by a Federal court that an individual has fraudulently concealed work activity during a period of trial work from the Commissioner of Social Security by—

''(A) providing false information to the Commissioner of Social Security as to whether the individual had earnings in or for a particular period, or as to the amount thereof;

''(B) receiving disability insurance benefits under this title while engaging in work activity under another identity, including under another social security account number or a number purporting to be a social security account number; or

''(C) taking other actions to conceal work activity with an intent fraudulently to secure payment in a greater amount than is due or when no payment is authorized,

no benefit shall be payable to such individual under this title with respect to a period of disability for any month before such conviction during which the individual rendered

services during the period of trial work with respect to which the fraudulently concealed work activity occurred, and amounts otherwise due under this title as restitution, penalties, assessments, fines, or other repayments shall in all cases be in addition to any amounts for which such individual is liable as overpayments by reason of such concealment.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to work activity performed after the date of the enactment of this Act.

SEC. 209. AUTHORITY FOR JUDICIAL ORDERS OF RESTITUTION.

(a) AMENDMENTS TO TITLE II.—Section 208 of the Social Security Act (42 U.S.C. 408) is amended—

(1) by redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively; and

(2) by inserting after subsection (a) the following new subsection:

''(b)(1) Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Social Security Administration.

''(2) Sections 3612, 3663, and 3664 of title 18, United States Code, shall apply with respect to the issuance and enforcement of orders of restitution under this subsection. In so applying such sections, the Social Security Administration shall be considered the victim.

''(3) If the court does not order restitution, or orders only partial restitution, under this subsection, the court shall state on the record the reasons therefor.''.

(b) AMENDMENTS TO TITLE VIII.—Section 807(i) of such Act (42 U.S.C. 1007(i)) is amended—

(1) by striking ''(i) RESTITUTION.—In any case where'' and inserting the following:

''(i) RESTITUTION.—

''(1) IN GENERAL.—In any case where''; and

(2) by adding at the end the following new paragraph:

''(2) COURT ORDER FOR RESTITUTION.—

''(A) IN GENERAL.—Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Social Security Administration.

''(B) RELATED PROVISIONS.—Sections 3612, 3663, and 3664 of title 18, United States Code, shall apply with respect to the issuance and enforcement of orders of restitution under this paragraph. In so applying such sections, the Social Security Administration shall be considered the victim.

''(C) STATED REASONS FOR NOT ORDERING RESTITUTION.—If the court does not order restitution, or orders only partial restitution, under this paragraph, the court shall state on the record the reasons therefor.''.

(c) AMENDMENTS TO TITLE XVI.—Section 1632 of such Act (42 U.S.C. 1383a) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

''(b)(1) Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Social Security Administration.

''(2) Sections 3612, 3663, and 3664 of title 18, United States Code, shall apply with respect to the issuance and enforcement of orders of restitution under this subsection. In so applying such sections, the Social Security Administration shall be considered the victim.

''(3) If the court does not order restitution, or orders only partial restitution, under this subsection, the court shall state on the record the reasons therefor.''.

(d) SPECIAL ACCOUNT FOR RECEIPT OF RESTITUTION PAYMENTS.—Section 704(b) of such Act (42 U.S.C. 904(b)) is amended by adding at the end the following new paragraph:

''(3)(A) Except as provided in subparagraph (B), amounts received by the Social Security Administration pursuant to an order of restitution under section 208(b), 807(i), or 1632(b) shall be credited to a special fund established in the Treasury of the United States for amounts so received or recovered. The amounts so credited, to the extent and in the amounts provided in advance in appropriations Acts, shall be available to defray expenses incurred in carrying out titles II, VIII, and XVI.

''(B) Subparagraph (A) shall not apply with respect to amounts received in connection with misuse by a representative payee (within the meaning of sections 205(j), 807, and 1631(a)(2)) of funds paid as benefits under title II, VIII, or XVI. Such amounts received in connection with misuse of funds paid as benefits under title II shall be transferred to the Managing Trustee of the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, as determined appropriate by the Commissioner of Social Security, and such amounts shall be deposited by the Managing Trustee into such Trust Fund. All other such amounts shall be deposited by the Commissioner into the general fund of the Treasury as miscellaneous receipts.''.

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall apply with respect to violations occurring on or after the date of the enactment of this Act.

TITLE III—ATTORNEY FEE PAYMENT SYSTEM IMPROVEMENTS

SEC. 301. CAP ON ATTORNEY ASSESSMENTS.

(a) IN GENERAL.—Section 206(d)(2)(A) of the Social Security Act (42 U.S.C. 406(d)(2)(A)) is amended—

(1) by inserting '', except that the maximum amount of the assessment may not exceed the greater of $75 or the adjusted amount as provided pursuant to the following two sentences'' after ''subparagraph (B)''; and

(2) by adding at the end the following new sentence: ''In the case of any calendar year beginning after the amendments made by section 301 of the Social Security Protection Act of 2003 take effect, the dollar amount specified in the preceding sentence (including a previously adjusted amount) shall be adjusted annually under the procedures used to adjust benefit amounts under section 215(i)(2)(A)(ii), except such adjustment shall be based on the higher of $75 or the previously adjusted amount that would have been in effect for December of the preceding year, but for the rounding of such amount pursuant to the following sentence. Any amount so adjusted that is not a multiple of $1 shall be rounded to the next lowest multiple of $1, but in no case less than $75.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to fees for representation of claimants which are first required to be certified or paid under section 206 of the Social Security Act on or after the first day of the first month that begins after 180 days after the date of the enactment of this Act.

SEC. 302. EXTENSION OF ATTORNEY FEE PAYMENT SYSTEM TO TITLE XVI CLAIMS.

(a) IN GENERAL.—Section 1631(d)(2) of the Social Security Act (42 U.S.C. 1383(d)(2)) is amended—

(1) in subparagraph (A), in the matter preceding clause (i)—

(A) by striking ''section 206(a)'' and inserting ''section 206'';

(B) by striking ''(other than paragraph (4) thereof)'' and inserting ''(other than subsections (a)(4) and (d) thereof)''; and

(C) by striking ''paragraph (2) thereof'' and inserting ''such section'';

(2) in subparagraph (A)(i), by striking ''in subparagraphs (A)(ii)(I) and (C)(i),'' and inserting ''in subparagraphs (A)(ii)(I) and (D)(i) of subsection (a)(2)'', and by striking ''and'' at the end;

(3) by striking subparagraph (A)(ii) and inserting the following:

''(ii) by substituting, in subsections (a)(2)(B) and (b)(1)(B)(i), the phrase 'section 1631(a)(7)(A) or the requirements of due process of law' for the phrase 'subsection (g) or (h) of section 223';

''(iii) by substituting, in subsection (a)(2)(C)(i), the phrase 'under title II' for the phrase 'under title XVI';

''(iv) by substituting, in subsection (b)(1)(A), the phrase 'pay the amount of such fee' for the phrase 'certify the amount of such fee for payment' and by striking, in subsection (b)(1)(A), the phrase 'or certified for payment'; and

''(v) by substituting, in subsection (b)(1)(B)(ii), the phrase 'deemed to be such amounts as determined before any applicable reduction under section 1631(g), and reduced by the amount of any reduction in benefits under this title or title II made pursuant to section 1127(a)' for the phrase 'determined before any applicable reduction under section 1127(a))'.''; and

(4) by striking subparagraph (B) and inserting the following new subparagraphs:

''(B) Subject to subparagraph (C), if the claimant is determined to be entitled to past-due benefits under this title and the person representing the claimant is an attorney, the Commissioner of Social Security shall pay out of such past-due benefits to such attorney an amount equal to the lesser of—

''(i) so much of the maximum fee as does not exceed 25 percent of such past-due benefits (as determined before any applicable reduction under section 1631(g) and reduced by the amount of any reduction in benefits under this title or title II pursuant to section 1127(a)), or

''(ii) the amount of past-due benefits available after any applicable reductions under sections 1631(g) and 1127(a).

''(C)(i) Whenever a fee for services is required to be paid to an attorney from a claimant's past-due benefits pursuant to subparagraph (B), the Commissioner shall impose on the attorney an assessment calculated in accordance with clause (ii).

''(ii)(I) The amount of an assessment under clause (i) shall be equal to the product obtained by multiplying the amount of the representative's fee that would be required to be paid by subparagraph (B) before the application of this subparagraph, by the percentage specified in subclause (II), except that the maximum amount of the assessment may not exceed $75. In the case of any calendar year beginning after the amendments made by section 302 of the Social Security Protection Act of 2003 take effect, the dollar amount specified in the preceding sentence (including a previously adjusted amount) shall be adjusted annually under the procedures used to adjust benefit amounts under section 215(i)(2)(A)(ii), except such adjustment shall be based on the higher of $75 or the previously adjusted amount that would have been in effect for December of the preceding year, but for the rounding of such amount pursuant to the following sentence. Any amount so adjusted that is not a multiple of $1 shall be rounded to the next lowest multiple of $1, but in no case less than $75.

''(II) The percentage specified in this subclause is such percentage rate as the Commissioner determines is necessary in order to achieve full recovery of the costs of determining and approving fees to attorneys from the past-due benefits of claimants, but not in excess of 6.3 percent.

''(iii) The Commissioner may collect the assessment imposed on an attorney under clause (i) by offset from the amount of the fee otherwise required by subparagraph (B) to be paid to the attorney from a claimant's past-due benefits.

''(iv) An attorney subject to an assessment under clause (i) may not, directly or indirectly, request or otherwise obtain reimbursement for such assessment from the claimant whose claim gave rise to the assessment.

''(v) Assessments on attorneys collected under this subparagraph shall be deposited in the Treasury in a separate fund created for this purpose.

''(vi) The assessments authorized under this subparagraph shall be collected and available for obligation only to the extent and in the amount provided in advance in appropriations Acts. Amounts so appropriated are authorized to remain available until expended, for administrative expenses in carrying out this title and related laws.''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to fees for representation of claimants which are first required to be certified or paid under section 1631(d)(2) of the Social Security Act on or after the first day of the first month that begins after 270 days after the date of the enactment of this Act.

(2) SUNSET.—Such amendments shall not apply with respect to fees for representation of claimants in the case of any claim for benefits with respect to which the agreement for representation is entered into after 5 years after the date on which the Commissioner of Social Security first implements the amendments made by this section.

(c) STUDY REGARDING FEE-WITHHOLDING FOR NON-ATTORNEY REPRESENTATIVES.—

(1) STUDY.—As soon as practicable after the date of the enactment of this Act, the Comptroller General of the United States shall undertake a study regarding fee-withholding for non-attorney representatives representing claimants before the Social Security Administration.

(2) MATTERS TO BE STUDIED.—In conducting the study under this subsection, the Comptroller General shall—

(A) compare the non-attorney representatives who seek fee approval for representing claimants before the Social Security Administration to attorney representatives who seek such fee approval, with regard to—

(i) their training, qualifications, and competency,

(ii) the type and quality of services provided, and

(iii) the extent to which claimants are protected through oversight of such representatives by the Social Security Administration or other organizations, and

(B) consider the potential results of extending to non-attorney representatives the fee withholding procedures that apply under titles II and XVI of the Social Security Act for the payment of attorney fees, including the effect on claimants and program administration.

(3) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report detailing the results of the Comptroller General's study conducted pursuant to this subsection.

TITLE IV—MISCELLANEOUS AND TECHNICAL AMENDMENTS

Subtitle A—Amendments Relating to the Ticket to Work and Work Incentives Improvement Act of 1999

SEC. 401. APPLICATION OF DEMONSTRATION AUTHORITY SUNSET DATE TO NEW PROJECTS.

Section 234 of the Social Security Act (42 U.S.C. 434) is amended—

(1) in the first sentence of subsection (c), by striking ''conducted under subsection (a)'' and inserting ''initiated under subsection (a) on or before December 17, 2004''; and

(2) in subsection (d)(2), by amending the first sentence to read as follows: ''The authority to initiate projects under the preceding provisions of this section shall terminate on December 18, 2004.''.

SEC. 402. EXPANSION OF WAIVER AUTHORITY AVAILABLE IN CONNECTION WITH DEMONSTRATION PROJECTS PROVIDING FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS.

Section 302(c) of the Ticket to Work and Work Incentives Improvement Act of 1999 (42 U.S.C. 434 note) is amended by striking ''(42 U.S.C. 401 et seq.),'' and inserting ''(42 U.S.C. 401 et seq.) and the requirements of section 1148 of such Act (42 U.S.C. 1320b–19) as they relate to the program established under title II of such Act,''.

SEC. 403. FUNDING OF DEMONSTRATION PROJECTS PROVIDED FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS.

Section 302(f) of the Ticket to Work and Work Incentives Improvement Act of 1999 (42 U.S.C. 434 note) is amended to read as follows:

''(f) EXPENDITURES.—Administrative expenses for demonstration projects under this section shall be paid from funds available for the administration of title II or XVIII of the Social Security Act, as appropriate. Benefits payable to or on behalf of individuals by reason of participation in projects under this section shall be made from the Federal Disability Insurance Trust Fund and the Federal Old-Age and Survivors Insurance Trust Fund, as determined appropriate by the Commissioner of Social Security, and from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, as determined appropriate by the Secretary of Health and Human Services, from funds available for benefits under such title II or XVIII.''.

SEC. 404. AVAILABILITY OF FEDERAL AND STATE WORK INCENTIVE SERVICES TO ADDITIONAL INDIVIDUALS.

(a) FEDERAL WORK INCENTIVES OUTREACH PROGRAM.—

(1) IN GENERAL.—Section 1149(c)(2) of the Social Security Act (42 U.S.C. 1320b–20(c)(2)) is amended to read as follows:

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' means an individual—

''(A) who is a disabled beneficiary as defined in section 1148(k)(2) of this Act;

''(B) who is receiving a cash payment described in section 1616(a) of this Act or a supplementary payment described in section 212(a)(3) of Public Law 93–66 (without regard to whether such payment is paid by the Commissioner pursuant to an agreement under section 1616(a) of this Act or under section 212(b) of Public Law 93–66);

''(C) who, pursuant to section 1619(b) of this Act, is considered to be receiving benefits under title XVI of this Act; or

''(D) who is entitled to benefits under part A of title XVIII of this Act by reason of the penultimate sentence of section 226(b) of this Act.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply with respect to grants, cooperative agreements, or contracts entered into on or after the date of the enactment of this Act.

(b) STATE GRANTS FOR WORK INCENTIVES ASSISTANCE.—

(1) DEFINITION OF DISABLED BENEFICIARY.—Section 1150(g)(2) of such Act (42 U.S.C. 1320b–21(g)(2)) is amended to read as follows:

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' means an individual—

''(A) who is a disabled beneficiary as defined in section 1148(k)(2) of this Act;

''(B) who is receiving a cash payment described in section 1616(a) of this Act or a supplementary payment described in section 212(a)(3) of Public Law 93–66 (without regard to whether such payment is paid by the Commissioner pursuant to an agreement under section 1616(a) of this Act or under section 212(b) of Public Law 93–66);

''(C) who, pursuant to section 1619(b) of this Act, is considered to be receiving benefits under title XVI of this Act; or

''(D) who is entitled to benefits under part A of title XVIII of this Act by reason of the penultimate sentence of section 226(b) of this Act.''.

(2) ADVOCACY OR OTHER SERVICES NEEDED TO MAINTAIN GAINFUL EMPLOYMENT.—Section 1150(b)(2) of such Act (42 U.S.C. 1320b–21(b)(2)) is amended by striking ''secure or regain'' and inserting ''secure, maintain, or regain''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to payments provided after the date of the enactment of this Act.

SEC. 405. TECHNICAL AMENDMENT CLARIFYING TREATMENT FOR CERTAIN PURPOSES OF INDIVIDUAL WORK PLANS UNDER THE TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM.

(a) IN GENERAL.—Section 1148(g)(1) of the Social Security Act (42 U.S.C. 1320b–19) is amended by adding at the end, after and below subparagraph (E), the following new sentence:

''An individual work plan established pursuant to this subsection shall be treated, for purposes of section 51(d)(6)(B)(i) of the Internal Revenue Code of 1986, as an individualized written plan for employment under a State plan for vocational rehabilitation services approved under the Rehabilitation Act of 1973.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in section 505 of the Ticket to Work and Work Incentives Improvement Act of 1999 (Public Law 106–170; 113 Stat. 1921).

Subtitle B—Miscellaneous Amendments

SEC. 411. ELIMINATION OF TRANSCRIPT REQUIREMENT IN REMAND CASES FULLY FAVORABLE TO THE CLAIMANT.

(a) IN GENERAL.—Section 205(g) of the Social Security Act (42 U.S.C. 405(g)) is amended in the sixth sentence by striking ''and a transcript'' and inserting ''and, in any case in which the Commissioner has not made a decision fully favorable to the individual, a transcript''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to final determinations issued (upon remand) on or after the date of the enactment of this Act.

SEC. 412. NONPAYMENT OF BENEFITS UPON REMOVAL FROM THE UNITED STATES.

(a) IN GENERAL.—Paragraphs (1) and (2) of section 202(n) of the Social Security Act (42 U.S.C. 402(n)(1), (2)) are each amended by striking ''or (1)(E)''.

(b) EFFECTIVE DATE.—The amendment made by this section to section 202(n)(1) of the Social Security Act shall apply to individuals with respect to whom the Commissioner of Social Security receives a removal

notice from the Attorney General after the date of the enactment of this Act. The amendment made by this section to section 202(n)(2) of the Social Security Act shall apply with respect to removals occurring after the date of the enactment of this Act.

SEC. 413. REINSTATEMENT OF CERTAIN REPORTING REQUIREMENTS.

Section 3003(a)(1) of the Federal Reports Elimination and Sunset Act of 1995 (31 U.S.C. 1113 note) shall not apply to any report required to be submitted under any of the following provisions of law:

(1)(A) Section 201(c)(2) of the Social Security Act (42 U.S.C. 401(c)(2)).

(B) Section 1817(b)(2) of the Social Security Act (42 U.S.C. 1395i(b)(2)).

(C) Section 1841(b)(2) of the Social Security Act (42 U.S.C. 1395t(b)(2)).

(2)(A) Section 221(c)(3)(C) of the Social Security Act (42 U.S.C. 421(c)(3)(C)).

(B) Section 221(i)(3) of the Social Security Act (42 U.S.C. 421(i)(3)).

SEC. 414. CLARIFICATION OF DEFINITIONS REGARDING CERTAIN SURVIVOR BENEFITS.

(a) WIDOWS.—Section 216(c) of the Social Security Act (42 U.S.C. 416(c)) is amended—

(1) by redesignating subclauses (A) through (C) of clause (6) as subclauses (i) through (iii), respectively;

(2) by redesignating clauses (1) through (6) as clauses (A) through (F), respectively;

(3) in clause (E) (as redesignated), by inserting ''except as provided in paragraph (2),'' before ''she was married'';

(4) by inserting ''(1)'' after ''(c)''; and

(5) by adding at the end the following new paragraph:

''(2) The requirements of paragraph (1)(E) in connection with the surviving wife of an individual shall be treated as satisfied if—

''(A) the individual had been married prior to the individual's marriage to the surviving wife,

''(B) the prior wife was institutionalized during the individual's marriage to the prior wife due to mental incompetence or similar incapacity,

''(C) during the period of the prior wife's institutionalization, the individual would have divorced the prior wife and married the surviving wife, but the individual did not do so because such divorce would have been unlawful, by reason of the prior wife's institutionalization, under the laws of the State in which the individual was domiciled at the time (as determined based on evidence satisfactory to the Commissioner of Social Security),

''(D) the prior wife continued to remain institutionalized up to the time of her death, and

''(E) the individual married the surviving wife within 60 days after the prior wife's death.''.

(b) WIDOWERS.—Section 216(g) of such Act (42 U.S.C. 416(g)) is amended—

(1) by redesignating subclauses (A) through (C) of clause (6) as subclauses (i) through (iii), respectively;

(2) by redesignating clauses (1) through (6) as clauses (A) through (F), respectively;

(3) in clause (E) (as redesignated), by inserting ''except as provided in paragraph (2),'' before ''he was married'';

(4) by inserting ''(1)'' after ''(g)''; and

(5) by adding at the end the following new paragraph:

''(2) The requirements of paragraph (1)(E) in connection with the surviving husband of an individual shall be treated as satisfied if—

''(A) the individual had been married prior to the individual's marriage to the surviving husband,

''(B) the prior husband was institutionalized during the individual's marriage to the prior husband due to mental incompetence or similar incapacity,

''(C) during the period of the prior husband's institutionalization, the individual would have divorced the prior husband and married the surviving husband, but the individual did not do so because such divorce would have been unlawful, by reason of the prior husband's institutionalization, under the laws of the State in which the individual was domiciled at the time (as determined based on evidence satisfactory to the Commissioner of Social Security),

''(D) the prior husband continued to remain institutionalized up to the time of his death, and

''(E) the individual married the surviving husband within 60 days after the prior husband's death.''.

(c) CONFORMING AMENDMENT.—Section 216(k) of such Act (42 U.S.C. 416(k)) is amended by striking ''clause (5) of subsection (c) or clause (5) of subsection (g)'' and inserting ''clause (E) of subsection (c)(1) or clause (E) of subsection (g)(1)''.

(d) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to applications for benefits under title II of the Social Security Act filed during months ending after the date of the enactment of this Act.

SEC. 415. CLARIFICATION RESPECTING THE FICA AND SECA TAX EXEMPTIONS FOR AN INDIVIDUAL WHOSE EARNINGS ARE SUBJECT TO THE LAWS OF A TOTALIZATION AGREEMENT PARTNER.

Sections 1401(c), 3101(c), and 3111(c) of the Internal Revenue Code of 1986 are each amended by striking ''to taxes or contributions for similar purposes under'' and inserting ''exclusively to the laws applicable to''.

SEC. 416. COVERAGE UNDER DIVIDED RETIREMENT SYSTEM FOR PUBLIC EMPLOYEES IN KENTUCKY.

(a) IN GENERAL.—Section 218(d)(6)(C) of the Social Security Act (42 U.S.C. 418(d)(6)(C)) is amended by inserting ''Kentucky,'' after ''Illinois,''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on January 1, 2003.

SEC. 417. COMPENSATION FOR THE SOCIAL SECURITY ADVISORY BOARD.

(a) IN GENERAL.—Subsection (f) of section 703 of the Social Security Act (42 U.S.C. 903(f)) is amended to read as follows:

''Compensation, Expenses, and Per Diem

''(f) A member of the Board shall, for each day (including traveltime) during which the member is attending meetings or conferences of the Board or otherwise engaged in the business of the Board, be compensated at the daily rate of basic pay for level IV of the Executive Schedule. While serving on business of the Board away from their homes or regular places of business, members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall be effective as of January 1, 2003.

Subtitle C—Technical Amendments

SEC. 421. TECHNICAL CORRECTION RELATING TO RESPONSIBLE AGENCY HEAD.

Section 1143 of the Social Security Act (42 U.S.C. 1320b–13) is amended—

(1) by striking ''Secretary'' the first place it appears and inserting ''Commissioner of Social Security''; and

(2) by striking ''Secretary'' each subsequent place it appears and inserting ''Commissioner''.

SEC. 422. TECHNICAL CORRECTION RELATING TO RETIREMENT BENEFITS OF MINISTERS.

(a) IN GENERAL.—Section 211(a)(7) of the Social Security Act (42 U.S.C. 411(a)(7)) is amended by inserting '', but shall not include in any such net earnings from self-employment the rental value of any parsonage or any parsonage allowance (whether or not excluded under section 107 of the Internal Revenue Code of 1986) provided after the individual retires, or any other retirement benefit received by such individual from a church plan (as defined in section 414(e) of such Code) after the individual retires'' before the semicolon.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to years beginning before, on, or after December 31, 1994.

SEC. 423. TECHNICAL CORRECTIONS RELATING TO DOMESTIC EMPLOYMENT.

(a) AMENDMENT TO INTERNAL REVENUE CODE.—Section 3121(a)(7)(B) of the Internal Revenue Code of 1986 is amended by striking ''described in subsection (g)(5)'' and inserting ''on a farm operated for profit''.

(b) AMENDMENT TO SOCIAL SECURITY ACT.—Section 209(a)(6)(B) of the Social Security Act (42 U.S.C. 409(a)(6)(B)) is amended by striking ''described in section 210(f)(5)'' and inserting ''on a farm operated for profit''.

(c) CONFORMING AMENDMENT.—Section 3121(g)(5) of such Code and section 210(f)(5) of such Act (42 U.S.C. 410(f)(5)) are amended by striking ''or is domestic service in a private home of the employer''.

SEC. 424. TECHNICAL CORRECTIONS OF OUTDATED REFERENCES.

(a) CORRECTION OF TERMINOLOGY AND CITATIONS RESPECTING REMOVAL FROM THE UNITED STATES.—Section 202(n) of the Social Security Act (42 U.S.C. 402(n)) (as amended by section 412) is amended further—

(1) by striking ''deportation'' each place it appears and inserting ''removal'';

(2) by striking ''deported'' each place it appears and inserting ''removed'';

(3) in paragraph (1) (in the matter preceding subparagraph (A)), by striking ''under section 241(a) (other than under paragraph (1)(C) thereof)'' and inserting ''under section 237(a) (other than paragraph (1)(C) thereof) or 212(a)(6)(A)'';

(4) in paragraph (2), by striking ''under any of the paragraphs of section 241(a) of the Immigration and Nationality Act (other than under paragraph (1)(C) thereof)'' and inserting ''under any of the paragraphs of section 237(a) of the Immigration and Nationality Act (other than paragraph (1)(C) thereof) or under section 212(a)(6)(A) of such Act'';

(5) in paragraph (3)—

(A) by striking ''paragraph (19) of section 241(a)'' and inserting ''subparagraph (D) of section 237(a)(4)''; and

(B) by striking ''paragraph (19)'' and inserting ''subparagraph (D)''; and

(6) in the heading, by striking ''Deportation'' and inserting ''Removal''.

(b) CORRECTION OF CITATION RESPECTING THE TAX DEDUCTION RELATING TO HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.—Section 211(a)(15) of such Act (42 U.S.C. 411(a)(15)) is amended by striking ''section 162(m)'' and inserting ''section 162(l)''.

(c) ELIMINATION OF REFERENCE TO OBSOLETE 20-DAY AGRICULTURAL WORK TEST.—Section 3102(a) of the Internal Revenue Code of 1986 is amended by striking ''and the employee has not performed agricultural labor for the employer on 20 days or more in the calendar year for cash remuneration computed on a time basis''.

SEC. 425. TECHNICAL CORRECTION RESPECTING SELF-EMPLOYMENT INCOME IN COMMUNITY PROPERTY STATES.

(a) SOCIAL SECURITY ACT AMENDMENT.—Section 211(a)(5)(A) of the Social Security Act (42 U.S.C. 411(a)(5)(A)) is amended by striking ''all of the gross income'' and all

that follows and inserting ''the gross income and deductions attributable to such trade or business shall be treated as the gross income and deductions of the spouse carrying on such trade or business or, if such trade or business is jointly operated, treated as the gross income and deductions of each spouse on the basis of their respective distributive share of the gross income and deductions;''.

(b) INTERNAL REVENUE CODE OF 1986 AMENDMENT.—Section 1402(a)(5)(A) of the Internal Revenue Code of 1986 is amended by striking ''all of the gross income'' and all that follows and inserting ''the gross income and deductions attributable to such trade or business shall be treated as the gross income and deductions of the spouse carrying on such trade or business or, if such trade or business is jointly operated, treated as the gross income and deductions of each spouse on the basis of their respective distributive share of the gross income and deductions; and''.

The SPEAKER pro tempore. Pursuant to House Resolution 168, the gentleman from Texas (Mr. GREEN) and a Member opposed each will control 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Speaker, I yield myself such time as I may consume.

(Mr. GREEN of Texas asked and was given permission to revise and extend his remarks.)

Mr. GREEN of Texas. Mr. Speaker, we have had a great deal of debate already on the general debate, but I rise in opposition to the legislation in support of my amendment, and it is frustrating because there are some good things in this legislation, but I guess what is really frustrating is that why should a section of this bill be addressed to public educators, firefighter and police officers that happen to be in Texas or Georgia, and yet, in another section, we are trying to combat fraud by felons.

I agree, we should combat fraud by felons; and if we have felons who are receiving Social Security, felons who are absconding, I do not mind. In fact, why are we waiting this long to keep them from getting their Social Security? Do not go after widowed teachers, whose spouses paid into Social Security.

Eighty percent are women who receive fewer retirement benefits than men, and it is not just for teachers, firefighters in the same legislation. It just seems like it is wrong to put that issue in the same legislation due to felons receiving Social Security benefits.

In fact, I had a constituent last night say, you mean to tell me all these years I have taught and I am in the same legislation trying to close a loophole for fugitive felons receiving Social Security? I said, I am sorry, ma'am, but that is what it has. The bill has some other good things in it; but we have this amendment, and I appreciate the Committee on Rules providing this.

It is called a loophole, but it is really not. There are lots of loopholes in our laws, but it is called laws; and I know on our side of the aisle we have talked about corporate loopholes for a long time. Let us close up the corporate loopholes, but why are we closing up one for the widowed teachers, again, who their only punishment is they worked as a public schoolteacher and was married to someone who paid into Social Security at least 10 years and, again, in some cases, many more years?

When the House first considered this legislation, it failed because of a controversial provision that we have, and the bill ought to pass, but it ought to be passed without this provision, and let us come back, get our Ways and Means subcommittee and the Committee on Ways and Means to deal with the government pension offset as a separate bill.

Last session, this legislation passed out of the House with, I do not think, any dissenting votes. It went to the Senate; and on a technicality, they added this back in, and it was stopped in the House when they tried to pass it on unanimous consent last fall and when most of us were in our districts.

In States where some public employees are not covered by Social Security, such as in Texas, this does reduce the spousal benefits by two-thirds, and in some cases, it can eliminate all of them, all their benefits. It is a problem for many public servants, but it is especially, again, bad for women, and, again, since 80 percent of the Texas schoolteachers and retirees are women. Sixty percent of that group is married, and again, I think it is interesting on the floor of the House because I always heard the statement, consistency is the hobgoblin of little minds, but here we have bills that can enforce marriage, why are people on social services, that encourage them to get married, and here we have teachers who are married for all these years, and yet we are punishing them under the pension government offset.

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

The SPEAKER pro tempore. Who seeks time in opposition?

Mr. SHAW. Mr. Speaker, I claim the time in opposition, and I yield 7 minutes to the gentleman from Texas (Mr. SAM JOHNSON), a valuable member of the Subcommittee on Social Security of the Committee on Ways and Means.

Mr. SAM JOHNSON of Texas. Mr. Speaker, this is a terrible amendment. What I am rising for is to support equality for 95 percent of working Americans who pay into Social Security.

Today's debate is about fairness, a need to bring equity to a system under scrutiny. This amendment concerns Texas teachers. This bill concerns equality, fairness and equity.

Texas is home to great students and great schools, thanks in part to great Texas teachers. Educated in Texas schools myself, I put my kids through Texas schools, and my grandkids are attending Texas schools; but there is a lot of misinformation out there about Texas teachers and their retirement plan.

Before I get too far into the details of this issue, I want to explain some of the fundamentals of Social Security. When the Social Security System was created, the workforce was made up largely of men whose wives stayed home. Spousal benefits were created for these women. Social Security spousal benefits are for the nonworking spouse of a worker covered by Social Security. Generally, we think of this as a stay-at-home mom and a working dad. Social Security retirement benefits are for those who work and pay Social Security taxes. Ninety-five percent of working Americans are covered by this program.

The situation is very different today from when Social Security was created in the 1930s. The majority of families today have two earners supporting the family. A primary rule of Social Security is that everyone is able to collect either their own retirement benefit from Social Security or their spousal benefit, whichever is higher. Let me repeat that. It is one or the other, not both.

The Texas teacher retirement system is a substitute for Social Security. A person can participate in one system or the other, but not both. Most school districts in Texas have chosen to stay out of Social Security; yet they have always had the chance to join the system. In fact, fifty school districts in Texas have entered into Social Security, and they can have their own 401(k)-type program also. Again, at any time school districts can leave the Texas teacher retirement system and enter into Social Security, but they cannot do both because the retirement system was a substitute for Social Security.

Back to Social Security. Whether a married couple works in a job such as a nurse and a small business owner, Social Security-covered teacher and an accountant or a lawyer or an engineer, they both pay into Social Security and both are subject to this rule. A husband and wife are each able to collect either their retirement benefits earned through their own hard work or they are able to collect spousal benefits, i.e., 50 percent of retirement, whichever is higher. They cannot collect both.

It is very possible that if one spouse earns significantly less than the other, for example, that nurse and a small business owner, then the nurse is going to have higher spousal benefits than her own retirement. In that case, the nurse will collect the higher spousal benefit but may ask herself why she paid all those Social Security taxes all those years. If a retirement benefit is $600, for example, for the nurse, and her spouse benefit is $800, she would collect $800 but not $1,400 which is what her husband would have collected.

Again, this is how the system works for 95 percent of all Americans. This bill concerns some teachers in Texas who have questioned the system because they want both Social Security

spouse benefits and their Texas retirement. Again, the Texas teacher retirement system is a substitute for Social Security. A person can do one or the other, but not both.

I want teachers to understand that the government pension offset actually only reduces their spousal benefit by two-thirds of their State retirement benefit rather than dollar for dollar as in the case for other working spouses.

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Teachers right now get a better deal and more bang for their buck than 95 percent of the American public. They get one-third more of their spousal benefits than 95 percent of working Americans.

The so-called ''loophole'' that is being closed here today is one small part of the government pension offset meant to encourage entire school districts to join the Social Security system. If an entire school district, such as the Plano Independent School District, were to decide to enter Social Security and get out of State retirement, then every teacher in that school district would then be subject to all Social Security rules, even for a teacher who only works 1 day.

Roughly 4,800 teachers in Texas have found a way as individuals to leave their regular teaching job covered by State retirement and move, for 1 day, to a school district that does pay Social Security taxes and then retire. An example is a teacher from Plano who is covered by the State retirement system. If she transfers her last day of work from Plano to Ponder, Texas, which does pay Social Security, she is paid roughly $6 per hour. She might pay a total of $3 into the Social Security fund, but because of this final day of work in Ponder, paying Social Security taxes, she is able to collect the higher of either her benefit or full spousal.

Of course, because she only paid $3 in, she would collect the spousal benefits based off her husband's work, plus she collects her Social Security substitute; that is, her Texas teacher retirement money. She can double dip, when 95 percent of the American public cannot. This costs the Social Security System thousands of dollars.

The General Accounting Office has estimated that $450 million is being paid in benefits under this loophole, and that number could increase tenfold if the loophole is marketed to other people throughout the country.

I am pro-teacher, and in Texas they have a great State retirement system. Mr. Speaker, this is not how Social Security operates for 95 percent of working Americans and we are going to break the Social Security System.

Mr. GREEN of Texas. Mr. Speaker, I yield myself such time as I may consume to say that I realize my colleague from Texas did not have time to yield, but let me just say that these teachers do not make the choice between the teacher retirement systems and Social Security. The choice is made by the local school districts. That is why 50 school districts in Texas pay into both.

We have more than 1,100 school districts in the State of Texas where those local school board members, not those employees, those local school board members make that decision.

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

Mr. LAMPSON. Mr. Speaker, there are an awful lot of good people who want to leave some kind of employment into which they have been paying Social Security and go into the classroom, and our classrooms across the State of Texas and across this whole country are crying for good people to go into the classroom.

My wife was one of those people who had a job that paid into Social Security for a long period of time. She is going to receive minimal, if anything, from the teacher retirement system. But upon her retirement is it right for her to have been discouraged, after being encouraged to come in, because she is not going to receive some of the benefits she thought she might be able to? That is not right. That is not what we are trying to do here. We want to be able to encourage good qualified people to go into our classrooms.

This legislation is going to have broad implications for teachers in Texas and many other States. It is going to very likely force an exodus, a mass exodus of good experienced teachers from our public schools. What impetus does an experienced teacher have to stay in the classroom and continue teaching if the government is, in effect, going to significantly reduce his or her retirement payment potential after this year?

Well, the bill also fails to address a larger issue for public servants in this country. The government pension offset unfairly penalizes teachers and government workers and the employees most likely to pay into a public pension plan. So how can we sit idly by while our public service employees are indeed being penalized for serving their communities?

I think we really should show a different loyalty to our first responders, who we from this floor praise so very often. The government pension offset is a deterrent to public service across this Nation. There is a solution to this problem. We believe that we offered it and it has been turned down.

If we are to attract the best and brightest in public service, such as our teachers, firefighters, and police officers, then we must repeal this unfair provision. I urge a vote for the Green amendment and I urge my colleagues to support the passage of legislation that would permanently repeal the government pension offset. Our public servants deserve our support.

Mr. SHAW. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. THOMAS), the distinguished chairman of the Committee on Ways and Means.

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

Prior to being elected to Congress, some of us were actually in the profession of teaching. I was, for a number of years, and I paid into the California State Teachers Retirement System. I can tell my colleagues right now that in California, no serious and responsible professional teacher would think that their 20 or 25 years devoted to the classroom should be capped off by scurrying to another school district where there is clear collusion between the districts to allow for 1 day, 1 week, or 1 month of employment so that they can scam the system. Now, that is basically what the Green amendment asks us to continue to allow; fortunately not in California, but unfortunately in Texas and perhaps in Georgia.

Let me get my colleagues to really understand what is going on here. Is there a problem with the offset? Of course there is. We just had a colloquy on the floor with the chairman of the Subcommittee on Social Security and the ranking member of the Subcommittee on Social Security and there was agreement that we will seriously address the pension offset. I have friends of mine who are still in teaching who have implored me to address that. We are in the process of addressing it.

The whole point of the Green amendment is do we allow something to continue which goes something like this: Let us take a teacher in Texas, Mrs. Brown or a Mrs. Green, and say she is employed in Dallas or Houston. And let us say she has worked for a number of years and has successfully put a significant amount of money in the Texas State Teachers Retirement System. She is now ready to retire. She finds another district. And it is true that the local district officials choose whether their employees are in the Social Security System or in the State teachers system. That is a local choice.

But what happens is those board members are in collusion with other districts when they allow a 20-plus year career teacher to work, perhaps in areas not directly to their certificate of teaching credential but simply a job. And let us say they work there for as much as, oh, a month. They may have paid into Social Security, oh, maybe $100. And according to the Social Security actuaries, that 1 month, after those distinguished years of teaching, could produce as much as $93,000 of taxpayers' money going to this person who put a blemish on their professional teaching career to play an angle.

The Green amendment says let us allow these folks to continue to play this little game of collusion to raid the Social Security System under the guise that we should take care of these people. If we vote for the Green amendment what we are doing is relieving pressure to address the real problem.

I would urge all my colleagues to understand a ''yes'' vote on the Green

amendment slows down the addressing of the pension offset. A ''no'' vote on the Green amendment puts all Americans in the same position, pressuring us to do something about the pension offset. Please, do not remove the pressure by voting ''yes'' on the Green amendment. Vote ''no'' on the Green amendment and all Americans will feel the pressure, rather than just a few who distinguish themselves at the end of their teaching career to go clip lawns, sweep up paper, or maybe even latch on to a substitute position to scam the system.

Mr. GREEN of Texas. Mr. Speaker, I yield myself such time as I may consume to comment that having the chairman of the Committee on Ways and Means calling this ''scamming the system'' is like the pot calling the kettle black. We have provisions in our Tax Code for individuals, one person. We have Tax Code provisions for one company or groups of companies. Yet it is a scam system if we are going to protect public school educators.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. EDWARDS), my colleague from Texas.

Mr. EDWARDS. Mr. Speaker, I rise in support of the Green amendment because I do not believe teachers should be penalized for teaching our children.

Now, my colleague from California came up with a hypothetical example, but let me tell my colleagues what will happen in real life, not hypothetically, if the Green amendment is defeated.

I now am representing Fort Hood in Texas, the only two-division Army installation in America, which has several thousand soldiers arriving in Iraq, and several thousand more per day. We will have up to 30,000 soldiers from Fort Hood, Texas, fighting for our country in Iraq most likely in the next 2 months. Now, those soldiers fighting for us today and in the weeks ahead over there come back to Texas. And the bill that Congress, which I helped pass a decade ago, the Troops to Teacher bill, actually tries to encourage those military retirees, those soldiers fighting for us today in Iraq, to go into teaching. They are doing that all throughout the school system, educating the children of military soldiers in central Texas.

Now, for those who want to defeat the Green amendment, let me just mention what that is really saying. That says that it is okay for these soldiers fighting in Iraq today for our country to pay Social Security taxes, and then when they come back to Texas and retire, they are going to have their Social Security benefits cut because some opposed the Green amendment. I think that is unfair. It is not only unfair to the soldiers to have their Social Security benefits docked because we want to defeat the Green amendment, it is unfair to the children of military families who will not have the benefit of those retired soldiers teaching in our classrooms.

It was bad enough that the administration was trying to cut impact aid to help military kids' education during a time of war, it was worse yet when the Republican leadership pushed for a $28 billion cut in veterans benefits during a time of war; but now, to add insult to injury, I hope the teachers of Texas, Mr. Speaker, are listening to my Republican colleagues who, intended or not, would push a policy that will penalize soldiers fighting today in Iraq who want to teach our children tomorrow. That is wrong for our servicemen and women, it is wrong for the children of Texas, and it is wrong for this country.

Mr. SHAW. Mr. Speaker, I yield myself such time as I may consume to comment that I think the gentleman is figuring that all those soldiers are going to come back to Texas. That is nonsense. This has nothing to do with our soldiers.

Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. COLLINS), a distinguished member of the Committee on Ways and Means.

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

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

Mr. COLLINS. I yield to the gentleman from California.

Mr. THOMAS. Mr. Speaker, I thank the gentleman for yielding to me so that I might inform my friend, the gentleman from Texas (Mr. GREEN), that I am doing everything I can to fix the loopholes in the Tax Code. He is well aware that his party was in the majority for 40 years and they punched an awful lot of holes in that Tax Code. We are trying to plug it up just as rapidly as we can, but it will take a few more years to clean up 40 years of a mess

Mr. COLLINS. Mr. Speaker, reclaiming my time, I rise in full support of the bill as presented by the gentleman from Florida (Mr. SHAW), the chairman of the Subcommittee on Social Security.

With all the respect I have for the gentleman from Texas (Mr. GREEN) and what is he is attempting to do, I do have to oppose his amendment. I can appreciate what he is doing, what he is intending to do, but this is a very serious loophole that does exist. It has benefitted a number of teachers in Texas, it has benefitted a few from Georgia. There is a difference in how the teachers in each State went about it, but it is unfair to the majority of the population of this country who pay into the Social Security system based on their employment for years and years.

This has nothing to do with the government pension offset. It has nothing to do with the windfall benefit. It is all about spousal benefits, and it is a loophole that needs to be closed. It is one that has existed for some time. The Social Security commissioner has recommended that it be closed, the Government Accounting Office has also recommended it be closed, and as the chairman of the full committee mentioned, it can have benefits of upwards of almost $100,000 for those who may work 1 day or 1 year in the system that is covered by Social Security, having worked the majority of their time in a system that is not.

This has caused a lot of the districts in Georgia, the school districts who do not participate in Social Security, to lose teachers to other districts who do, and it is a loophole that needs to be closed.

□ 1345

Mr. GREEN of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I respect the gentleman from Georgia (Mr. COLLINS) with whom I have gone on trips to see our military, and this issue is also about the military. As the gentleman from Texas (Mr. EDWARDS) who represents Fort Hood pointed out, this will impact them unless we reform the government pension offset.

Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. REYES).

Mr. REYES. Mr. Speaker, I rise today in support of the Green substitute for H.R. 743. This substitute amendment contains all of the good elements of H.R. 743, and eliminates one very negative element, section 418, which negatively affects teachers and other public servants in my district of El Paso, Texas. I have heard from countless teachers in my district regarding this bill who will have their Social Security widow's benefit reduced so severely that their financial well-being will be devastated. The Green amendment fixes this.

Mr. Speaker, in addition, H.R. 743 also affects school support personnel, police officers, firefighters, and other public servants. At a time when multi-billion-dollar tax breaks are being offered to our country's top income earners, our teachers and other public servants should not be penalized. These are the very people we should be protecting.

Finally, Mr. Speaker, I want to speak to our veterans. If this issue sounds a lot like their concurrent receipt issue, that is because it is. And it is interesting that it is the Republican leadership that opposes both of these issues. Too bad it is okay to pass billions in tax relief to the wealthy but continue to undermine our working families. I urge my colleagues to show support for our teachers and vote in favor of the Green substitute amendment.

Mr. GREEN of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. TURNER).

Mr. TURNER of Texas. Mr. Speaker, not too many months ago I had a teacher in my office in East Texas in the city of Lufkin, sitting across the desk, crying because she had learned she would not receive any of her husband's Social Security survivor benefit because she had been employed for her entire career as a teacher.

The issue before us is not a discussion on loopholes, it is whether the

government pension offset is fair. Why should teachers, firefighters, law enforcement people, be denied their survivor benefits under Social Security simply because they have a government retirement benefit? The truth of the matter is if the lady sitting across the desk from me had worked for any other private company and had received a retirement benefit from them, she would still be eligible for her husband's survivor benefit.

So I would invite the distinguished chairman of the Committee on Ways and Means, who suggested that the Green amendment slows the pressure to change the government pension offset, to merely join with us in trying to amend this legislation; or, in the alternative, to join with the 172 other Members of this House in cosponsoring legislation, H.R. 594, that eliminates this unfair government pension offset.

We are here today to fight for our Texas teachers, to fight for our Texas firefighters and our Texas law enforcement people who are unfairly disadvantaged by a government pension offset that says to them, because they work for the government and they have a separate retirement program, then they are going to be denied the very Social Security benefit that their spouse worked and earned. We hope that those who are opposing us today will take a second look, join with us and try to correct this unfair provision.

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

Mr. Speaker, I would point out to the gentleman that if somebody is enjoying a private pension in the private sector, they also paid into Social Security, which is something that the teachers that the gentleman is referring to are not doing.

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

Mr. BRADY of Texas. Mr. Speaker, there is a great deal of misinformation being spoken today. This has nothing to do with our soldiers overseas, because they do not have a loophole; or our firefighters or police officers, because they do not have a loophole. This does have a lot to do with the widows in America who do not have a loophole and are losing $450 million of their Social Security because one group has a loophole that no one else in America has.

Let us look at the average family in Texas because we have heard a lot of these examples. This is where the husband has made $1,000 a year as his retirement and the wife's retirement is $700. When he passes away, what happens? For almost everyone in America where both people work in Social Security, that benefit is $1,000. For other families that work and have a government pension, like our firefighters and policeman, or Federal workers, for example, who paid into their own private plan, they keep more, $1,233. They get more than most families in America.

But look at our Texas teacher. Because we have a loophole where they can go to work 1 day in Social Security and contribute $3 and collect over $100,000 more, they pull down $1,700 a month for widow's benefits that no one else in America can achieve. Not other teachers in other States, not the elderly in other States, no one in America. And because of this, this is draining not just $450 million now, but if we keep this loophole open, we will do more and more damage to everyone else in America who pays into Social Security.

Let me make a final point about this. Everyone's Social Security is offset. Members have what is called a dual-entitlement offset. That is 100 percent. Government workers is less, only 66 percent, two-thirds. Texas teachers, no offset whatsoever, so they receive many more benefits than the next-door neighbor who works hard, than Texas nurses, store clerks, the woman who takes care of our elderly in nursing homes, they do not have a loophole.

We are not going to have an America where there are two classes of citizens, those who have loopholes in Social Security and those who do not. This is about protecting the integrity of our Social Security system for every generation. If we do not close this loophole, we have lost all claim to protecting Social Security for the future.

Mr. GREEN of Texas. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Texas (Ms. JACKSON-LEE.)

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

Ms. JACKSON-LEE of Texas. Mr. Speaker, because I support teachers, firefighters, police, and the United States military, I rise in support of this amendment.

Mr. Speaker, the Social Security Protection Act of 2003 was broken last time it came up on the floor. Many public servants in our districts noticed that and called and emailed and faxed us. We in Congress realized indeed it was broken and voted the bill down. But, here it is again—and it still has not been fixed. There is much good in this bill. If the Majority Leadership would take out the small error that will hurt our teachers and firefighters and police, this bill could be in front of the President soon. That would be a great service.

I commend my colleague and neighbor from Houston for his work in addressing the needs of our teachers—who are some of the hardest hit—in Texas. The Green Substitute will preserve all the good in the Social Security Protection Act, that so many of us have worked together in bipartisan fashion, to create. It will simply remove a single offensive provision, that was added in at the eleventh hour, and hits hard a group of people that I can't imagine anyone wanting to hit right now—when we are trying to improve our schools, when we are trying to bolster our first response capabilities, and when economic uncertainty abounds.

The Government Pension Offset (GPO) reduces or eliminates a Social Security widow's benefit if the widow is eligible for a pension based on a state, local or federal job that was not covered by Social Security. The GPO affects many individuals, but is especially harmful for teachers, police officers, and firefighters, and is particularly burdensome for lower income workers and women. A provision in current law, however, allows some state and local government employees to escape the application of the GPO if they switch jobs at the end of their government careers.

It is sad that we make dedicated employees jump through such hoops to get the benefits they deserve. I would like to totally revisit the GPO, but know that today is not the day to do it. Today, the best we can do is to keep this small loophole open and allow good people to continue to go into public service. I usually appreciate closing loopholes, but this one is too valuable to our schools and first responders.

As it stands, H.R. 743 modifies the last-day-exemption clause by requiring public servants to work an additional five years in order to receive a full spousal benefit. This legislation does nothing to remedy the GPO to make it fairer for public servants. There are many people who are interested in going into public service as a second career, but may not be able to work and then switch employment for five years. These people may not then be able to afford to serve. This is ridiculous at a time when needs are so great in our society.

The Green amendment strips this one, hidden, offensive provision in this otherwise noncontroversial bill. I urge my colleagues to support teachers, firefighters, police officers, and other public servants by supporting the Green amendment.

For example, last month I received a call from one woman in my District who was a teacher earlier in life. Her husband recently passed away and she has been contemplating going back into teaching. But she has been warned that she could actually jeopardize her financial future by going to work. As a widow, she will be entitled to her husband's social security benefits. However, if she starts to teach in a school district with a government non-Social Security pension, she could lose $360 per month in retirement benefits—over $4000 per year.

Why should she risk it? If H.R. 743 passes today as is, it won't be only she that loses. It will be our nation's children who lose—an experienced, intelligent teacher. The Green Substitute will allow her to help leave no child behind.

I will support the Green Substitute to H.R. 743, and urge my colleagues to do the same.

Mr. GREEN of Texas. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. ORTIZ).

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

Mr. ORTIZ. Mr. Speaker, the thing that we are trying to correct here today is we do not have a problem with the 50 school districts that pay Social Security, but we do have a problem with the 1,100 or more school districts where they are not allowed to pay Social Security. This is why the Green

amendment is a good amendment. We are trying to correct a deficiency that exists.

We have a lot of soldiers and sailors who are fighting this war. They do pay Social Security. When they come back and they decide to take up the profession of teaching, they are going to lose their benefits. This is a true fact. This is what we are trying to correct.

The teachers across the State of Texas are mostly women, and they are not wealthy people. If I had worked so many years and my spouse dies, I should be qualified to receive what my husband has paid into.

Mr. GREEN of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. SANDLIN), a member of the Committee on Ways and Means.

Mr. SANDLIN. Mr. Speaker, today the House stands to make a choice. We must choose to support our widowed teachers and public employees, or we choose to oppose them. The choice is ours. I am appalled that our friends on the other side of the aisle would take a stand against our teachers and claim that the teachers are receiving full spousal benefits and are engaged in a gimmick or a trick or a fraud. Obtaining spousal benefits is not a trick or a fraud. It is a payment for an entire lifetime of work by a spouse. It is a payment for an entire lifetime of a man and woman working together.

Saying that teachers receive Social Security for working 1 day of work is simply not true, and our friends on the other side of the aisle know it and it is embarrassing for them to say that. The real fraud in this is that the Democrats on the Committee on Ways and Means offered to fix this section by using the language of the Republicans if they would address the GPO. The Republicans said no. Clearly the Green amendment points out the total absurdity of the GPO. It is quite simple.

Here is the way, the Republican plan. If someone works for an insurance company, no offset. If someone works for a pharmaceutical company, no offset. If someone works for an HMO, no offset. But if that person is a teacher, there is an offset and their spouse's lifetime of work is absolutely meaningless. At least our friends on the other side of the aisle are consistent. They believe that neither the veterans nor the teachers should receive the benefits that they have earned from a lifetime of work. We saw that yesterday and we are seeing that today. Teachers work hard, they follow the rules. They are being rewarded for a lifetime of work with their spouse.

We should not be involved in changing the rules of the game in the middle of the game. Let us stand up for our teachers. Our teachers should be rewarded. Our teachers should not be punished. Let us support the Green amendment and do what we ought to do in this House.

Mr. SHAW. Mr. Speaker, I yield 1½ minutes to the gentleman from Missouri (Mr. HULSHOF).

Mr. HULSHOF. Mr. Speaker, I would say to the gentleman from Texas (Mr. TURNER), that tearful constituent of his is probably not scheming to game the system.

I would say to the gentleman from Texas (Mr. EDWARDS), I think it is a bit disingenuous to invoke our troops and our firefighters.

I would say to the gentleman from Texas (Mr. GREEN) who offers the amendment, the amendment would strip section 418 out of the underlying bill.

And I would again say to the gentleman from Texas (Mr. SANDLIN) who just spoke, would the following hypothetical be considered a gimmick, trick or fraud: A university professor who works his entire life as a university professor, works a single day as a janitor making $6 an hour, an 8-hour day, $48, and out of that paycheck, there is a $3 FICA withholding, is it a gimmick, a trick or a fraud for that $3 FICA withholding to then translate into roughly $100,000; $5,000 a year for 20 years of retirement?

Unfortunately, Mr. Speaker, that is not a gimmick, trick, or fraud. It is not even a hypothetical. It is a real-life example of something that has occurred that needs to be changed. A real janitor would not see that $100,000.

Mr. GREEN of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me say they are not receiving the benefits because of that 1 day, they are receiving them because they were married for at least 10 years to someone who paid into Social Security. That is the reason that they are receiving it. It is not hypothetical. We have people who have paid into Social Security for 40 years, and their spouses have received nothing. That is wrong.

Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Speaker, my Republican colleagues may not like the truth, but they cannot run from it. The truth is that by defeating the Green amendment, what they are saying to some of the thousands of soldiers from my district in the Iraqi theater today, that if they come back home to Texas and take advantage of the Troops to Teachers program passed by Congress to encourage them to become teachers, then their Social Security benefits are going to be reduced or eliminated. That is wrong. It is unfair. It discourages good people from going into the teaching profession. And I can tell Members, the school districts in my district value highly having these retired Army soldiers teaching in the classrooms. The other side may not like the facts, but they are going to have to accept them.

□ 1400

Mr. SHAW. Mr. Speaker, I yield 30 seconds to the gentleman from Texas (Mr. BRADY).

Mr. BRADY of Texas. Mr. Speaker, others may not like the facts either. My younger brother has been deployed as an Army medic in the 67th Brigade. He will be watching out for the 4th Infantry Division in the Persian Gulf, his second tour of duty. He does not have a loophole. He cannot work 1 day and collect $100,000. Yes, he has an offset like the rest of America has an offset. When we hear this said no one else has an offset, it is absolutely untrue. What we are trying to defend here is some of America that has a loophole and all the rest of us, firefighters, widows, the elderly have no loophole. We are protecting the security of Social Security.

Mr. GREEN of Texas. Mr. Speaker, I yield myself such time as I may consume.

To my really good friend and neighbor, that is the whole point of the debate. We should reform the government pension offset and not punish those who have found a way to deal with it.

Mr. Speaker, I yield 1 minute to the gentlewoman from Dallas, Texas (Ms. EDDIE BERNICE JOHNSON).

(Ms. EDDIE BERNICE JOHNSON of Texas asked and was given permission to revise and extend her remarks.)

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise in support of the Green amendment. It is interesting as we sit here and listen to each other that the teaching profession is probably one of the most important professions there is. Not a single person here has gotten here without having some teachers. We do not pay them very much. It is one of the low-paying professions. And yet we do not want them to receive their spouses' Social Security. My Social Security is going to be offset with a pension. I am willing to allow that to go for making sure that the teachers after a long career of teaching can have a retirement, scraping together the pennies so they can live without going on a system that is no longer called welfare because we do not have it.

Mr. SHAW. Mr. Speaker, I reserve the balance of my time to close.

Mr. GREEN of Texas. Mr. Speaker, I think I have the right to close, and I reserve the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The gentleman from Florida has the right to close.

The gentleman from Texas has 2½ minutes remaining, and the gentleman from Florida has 2 minutes remaining.

Mr. GREEN of Texas. Mr. Speaker, I yield myself such time as I may consume.

The reason I am offering this amendment is because the underlying bill provides for this section 418. There are a lot of good provisions in the underlying bill, and people can vote for my amendment and still vote for the bill. There are other States with public employees like Texas. It just impacts Texas more than I guess other States, maybe Georgia or somewhere else, that reduces our spousal benefits because we have local governments that do not participate in Social Security. Only 50 of our school districts, the gentleman

from Texas (Mr. SAM JOHNSON), participate; but we have over 1,100 school districts, and that is a local decision. My wife as a teacher did not decide she would go to work for someone who paid Social Security. She went to work because she wanted to be a teacher, and that is the frustration because no one thinks about it until they realize later in their careers, wait a minute, I have been married for all these years and I am going to get penalized if my husband passes away?

Marriage is a contract. It is also a contract that says they have worked together for all those years and yet if they happen to be a public school teacher, tough luck for that marriage contract. They do not benefit. They get punished because they worked as a teacher and they did not pay into Social Security, but their spouse did, their husband did. Again, we are talking about 80 percent of the public schoolteachers in Texas and I am sure nation-wide, and I am sure this is a nation-wide problem. It is just that Texas has found a way around it, and yet you are going to punish Texas, and yet Georgia and other States have the same problem. Almost all these people are eligible for Medicare through their husbands, but none of them are eligible for their spousal benefit because of the government pension offset. The GPO is wrong, and I would not be here today if we had a bill come out to deal with the GPO on a fair basis, the government pension offset; but we are not.

I do not want to keep this loophole. I want it to treat fairly all the government employees who are being treated badly, but it affects teachers because they are the most in population. It affects firefighters and police officers also; but after a lifetime of being underpaid and they depend on their husband's Social Security or widow's benefits if they pass away and yet we take it away, and it is just frustrating to see that happen and to punish people. Yes, in Texas we found a way to deal with this wrong and you are punishing teachers because we have dealt with it instead of dealing with it in Congress, and that is what is wrong.

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

Mr. Speaker, people watching this debate may have noticed that the only speakers in favor of the gentleman from Texas's amendment are Members from the State of Texas. We have seen even Jessica Lynch, an American hero who has just been freed as a prisoner of war, brought into this debate. Jessica is going back to West Virginia to teach, and she is not going to get this loophole. We need to wipe it out. It is unfair, and it is gaming the system.

We have heard about people in the private sector, employees of HMOs, employees of automobile companies and all, they do not have the pension offset. They do not have it because they paid into Social Security. Why should they have an offset if they have paid into Social Security?

We have heard about the soldiers coming home. What type of a desperate argument is this? This has nothing to do with the soldiers anymore than someone right now who is struggling to get through college to go to teach themselves. Ladies and gentlemen, I will tell it to the 48 other States other than Texas and Georgia that you would be giving public employees in two States an advantage that they do not receive in the rest of the country. You will be giving to these teachers and these firefighters something that their teachers and their firefighters will not have. This is basically unfair. We are going to correct it.

We have heard about the pension offset. All of us have been talked about that. Our Federal employees, our retired Federal employees, they have all been into our office talking about the pension offset. That is going to cost us $9 billion if we are able to do something with it, and I would like to address that; and Mr. MATSUI and I have agreed to have hearings on it, and we are going to look to ways in order to try to do that, but that has nothing to do with this vote, absolutely nothing to do with it. This has only to do with a handful of public employees who are gaming the system in the State of Texas and even a smaller number in the State of Georgia. Vote ''no'' on the Green amendment. Vote ''yes'' on the bill. It is a good bill, and it is time that we clean this up.

The SPEAKER pro tempore. Pursuant to House Resolution 168, the previous question is ordered on the bill, as amended, and on the further amendment by the gentleman from Texas (Mr. GREEN).

The question is on the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. GREEN).

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

Mr. GREEN of Texas. 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 196, nays 228, not voting 10, as follows:

[Roll No. 100]

YEAS—196

Ackerman
Alexander
Allen
Andrews
Baca
Baldwin
Ballance
Becerra
Bell
Berkley
Berman
Berry
Bilirakis
Bishop (GA)
Bishop (NY)
Blumenauer
Bonilla
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Burgess
Burns
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Carter
Case
Clay
Clyburn
Conyers
Costello
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dingell
Doggett
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gillmor
Gonzalez
Gordon
Granger
Green (TX)
Grijalva
Gutierrez
Hall
Harman
Hastings (FL)
Hefley
Hill
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (VA)
Nadler
Napolitano
Neal (MA)
Oberstar
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velazquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NAYS—228

Abercrombie
Aderholt
Akin
Bachus
Baird
Baker
Ballenger
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chocola
Coble
Cole
Collins
Cooper
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dooley (CA)
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gingrey
Goode
Goodlatte
Goss
Graves
Green (WI)
Greenwood
Gutknecht
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hensarling
Herger
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hulshof
Hunter
Isakson
Issa
Istook
Janklow
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
Kanjorski
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McKeon
Mica
Miller (FL)

Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Murtha
Musgrave
Myrick
Ney
Northup
Norwood
Nunes
Nussle
Obey
Osborne
Ose
Otter
Oxley
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Sabo
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Stearns
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—10

Barrett (SC)
Combest
Davis (TN)
Gephardt
Hyde
McCarthy (MO)
McInnis
Nethercutt
Souder
Walden (OR)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMPSON) (during the vote). Members are reminded that there are 2 minutes remaining on this vote.

□ 1428

Ms. GINNY BROWN-WAITE of Florida, and Messrs. SHERWOOD, CRENSHAW, BACHUS, GARY G. MILLER of California, MCHUGH, REYNOLDS, ISTOOK, PORTER, DOOLEY of California and REGULA changed their vote from ''yea'' to ''nay.''

Mrs. JONES of Ohio and Mr. HEFLEY changed their vote from ''nay'' to ''yea.''

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

□ 1430

MOTION TO RECOMMIT OFFERED BY MR. GREEN OF TEXAS

Mr. GREEN of Texas. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore (Mr. SIMPSON). Is the gentleman opposed to the bill?

Mr. GREEN of Texas. Yes, Mr. Speaker.

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

The Clerk read as follows:

Mr. GREEN of Texas moves to recommit the bill, H.R. 743, to the Committee on Ways and Means with instructions to report the same back to the House promptly with an amendment addressing the concerns of Federal, State, and local government employees about the government pension offset under title II of the Social Security Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. GREEN) is recognized for 5 minutes in support of his motion.

Mr. GREEN of Texas. Mr. Speaker, I know a lot of Members thought that last battle was just because of Texas teachers, firefighters, or police officers; and it is, but simply because Texas has found a way to deal with the government pension offset. Another State, Georgia, has tried and is doing the same thing.

We need to reform the government pension offset. A lot of Members have told me, we are going to vote for you, we are going to vote against you, but we need to reform it. This is what this motion to recommit says, to report back. It instructs the Committee on Ways and Means with instructions to report the same back to the House promptly with an amendment addressing the concerns of Federal, State, and local employees about the government pension offset under title II of the Social Security Act.

During the last 3 or 4 years, there have been bills introduced in this House that have been bipartisan. We have had at times 218 cosponsors of legislation to reform the government pension offset and have not had a hearing.

We have a bill right now, H.R. 594, that has at least 50 Republican cosponsors, and has about 175, and I think it has only been out for a few weeks for cosponsorship, to reform the government pension offset. This is our way to use our rules to be able to say to one of our committees, whether it is my Committee on Energy and Commerce or something else, to say we want to reform the government pension offset. That is why we want to send this bill back. They can reform it and send it back to us. That is what this is about.

If Members want to reform the government pension offset, if they want to take a benefit for not only teachers in Texas but teachers all across the country, Federal employees, military, because the government pension offset affects everyone who is a public employee, then we need to reform it. That is the job of our committee, the Committee on Ways and Means.

I would hope that Members would vote for this motion. That way, we would actually see this vote on the floor of the House that I have not seen until the last few weeks dealing with the government pension offset.

Mr. Speaker, I yield 1 minute to my colleague, the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Speaker, about 200 of us have regularly signed on as cosponsors to the legislation of our colleague, the gentleman from California (Mr. MCKEON), to repeal the Government Pension Offset. In the Committee on Ways and Means, a more modest proposal would simply cut the government pension offset in half. It is authored by the gentleman from Florida (Mr. SHAW) and was joined by a number of Republicans on that committee.

In the committee, we sought not to leave some special provision that Texas teachers have used to protect themselves. We said instead, ''solve that problem.'' We did not use our language to correct the government pension offset; but we took verbatim the language of the gentleman from Florida (Mr. SHAW), his words, joined by four or five Republican members of the Committee.

This motion would permit us to go back and get the correction that all of us have said we want. I do not believe those who suffer from this offset want merely a promise in every pot. They do not want just a committee hearing; they want action. With this motion to recommit, we would get that action and get it promptly for all the firefighters, police officers, and teachers in all the 50 States who deserve to have that done.

Mr. GREEN of Texas. Mr. Speaker, it is frustrating, because a lot of us have heard from our public employees across the country and in our districts. They are frustrated when they find out they get penalized, even though they did pay into Social Security. Or in the case of teachers in Texas who do not have the option because of their local school district decision, they do not even receive their widow's benefits without such a penalty. That is what is frustrating.

We need to reform the government pension offset. That is what the committee should do, and that is what this motion to instruct would do. I urge an ''aye'' vote.

Mr. THOMAS. Mr. Speaker, I rise in opposition to the motion to recommit.

The SPEAKER pro tempore. The gentleman from California (Mr. THOMAS) is recognized for 5 minutes.

Mr. THOMAS. Mr. Speaker, the gentleman from California who is interested in dealing with the teachers' issues is named BUCK MCKEON. We have talked about him as a good $1 bill, the gentleman from California (Mr. MCKEON).

I want Members to know this motion to recommit is a $3 bill. If Members have never seen a $3 bill, all Members have to do is look at this motion to recommit. As we all know, there is no such thing as legal tender that is a $3 bill.

What this motion to recommit does is it kills the bill. I ask the freshmen to listen carefully. If this motion to recommit said ''report the same back to the House forthwith,'' a little word, ''forthwith'', what the gentleman from Texas (Mr. GREEN) was talking about could possibly occur. But he used the word ''promptly'' knowingly, because they know that a motion to recommit with the word ''promptly'' in it kills the bill.

Let me tell the Members what this motion to recommit really does: it says that the Social Security Administration cannot withhold tax refunds of people who cheat other taxpayers. It

says that the Social Security Administration cannot impose monetary penalties on those who mismanage benefits. If says that we cannot create new civil monetary penalties for Social Security fraud.

In other words, if people are for the good stuff that is in the bill, they are against this motion to recommit. The motion to recommit cannot add what they said it does because of the way it is written, it is very simple.

There was not a lot of honest debate on the amendment, and this motion to recommit is not an honest amendment to recommit. It is a motion to kill. Let us vote ''no'' on this so we can get on to the basic business of passing a very important and helpful bill. Vote ''no'' on this $3 bill, the motion to recommit.

PARLIAMENTARY INQUIRY

Mr. GREEN of Texas. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman may inquire.

Mr. GREEN of Texas. I do not know about a $3 bill, but maybe the Committee on Ways and Means could get one printed.

Mr. Speaker, it is my understanding that under our House rules that we are required to use the word ''promptly'' instead of ''forthwith'' because we now have had a budget resolution. I would ask, is that correct?

The SPEAKER pro tempore. The Chair cannot anticipate the propriety of another kind of motion.

Mr. GREEN of Texas. I withdraw the parliamentary inquiry, Mr. Speaker.

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. GREEN of Texas. 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 203, noes 220, not voting 11, as follows:

[Roll No. 101]

AYES—203

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Hall
Harman
Hastings (FL)
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velazquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—220

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Isakson
Issa
Istook
Janklow
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Pearce
Pence
Peterson (PA)
Petri
Pickering
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Stearns
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—11

Combest
Davis (TN)
Gephardt
Hyde
McCarthy (MO)
McInnis
Nethercutt
Paul
Pitts
Souder
Walden (OR)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised that approximately 2 minutes remain in this vote.

□ 1454

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the passage of the bill.

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

RECORDED VOTE

Mr. SHAW. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 396, noes 28, not voting 10, as follows:

[Roll No. 102]

AYES—396

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Ballance
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Becerra
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Castle
Chabot
Chocola
Clay
Clyburn
Coble
Cole
Collins
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Crowley

Cubin
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Dooley (CA)
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Emanuel
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Gordon
Goss
Graves
Green (WI)
Greenwood
Grijalva
Gutierrez
Gutknecht
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hill
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley (OR)
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Inslee
Isakson
Israel
Issa
Istook
Janklow
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Kolbe
Kucinich
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum
McCotter
McCrery
McDermott
McGovern
McHugh
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schiff
Schrock
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Toomey
Towns
Turner (OH)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velazquez
Visclosky
Vitter
Walsh
Wamp
Waters
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOES—28

Bell
Carter
Conyers
Davis (IL)
Doggett
Edwards
Frost
Gonzalez
Granger
Green (TX)
Hall
Hinojosa
Jackson (IL)
Jackson-Lee (TX)
Johnson, E. B.
Lampson
Lewis (GA)
Michaud
Ortiz
Paul
Reyes
Rodriguez
Rush
Sandlin
Schakowsky
Stenholm
Turner (TX)
Watson

NOT VOTING—10

Combest
Davis (TN)
Davis, Jo Ann
Gephardt
Hyde
McCarthy (MO)
McInnis
Nethercutt
Tierney
Walden (OR)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMPSON) (during the vote). Members are advised 2 minutes remain in this vote.

□ 1501

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 857

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent that the gentleman from Washington (Mr. SMITH) be removed as a cosponsor of H.R. 857.

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

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 660 AND H.R. 1014

Mrs. CHRISTENSEN. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 660 and H.R. 1014.

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

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H. RES. 59

Ms. LORETTA SANCHEZ of California. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H. Res. 59.

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

There was no objection.

RECESS

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

Accordingly (at 3 o'clock and 3 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1727

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. HENSARLING) at 5 o'clock and 27 minutes p.m.

REPORT ON H.R. 1559, EMERGENCY WARTIME SUPPLEMENTAL APPROPRIATIONS ACT FOR FISCAL YEAR 2003

Mr. YOUNG of Florida, from the Committee on Appropriations, submitted a privileged report (Rept. No. 108–55) on the bill (H.R. 1559) making emergency wartime supplemental appropriations for the fiscal year ending September 30, 2003, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

The SPEAKER pro tempore. Pursuant to clause 1, rule XXI, all points of order are reserved on the bill.

HONORING PRIME MINISTER TONY BLAIR WITH CONGRESSIONAL GOLD MEDAL

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

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I rise today to tell my colleagues about a bill I introduced 2 days ago. It is H.R. 1511. The purpose is to honor British Prime Minister Tony Blair with a Congressional Gold Medal.

Mr. Blair is a true ally and friend to this country and has shown incredible leadership, resolve, and solidarity with the United States in recent months. I thank him for his friendship, and I want to honor his commitment and contribution to this country by bestowing him with this honor.

The Congressional Gold Medal is the highest expression of national appreciation for distinguished achievement and contributions to the United States that Congress can offer to any individual. The Congressional Gold Medal of Honor was originally created by this body in 1776 to recognize military leaders, and the first recipient was George Washington.

Since that time, the award has evolved to include world leaders and humanitarians as well. Great Britain has long been one of America's closest friends and staunchest allies. I thank the Prime Minister and Great Britain for the loyalty, resolve, and support they have shown throughout this most recent conflict. I ask my colleagues to join me in supporting this resolution to pay tribute to a great man and a great leader.

□ 1730

GENERAL LEAVE

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 743.

The SPEAKER pro tempore (Mr. HENSARLING). Is there objection to the request of the gentlewoman from Florida?

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore (Ms. GINNY BROWN-WAITE of Florida). Under the Speaker's announced policy of January 7, 2003, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

AMERICAN PARITY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

Mr. DEFAZIO. Madam Speaker, tomorrow the United States House of Representatives will vote to borrow $75 billion as an emergency supplemental: some of the funds to support our troops in Iraq; some for large new discretionary or a slush fund to be made available to the President, the Secretary of Defense and others; some $10 billion in foreign aid, military assistance; $2.4 billion for Iraq itself, and now $700 million of that is humanitarian assistance. But the rest is to help rebuild Iraq, and I will go into that in a moment.

But the thing is that the House is going to vote to borrow this money. We are not going to revisit the tax cuts. We are headed toward a record deficit this year; but we will not revisit the tax cuts, more than half of which in this House of Representatives are targeted toward the wealthiest in this country, those who earn over $273,000 a year, an average of $90,000 for every millionaire in those tax cuts. God forbid we should ask them to help contribute to this emergency, that we should reduce their tax cuts and not borrow this money but collect the funds from those who can afford to help contribute. But that is where this House of Representatives is headed.

The gentleman from Illinois (Mr. EMANUEL) and I hope to offer an amendment. We will go to the Committee on Rules. I expect we will be denied, but our amendment in principle is very simple, and that is to say if the United States House of Representatives is going to borrow $1.7 billion to begin to implement contracts, which I have here, from the Federal Government of the United States to provide universal health care in Iraq, which of course 44 million Americans have no health insurance whatsoever, tens of thousands of Oregonians, to rebuild their highways and bridges, and we have a $4 billion bridge problem in Oregon, about a $270 billion bridge problem nationwide, we are going to borrow money to do that in Iraq. We are going to borrow to build 6,000 schools in Iraq when we do not have enough money to educate our kids here, and we are going to borrow money for a number of other things: airports, sewer, water, and a whole host of infrastructure. But guess what, there is not a penny in this bill for the economic recovery of the United States of America.

I lost another 800 jobs in my district today. Where is our assistance? Where is our economic stimulus? It is not in the tax cuts for the wealthy and trickle-down. It is not in borrowing more funds to fund this, driving us further in debt and ultimately driving up interest rates in this country. There is a more responsible way to approach this, and there is also a way to approach it so that we are responsible to the American people. Fund this by reducing the tax cuts or eliminating the tax cuts.

The United States of America is at war. This would be the first time in the history of our Nation that we have reduced taxes in a time of war, and we are reducing taxes at a time when we are headed already for a record deficit. We are looking at doubling the national debt probably in the next decade. We are going to have the economic profile of Argentina with a $500 billion trade deficit on top of this, but we are going to borrow the money.

And what are our kids going to come home to if we do not invest here in the United States of America? They are going to come home to the bill, not in the first couple of years they come home; but when they get a little bit older, they are going to come home to that bill. That bill is going to come home to them. And they may well not come home to good jobs because we are failing to stimulate the economy. We could act much more responsibly in this body in approaching this situation, but I fear we will not.

But I will go to the Committee on Rules. I will pretend that this is on the up and up and ask them to allow us a vote on the American Parity Act. That is to say, for every dollar we spend on health care, on schools, bridges, highways, water infrastructure, all needs well documented in our Nation and in Iraq, there should be a comparable dollar sent down to the States; and preferably this money should not come from borrowing. It should come from reducing tax cuts to the wealthiest among us who could at least do a little bit to help share this burden.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

SUPPORT AMERICA'S TROOPS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. SKELTON) is recognized for 5 minutes.

Mr. SKELTON. Madam Speaker, yesterday the House of Representatives overwhelmingly passed Concurrent Resolution 109, a resolution that calls on families of America's servicemembers to display the Blue Star and Gold Star banners in their homes or in their businesses. The gentleman from Arizona (Mr. SHADEGG), the gentleman from California (Mr. HUNTER), and I asked families to restore this proud tradition, first established during the First World War and because our country is at war in the Middle East and around the world in the fight against terrorism.

I want to take this opportunity to encourage all Members of Congress, and indeed all Americans, to support our men and women in uniform, now and in the days ahead. I would like to explain why and suggest a few ways in which we could do something concrete to benefit our troops. When our Nation calls, servicemen and women volunteer. They volunteer to be the point of the spear, protecting the Nation's interests both here and abroad. Today we have an all-volunteer force, and let me say it is the finest, best-trained fighting force the world has ever seen. It is not just the 1.4 million active duty servicemembers I am referring to. There are also 875,000 citizen soldiers, National Guardsmen and Reservists, part-time volunteers who serve when called. A growing number of these service soldiers have been called. They have been called to serve on multiple deployments over the past decade. Over 218,000 National Guardsmen and Reservists have been activated since September 11, 2001. Over 31,000 of those are now serving in Iraq.

The question is what can we do to show our appreciation to these dedicated men and women. Let me make a few suggestions.

First, Members of Congress can reach out to the troops and their families in their districts. I urge my colleagues to visit the National Guard armories in their towns and cities across the country and talk with the servicemembers, talk with their families, or visit a Reserve center or active military base and spend time with these brave and courageous individuals. In the district I am privileged to serve is Whitman Air Force Base, the home of the B–2 bomber; and Fort Leonard Wood, which has an engineer battalion that is deployed.

While I have always been a great believer in getting out and spending time with our troops, there are other ways we can support our military. Because of heightened security concerns, the Defense Department has discouraged Americans from sending letters and parcels to our deployed troops. However, the Department has a virtual thank you card at Defend America Web site which I will make available

through the CONGRESSIONAL RECORD. Or one may want to send an e-mail greeting through Operation Dear Abby, which I will make available through the CONGRESSIONAL RECORD.

To help servicemembers stay in contact with loved ones back home, donations to Operation Uplink at a CONGRESSIONAL RECORD address will help provide calling cards to the troops.

During these times of conflict, recognition of our men and women in uniform grows. It does not take too many hours of watching our troops in action on the television to know that they are demonstrating acts of heroism on a daily basis. As we Members of Congress have an obligation to let our men and women know that we appreciate and admire their contribution to our national security, visiting facilities in our districts and using the Internet are just two ways we can let our servicemen and women know that we appreciate what they are doing for our country.

Let me say that I know some of my colleagues do not agree with how the United States came to be involved in this war. Some Members feel the United Nations weapons inspectors should have been given more time to look for weapons of mass destruction. Others believe we did not exhaust all of our diplomatic options. I think it is of paramount importance that we support the troops, the men and women in uniform who are literally putting their lives on the line for our country, the United States of America, regardless of whether one agrees with the war itself or not. And I hope my colleagues will take these words of advice to heart.

More than 65 servicemembers have died since the global war on terrorism began, and over 200 have been wounded or injured. These individuals and their families having sacrificed for our freedom, and our thoughts and our prayers are with them. The Nation will not forget the price these servicemembers have paid to defend our country and the freedoms and our interests. I hope that all Members will take advantage of the opportunities we have as Members of Congress to show our men and women in uniform that we care, that we really care.

SUPPORTING OUR TROOPS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. HENSARLING) is recognized for 5 minutes.

Mr. HENSARLING. Madam Speaker, I rise today to urge all of my colleagues and to urge all Americans to unite and support our troops now engaged in battle in Iraq. Our Commander in Chief, with the approval of Congress, called our Armed Forces into action to disarm a rogue regime that threatens our freedom and our security.

With our troops now in the line of fire, with more than four dozen Americans having made the ultimate sacrifice for freedom, the time for protest has passed. The time for unity has arrived.

Madam Speaker, we live in a free society. We all share the right to debate the best policies for our Nation; and in a free society each of us also have the right to assemble and to protest. These are sacred rights; but once our Nation, through our democratic process, has decided to commit troops and once those troops have been put into harm's way, the time for debate and protest is over.

Just as we share sacred rights, we also share sacred duties. Today with American troops in the field, we all share a duty to unite behind them and ensure that our actions do them no harm. But, Madam Speaker, even as recently as yesterday, Democrat Members of Congress were still denouncing Operation Iraqi Freedom. And Madam Speaker, if just one of these floor speeches by a Member of Congress, if just one acceptance speech by a Hollywood director, if just one street protest causes Saddam Hussein and his forces to continue the fight for 1 day longer, then those responsible would have done a terrible, terrible disservice to those serving so bravely in our name.

□ 1745

Now, I would never question Americans' right to speak or protest. I only question the wisdom of doing so at this time. No matter what political beliefs we hold we are all Americans, and those soldiers in uniform fighting on the front lines are our sons and daughters, our brothers and sisters, our mothers and fathers. Those who undertake further protest at this point only fuel the resolve of our enemy, and they must take full responsibility for their actions.

Now, perhaps some need to be reminded why we are fighting and what we are fighting against.

Americans were sent to disarm an evil regime that has stockpiled weapons of mass destruction that threaten the peace and security of the Free World. Madam Speaker, 26,000 liters of anthrax, 38,000 liters of botulinum toxin, 500 tons of sarin, mustard gas, and VX nerve agents; enough chemical and biological weapons to kill hundreds of thousands of Americans in a single act of terrorism.

I agree with our President. The risk of doing nothing is far greater than the risk of doing something.

Madam Speaker, Americans were also sent to Iraq to end a regime of terror, a regime that has used chemical weapons against their own people, a regime that has made rape and torture an instrument of public policy, and now a regime that uses innocent people as human shields and savagely executes prisoners of war.

Just ask a 68-year-old mother, Zahra Khafi, why we are in Iraq. As she was recently liberated by American forces, she let it be known that her 28-year-old son was summarily executed by Saddam's regime for merely practicing her religion. She greeted our troops saying, ''Peace be upon you, peace be upon you.''

''Should I be afraid?'' She asked, wiping back her tears. ''Is Saddam coming back?''

Ask Ali Khemy, who said after the First Marine Expeditionary Unit liberated his village, ''Americans very good. Iraq wants to be free.''

Madam Speaker, President Ronald Reagan once said, ''No weapon in the arsenals of the world is so formidable as the will and moral courage of free men and women.'' Madam Speaker, the minions of tyranny and evil are learning that lesson today.

Now, our Nation has faced much greater challenges and has seen darker days. During the Civil War when brother fought brother, our great President, Abraham Lincoln solemnly stated, ''I have often been driven to my knees with the overwhelming conviction I had nowhere else to go.''

I believe now is a good time for all Americans to be driven to our knees, to pray for a speedy victory, to pray for our men and women in uniform, to pray for their families and pray for a peaceful world no longer threatened with weapons of mass destruction.

Madam Speaker, our cause is just, our victory is inevitable. Freedom will prevail. But we, all Americans, must unite behind our troops and unite today.

The SPEAKER pro tempore (Ms. GINNY BROWN-WAITE of Florida). 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 Georgia (Mr. NORWOOD) is recognized for 5 minutes.

(Mr. NORWOOD addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. FILNER) is recognized for 5 minutes.

(Mr. FILNER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. SMITH) is recognized for 5 minutes.

(Mr. SMITH of Michigan addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. MEEK) is recognized for 5 minutes.

(Mr. MEEK 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 Pennsylvania (Mr. PETERSON) is recognized for 5 minutes.

(Mr. PETERSON of Pennsylvania addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

ERECTING AN EDIFICE FOR FUTURE WORLD PEACE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. SCHIFF) is recognized for 5 minutes.

Mr. SCHIFF. Madam Speaker, this afternoon I want to recognize the patriotism of our men and women of the Armed Forces who, halfway around the world in Afghanistan, in Iraq, and elsewhere, are in harm's way. They are brave, they care deeply about this country, so deeply they would lay down their lives for it, and have.

This is worth our reflection as we gather here in the comfort of this Chamber, air-conditioned on a hot day. We should take a moment to think about our troops, to stand in their boots, and to give our thanks. Our soldiers deserve our unqualified support, and in Congress we must do everything we can to make sure they have it, whatever they need to do their job, to do it quickly, to do it with a minimum loss of life, and to come home safely. Whether they are in Basra, Baghdad, Bagram, or Afghanistan, we stand by our troops.

War is cruel. Innocent lives are lost, families are devastated. We cannot but turn on the television to see graphically the horrors of war; some of our soldiers dying or dead, the loss of innocent civilian lives, some by errant bombs, others by the deliberate murder of Saddam's regime as it fired on those in the street.

What we do not often recognize, because it is not thrust in our living rooms or our consciousness, is another terrible truth that peace, too, can be cruel. The peace of Rwanda, where millions died as the world watched. The peace of Kosovo, where tens of thousands were ethnically cleansed before we acted without the approval of the United Nations. And the peace of Baghdad, too, was cruel. The peace of torture and rape, of starvation and repression, of a failed sanctions regime that Hussein used cynically to kill his own people. That, too, is cruel. And lastly, the peace of September 10 was cruel, holding the promise of a long and precious life for 3,000 Americans who would not live out the week.

Americans who oppose the war have many important points to make but must resist the temptation to merely attack the administration uncritically or nonconstructively, or to defend in any manner the indefensible regime of Saddam Hussein. The failure to disarm Iraq peacefully, notwithstanding 17 resolutions of the United Nations, was not alone the United States' responsibility. It was a failure of the world body, of the United Nations, of the collective security of mankind.

Despite the intoxicating simplicity of the argument, the war in Iraq is not about American desire for oil, though our dependence on it is far too great. It is not about contracts for the French, although contracts they have. And it is not about debt to the Russians, although billions they are owed. Rather, it is about the post-Cold War failure to erect an edifice upon which the peace of the world can be built. And this problem, without our genuine reflection and determined effort, if left unattended and ignored, if lost in the dilution of a simpler answer, may mean that Iraq is only the second in a long line of future conflicts.

When the war is over, more hard work lies ahead. We must not only rebuild the Nation of Iraq for the Iraqi people, but we must rebuild the institutions of the world community which have been devastated by the last few months of fractious debate at the United Nations. These two tasks, to restore Iraq and to restore the collective security apparatus of the world, must go hand in hand. Indeed, we need the one to help repair the other. The United Nations must play the pivotal role in the provision of food and medicine to the Iraqi people and assist in the administration of Iraq until that troubled land becomes a self-governing nation.

Many have argued that democracy is incompatible with the traditions and tribal rivalries of the Iraqi people, or that a nation drawn artificially together on a map must tear if not held together by the noxious glue of tyranny. We must not have such low aspirations for the Iraqi people who have great talents that have not been allowed to flourish, and we must never indulge in the prejudice that any people are less capable, less suited, or less deserving of democracy. Democracy is the institutional reflection of the God-given rights of liberty, belief, and expression.

Democracy must be nurtured beyond Iraq and Afghanistan. We must be unstinting in our support for democratic movements in authoritarian nations. Democracy must come not only to our adversaries but to our allies as well, to the Saudis, to the Egyptians, and to Jordan. We must work to open these closed societies and closed economies to free the creative tall talents of their peoples, to lift the standard of living and expose the germ of terrorism to the cleansing power of opportunity.

HOMELAND SECURITY PRIORITIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. CROWLEY) is recognized for 5 minutes.

Mr. CROWLEY. Madam Speaker, I rise to address my colleagues on the immediate needs of protecting America, and especially protecting those who protect us.

This week, Congress will vote on an almost $78 billion war supplemental budget, of which most of this funding will be delivered to ensure America's Armed Forces, those protecting our liberties abroad, to make sure that they have the tools that they need to end this conflict successfully and return home as soon as possible. I, like most of my colleagues, will support this legislation.

While I am pleased that Congress is addressing those Americans who are protecting us from attack abroad, I am concerned about the lack of funding for those brave Americans who are protecting us right here at home; namely, our first responders.

The term ''first responder'' is thrown around a lot here. But it does mean something. They are our local police, firefighters, and emergency medical workers. They are the ones who run towards crime scenes, not away. They are the ones who run into burning buildings and not away. And they run towards the injured and dying, remaining calm and administering treatment and care.

Since the devastating day of September 11, these people have been hailed in every corner of our great country. But oftentimes, a lot of the rhetoric we hear is simply just that. It is rhetoric. We heard some absurd rhetoric today from a very prominent Republican Member of Congress, but the Rules of the House do not allow me to distinguish which body he serves in, who said that the New York City police and firefighters should work overtime without pay as a sacrifice to the war effort. I guess he does not think the loss of 414 first responders in our fair city have sacrificed enough. Of course, this same gentleman has continually supported the Bush administration in opposing additional funding for our first responders, like so many Republicans have, while supporting a tax cut for the wealthiest in this country. What about calling upon them to sacrifice? The call to ask our first responders to make a sacrifice while not simultaneously calling about the wealthiest 5 percent in this country to make a sacrifice is ludicrous.

My district is home to many of these first responders. I am the son of a New York City police officer and a cousin to several police officers and New York City firefighters. My family knows and understands sacrifice. We also know lunacy when we hear it, and the comments made today are simply lunacy.

On 9/11, of the 414 of these first responders who were killed, the number includes 23 New York City police officers, and 343 members of the New York City Fire Department, of whom I knew more than just a few. I remember people lining the streets of New York to thank them, and we all heard every

Member of Congress praise New York City's first responders for their heroism, and mourn them for the high price that they paid.

But now Congress has the opportunity to put these words of praise and gratitude into action. We have the opportunity to provide our first responders with the state-of-the-art tools that they need to perform their jobs, save others, and survive themselves.

On September 11 there was a breakdown in the communications equipment of our fire department, communications equipment that, if working as it should have been, could have alerted many of these firefighters and police officers of the impending collapse of the towers, the World Trade Center. Would they have left their position and fled? I doubt it, knowing the firefighters as I do. But at least they would have had the tools at their disposal to best protect themselves and to save others that day.

While every firefighter is now equipped with new digital radios, there is still not a system of ''repeaters'' in place throughout the city which help radio signals penetrate skyscraper walls. This means these radios really would not be any different than the ones that failed on September 11 of 2001.

Additionally, there is still no shared radio frequency between the police department and the fire departments, thereby forcing them to rely upon commanders for communication and coordination, a system that has failed in the past with tragic consequences. Additionally, New York State troopers still cannot communicate with New York City officers or Federal agents, causing yet another communications breakdown of our first line of domestic defense.

If we remember September 11, and we can never forget it, we should also never forget the sacrifices that these men and women made. We should take this opportunity in the supplemental budget to make sure they have everything they need to do their jobs properly in the way that they need to do it.

□ 1800

INQUIRIES OF MEMBERS OF DEFENSE POLICY BOARD AND REQUEST FOR INVESTIGATION OF MISCONDUCT INVOLVING RICHARD N. PERLE

The SPEAKER pro tempore (Ms. GINNY BROWN-WAITE of Florida). Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS) is recognized for 5 minutes.

Mr. CONYERS. Madam Speaker, I rise today to put into the RECORD a letter that I have sent to the Office of the Inspector General of the Department of Defense asking that we investigate or have investigated the allegations of conflict of interest and other possible misconduct involving Mr. Richard N. Perle, formerly chairman of the Pentagon's Defense Policy Board.

As a special government employee, he is caught by all the ethics rules that preclude and severely limit his ability to operate with businesses connected with the military.

Madam Speaker, I include for the RECORD this letter.

The material referred to is as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, March 24, 2003.

Hon. JOSEPH E. SCHMITZ,
Office of the Inspector General, Department of Defense, The Pentagon, Washington, DC.

DEAR GENERAL SCHMITZ: I am writing to request that your office immediately open an investigation into allegations of conflict of interest and other misconduct involving Richard N. Perle, Chairman of the Pentagon's Defense Policy Board. As a result of this position, Mr. Perle is considered a ''special government employee,'' and is subject to government ethics prohibition—both regulatory and criminal—on using public office for private gain. As you know, under the Inspector General statute, your office is authorized to conduct investigations into any abuse or misconduct by senior officials.

I am aware of several potential conflicts that warrant your immediate review. First, Mr. Perle has contracted with bankrupt telecommunications company Global Crossing Ltd. to try to win U.S. government approval of its $250 million sale to two Asian companies over the objections of the FBI and the Department of Justice. Perle is being paid $125,000 for his advice and stands to reap a highly unusual $600,000 bonus if the sale is approved by the U.S. Committee for Foreign Investment in the United States (CFIUS), a government group that includes representatives from the Defense Department.

Although Perle has denied that he has sought to use his government position to benefit Global Crossing, he has reportedly signed an affidavit which directly contradicts this contention. According to the New York Times, in a March 7, 2003 affidavit, Perle stated, ''As the chairman of the Defense Policy Board, I have a unique perspective on and intimate knowledge of the national defense and security issues that will be raised by the CFIUS review process that is not and could not be available to the other CFIUS professionals.'' According to this article, Perle has even acknowledged contacting at least one government official on Global Crossing's behalf, though Perle refuses to identify this person. The fact that Mr. Perle may be reconsidering filing the affidavit does not alter the existence of the alleged conflict.

Second, Perle's position on the Board of Directors of software developer Autonomy, a data mining company that lists the Defense Department and the Homeland Security Department as customers would appear to present a significant conflict with his Defense Department. While Perle has drawn no salary, he has received more than 120,000 share options from Autonomy. Perle's award of these share options gives him a direct financial stake in the success of this company. Indeed, the National Association of Pension Funds recently recommended that shareholders ''abstain'' when Perle comes up for reappointment this summer because the group feels that share options ''compromise the independent status'' of independent directors such as Perle.

Third, Mr. Perle serves as managing partner of a private venture capital firm called Trireme Partners that invests primarily in companies that deal in goods and services related to national security. Again, this would seem to present a conflict of interest with his position as Chairman of the Defense Policy Board. In this regard, Pulitzer Prize-winning journalist Seymour Hersh recently reported that on January 3, 2003, that Mr. Perle met with Saudi businessmen, including arms dealer Adnan Kashoggi, in Marseilles, France, to secure their investment in Perle's company. The article contains a highly disturbing quote from Prince Bandar bin Sultan, the Saudi ambassador to the U.S.: ''There were elements of the appearance of blackmail—'If we get in business, he'll back off on Saudi Arabia'—as I have been informed by participants in the meeting.''

Finally, I would note that it has been reported that on March 19, 2003, Perle spoke in a conference call sponsored by Goldman Sachs, in which he advised participants on possible investment opportunities arising from the war in Iraq. The conference's title was ''Implication of an Imminent War: Iraq Now. North Korea Next?''. Again, I would submit that it is a conflict of interest for a high ranking government official to be proffering advice on how to profit from the war.

As the Ranking Member of the House Judiciary Committee, which has jurisdiction over conflict of interest rules, I have a strong interest in ensuring that our laws are being complied with, particularly those which touch on the integrity of our ethical requirements at a time of war.

Please respond to me through the House Judiciary Committee Democratic Staff, B 351–C Rayburn House Office Building, Attn: Perry Apelbaum/Ted Kalo, tel. 202–225–6504, fax 202–225–7680.

Sincerely,

JOHN CONYERS, JR.,
Ranking Member.

Also, I will place into the RECORD a letter to the Honorable Secretary of Defense, Donald H. Rumsfeld, which requests that copies of financial disclosure be submitted by the members of the Defense Policy Board to be made public. This is an effort to short-circuit the investigations of the Inspector General, and also accommodate Mr. Perle and other members of this board that might be involved in questionable business dealings with military contractors.

The document referred to is as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, April 1, 2003.

Hon. DONALD H. RUMSFELD,
Secretary of Defense, 1000 Defense Pentagon, Washington, DC.

DEAR MR. SECRETARY: I am writing to request copies of the financial disclosure forms submitted by the members of the Defense Policy Board as well as the minutes of all past Board meetings.

As the Ranking Member of the House Judiciary Committee, which has jurisdiction over conflict of interest rules, I have a strong interest in insuring that our laws are being complied with, particularly those which touch on the integrity of our ethical requirements at a time of war. I therefore believe it is critical that this material be provided to help us assess the degree to which members of the Defense Policy Board face real or perceived conflicts of interest which would impede their ability to advise the Defense Department.

I believe such disclosure would be in the best interests of both the Department and the members of the Defense Policy Board. Richard Perle himself just wrote in yesterday's Wall Street Journal that ''the first rule is full disclosure of financial interests of the adviser . . . the second rule is . . . if the

discussions or advice of the board should involve matters that have a direct and predictable effect on an adviser's financial interests, he is recused from taking part.'' The problem is that currently, only your ethics officer receives the disclosure forms, so only he or she is in a position to assess whether the rules and safeguards being laid down by Mr. Perle are being followed. Increased scrutiny and review of these filings would no doubt lead to greater public trust and confidence in your Defense Policy Board.

The alternative is to face a continuing and damaging disclosure of the potential business conflicts of the Board Members. Just yesterday, my own investigation revealed that Perle is on the board of directors for Onset Technology. Onset is the world's leading provider of message conversion technology. The company's customers include Bechtel—a government contractor widely considered the leading candidate for rebuilding the Iraqi infrastructure and Raytheon Company which is a provider of defense electronics including the patriot and tomahawk missiles. I also found out that Perle holds a directorship in DigitalNet, a Virginia-based communications company with Army and Defense Department contracts.

To the extent you are concerned about public disclosure of this material, I would be willing to develop a procedure whereby it is reviewed in confidence. As a matter of fact, several members of my staff have obtained a security clearance.

I would appreciate your office responding to this letter at your earliest convenience. Please respond through the House Judiciary Committee Democratic Staff, B–351–C Rayburn House Office Building, Attn: Perry Apelbaum/Ted Kalo, tel. 202–225–6504, fax 202–225–7680.

Sincerely,

JOHN CONYERS, JR.,
Ranking Member.

Madam Speaker, this may serve to end the ongoing e-mails and other information that I am getting asking me to ask about this, that, and the other thing. In other words, Madam Speaker, if they were to make voluntary disclosure, this would put an end to all of this, the public could be restored in their confidence, and we could move ahead with our business.

The one matter that is a little puzzling is why Mr. Perle would resign as chairman but remain as a member of the board, as if the same ethics requirements do not apply to every member of the board as well as the chairman. If he feels inclined to explain what motivated him to step down as chairman but remain on the board, I would love to be edified by what led to that kind of action.

What we are doing is trying to move this along. The Secretary of Defense, who nominated Mr. Perle, can expedite this by making these kinds of disclosures, as well as Mr. Perle himself. So it is in the spirit of cooperation and responsibility as the ranking member of the Committee on the Judiciary that I urge my friends in the Defense Department to accommodate this humble request.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. DAVIS) is recognized for 5 minutes.

(Mr. DAVIS addressed the House. His remarks will appear hereafter in the Extensions of Remarks

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PRESSING ISSUES IN AMERICA'S WAR ON TERROR

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from Texas (Mr. TURNER) is recognized for 60 minutes as the designee of the minority leader.

Mr. TURNER. Madam Speaker, I am joined on the floor tonight by a group of Democrats who feel very strongly about the need to be sure that our Nation is prepared to defend against terrorist attacks and to respond in the event we have a terrorist attack on our soil.

As we speak tonight, we know that our young men and women in uniform are risking their lives fighting for our freedoms and liberty in and around Iraq. They make us very proud by the sacrifices they are making on behalf of our Nation, and we are proud of each of them and the commitment that they are making on our behalf.

None of us on this floor would dare suggest that we not provide them with the very best in equipment, the very best in training as they enter into that battle. We know that our men and women in uniform shall do the duties that we have asked them to do.

We know that we fight a war tonight in Iraq, but we also know that we are engaged in another battle here at home, the war against terrorism. We became acutely aware of that battle on September 11 of 2001, and in the 18 months since al Qaeda struck in the shadows, or from the shadows, and declared war on America, we know that we have a changed world.

Just as we prepare for battle in Iraq and arm our young men and women with the very best in equipment and training, we know that it is important for us as Americans to arm those who will fight the battle here at home against terrorism with the very best in equipment and the very best of training. Tonight we will address some of the issues that we think are pressing on our Nation in order to prevail in the battle against terror.

On this floor tomorrow we will debate a $78 billion appropriation supplemental bill to fund the war and to prepare America to fight the war against terror at home. Tonight we will hear several Members from the Democratic side of the aisle share what we believe to be deficiencies in the proposal that will be debated tomorrow, because we firmly believe that our Nation must be prepared not only to defend against terror, but to prevail against terror. The Democratic Members of the House have a plan, a plan to win the war on terror.

It is my pleasure, Madam Speaker, to yield to the gentlewoman from New York (Mrs. LOWEY), who serves on the Committee on Homeland Security, to speak to one of the issues that is so critically important, the issue of nuclear power plant security.

Mrs. LOWEY. Madam Speaker, I want to thank the distinguished ranking member from Texas, who has the same laryngitis I do, for yielding to me. I appreciate his leadership on this very important issue.

Madam Speaker, I rise to discuss my continued concerns about security at the Nation's commercial nuclear reactors. Since September 11, 2001, intelligence officials have amassed a critical body of evidence suggesting terrorists intend to strike our nuclear infrastructure. Plans of U.S. nuclear facilities discovered in al Qaeda caves during U.S. military operations in Afghanistan provided perhaps the earliest indication that terrorists had not just casually contemplated, but rather assiduously, studied the option of sabotaging a nuclear reactor.

In early March, fresh intelligence confirmed our worst fears: Terrorists continued to plot attacks against nuclear and other critical infrastructure. Recent reports of a terrorist plan to sabotage the Palo Verde nuclear power plant in Arizona were sufficiently serious that the National Guard was immediately deployed to secure the plant.

As disturbing as these revelations is the Nuclear Regulatory Commission's failure to coherently address them. Indeed, the NRC, the agency responsible for ensuring the safety and security of the country's 103 commercial reactors, has shown a remarkable unwillingness to recognize post-September 11 terrorist threats.

The commission flatly denied petitions by citizen groups for reinforcement of the spent fuel pools at Millstone Nuclear Power Station, stating ''the possibility of a terrorist attack is speculative . . . and simply too far removed from the natural or expected consequences of agency action.''

Over 18 months after the attacks of September 11, 2001, the same old assumptions about the size, tactics, and weapons used by an attacking force, referred to as the Design Basis Threat, guides serious security policies.

The NRC continues to presume a terrorist force of no more than three individuals, with one passive insider who would relay information to the outside force, but not manipulate any controls or even attempt to incapacitate plant operators. The NRC further assumes that the attacking force would not utilize a vehicle larger than a Jeep to transport and detonate explosives. The Design Basis Threat is also built on the premise that sophisticated weaponry, including grenade launchers and shaped charges, is well beyond the reach of terrorists.

These flawed assumptions define the conditions for NRC-supervised force-on-force exams, in which security personnel must defend the reactors against mock terrorists. They also govern NRC standards with respect to the size, training, and capability of the guard force.

Our national response to nuclear terrorism must no longer be predicated on such hollow hopes.

More than the Design Basis Threat is in urgent need of revision. The NRC has not required reinforcement of the walls of nuclear reactors and spent fuel pools. Although these pools often contain several times the radioactive material of the reactor vessels themselves, they remain among the most lightly defended parts of the nuclear facilities.

Collision of a large aircraft into these pools, which are not designed to withstand such an impact, could result in release of radioactive material in as little as 1 hour. A recent report on the hazards of spent fuel pools written by a team of distinguished scientists concluded that the long-term land contamination consequences of a spent pool fuel fire could be significantly worse than those of Chernobyl.

Force-on-force drills in which plant personnel respond to a mock terrorist attack have not been administered at some facilities in over 8 years. The NRC has only recently resumed these drills, discontinued after September 11, 2001. Nuclear power plants' abysmal performances on these force-on-force drills, licensees have failed about half of all of the exams administered, causes me considerable consternation.

The NRC has never decommissioned or fined facilities failing the exam. At an August security drill at the Indian Point Energy Center in Buchanon, New York, which abuts my district, mock attackers were able to place simulated explosives at the spent fuel pools twice in 60 seconds or less. The NRC nevertheless ultimately passed Indian Point with high marks.

The absence of any sanctions for poor performance provides licensees with little incentive to improve security. The commission's decision to administer force-on-force drills triennially, while certainly an improvement, will be of limited effectiveness as long as violations go unpunished. Chronic turnover in security personnel at nuclear facilities, which can approach 70 to 100 percent for a 3½ year period, also makes more frequent exams essential.

The size and tactics employed by the mock enemy force is still based on the current flawed Design Basis Threat of three lightly armed terrorists and one passive insider. More frequent realistic exams, coupled with stiff penalties for poor performance, would dramatically improve the usefulness of these drills.

The absence of strong Federal training standards have left many guards wholly unprepared to fend off a terrorist attack. Tactics are commonly taught using painted clothespins and a flat surface rather than serious simulation models.

The testimony of guards in a report released by the Project on Government Oversight challenges industry assertions that personnel received 270 hours of pre-posting training, 90 hours of recurrent firearms training, and 30 hours per year of tactical instructions. Most guards interviewed engaged in firearms training only a few hours every year, and had no moving-target practice.

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Such training is all the more necessary as many personnel have no prior military or law enforcement experience. Physical agility exams are notoriously lax and wholly inadequate to verify plant personnel could respond effectively to a coordinated attack by multiple professional terrorists. An internal report completed by Entergy, the plant's owners, in 2001 revealed that 4 out of 5 guards interviewed by Entergy lacked confidence in their ability to thwart a terrorist attack. The majority of guards also stated they feared retribution if they spoke up about security concerns and substandard hiring and training procedures. Struggling to fill vacancies, Entergy has hired personnel with little or no law enforcement or military background. Security-sensitive information, including guard performance on firearm drills, has not been protected in accordance with Federal regulations.

Astoundingly, the NRC never fined or even warned Entergy for these practices which violated Commission-approved security policies. Foster Zeh, a certified instructor at Indian Point and vocal critic of its security operations, has affirmed, with few exceptions the problems identified in the December 2002 report still exist today.

I worry that a similar system prevails at other nuclear reactors around the country. The NRC's policy of benign negligence should no longer stand.

Training and qualification standards for guards must be strengthened and an enforcement system with real teeth must be put in place. A comprehensive evaluation of present terrorist threats and of the new security policies needed to address them is long overdue.

Certainly the stakes are high. Studies on the impact of a successful attack on a nuclear facility detail public health and economic consequences almost too chilling to contemplate. A 1982 investigation commissioned by the NRC found that a meltdown at Indian Point, which lies within 50 miles of 21 million people, could lead to 123,000 short- and long-term deaths, over 300,000 injuries, and property damages conservatively estimated at over $1 trillion. Factoring the fourfold increase in property values in the New York metropolitan area since the study, the economic damages for our region could reach $2.3 trillion.

This administration's recent decision to restrict public access to millions of classified documents, including those potentially dealing with the safety of nuclear power plants, represents a step in the wrong direction. Covering NRC activities in a veil of secrecy would limit the public's ability to effectively critique the plan, thereby removing a critical check on the agency.

The Department of Energy, pursuing a similar strategy, has repeatedly refused to provide the Government Affairs Office with details on the Design Basis Threat, information the office requires to complete a report on physical security at DOE sites.

As terrorist threats increase across the globe, we must acknowledge the vulnerability of nuclear infrastructure and craft thoughtful, coherent responses. In this area we truly delay at our own peril.

And I want to thank the gentleman again, my friend the Congressman and the ranking member of our select committee, for arranging this time to share our views on this very important issue of homeland security. I thank the gentleman from Texas (Mr. TURNER).

Mr. TURNER of Texas. Madam Speaker, I thank the gentlewoman. I appreciate her leadership on the Select Committee on Homeland Security as well as her work on the Committee on Appropriations.

The amendment that Democrats hope to be able to offer, hope will be made in order tomorrow, would provide over $240 million for nuclear security to cover the items mentioned by the gentlewoman from New York (Mrs. LOWEY).

I am pleased now to recognize another member of Select Committee on Homeland Security, the ranking member of the Subcommittee on Intelligence and Counterterrorism of the Select Committee on Homeland Security, the gentleman from Rhode Island (Mr. LANGEVIN).

Mr. LANGEVIN. Madam Speaker, I thank the gentleman for yielding.

Madam Speaker, I am pleased to join my colleague, the gentleman from Texas (Mr. TURNER) and distinguished ranking member of the Select Committee on Homeland Security, for this timely special order.

There is no more important issue facing us in Congress than protecting the freedom and security of the American people. I was deeply honored when the gentlewoman from California (Ms. PELOSI) asked me to serve on the Select Committee on Homeland Security. It is a responsibility that I take very seriously and I am eager to embrace the challenges confronting us.

We have an incredibly important obligation to our first responders across the country, and we must make their needs a top priority. Firefighters, law enforcement officers, health care workers, and others on the front lines need our support to keep America safe. With dozens of States experiencing their worst fiscal crises since World War II, combined with the activation of thousands of Guard and Reserve members, first responders are more desperate than ever for Federal assistance. In addition, we are faced with significant unmet needs in the area of port security, nuclear and chemical plant security, border security and more. Mayors and Governors nationwide are faced with soaring costs as they seek to meet

their obligations under a heightened threat alert and a newly implemented Operation Liberty Shield.

I was deeply disappointed to learn yesterday during the supplemental appropriations markup, Republicans voted down the Obey amendment to add $2.5 billion in homeland security funding. This funding is absolutely critical if we are to live up to our promises to the American people. The amendment would have meant an additional $3 million of first responder funding for my home State of Rhode Island, money that is sorely needed to equip our State and local governments to fight the domestic fronts of our war on terror.

Another area that is of special interest to me is intelligence, and I am honored to be serving as interim ranking member on the Subcommittee on Intelligence and Counterterrorism. In this capacity I hope to turn the committee's attention to some critical issues facing Congress as the new Department of Homeland Security gets up and running.

One of the most important things we must address is the issue of integration and cooperation among the different intelligence agencies. We need to know how DHS is receiving and analyzing information, what kind of intelligence the agency is getting, whether the process is efficient and streamlined, and whether DHS and the rest of the Intelligence Community understand their roles and obligations to each other clearly enough to make sure that there is neither too much overlap nor too much falling through the cracks.

Along these lines it is absolutely critical that we look at the relationship between the President's proposed Terrorist Threat Integration Center and the DHS Information Analysis Directorate. Their roles sound strikingly similar to me and it has not been made at all clear how they will interrelate and work together.

In addition, we must ensure that our State and local law enforcement agencies are properly equipped to share information and coordinated activities so that threats that cross jurisdictional lines can be adequately addressed.

Finally, as we endeavor to identify threats before they become real dangers, we must be ever vigilant of the civil liberties of our citizens. Protecting the homeland does not need to run counter to protecting privacy and freedom. We should make sure that intelligence tools are used judiciously, and we must always work towards a balance that ensures both security and liberty.

Again, I want to thank the gentleman from Texas (Mr. TURNER) for hosting this special order and urge my colleagues to make homeland security a priority both in words and in deeds.

Mr. TURNER of Texas. Madam Speaker, I thank the gentleman for Rhode Island (Mr. LANGEVIN) and I thank him for his leadership as the ranking member of the Subcommittee on Intelligence and Counterterrorism of the Select Committee on Homeland Security.

Next I would like to recognize another outstanding member of our Select Committee on Homeland Security, the distinguished delegate from the Virgin Islands (Mrs. CHRISTENSEN).

Mrs. CHRISTENSEN. Madam Speaker, I want to begin by first thanking the gentleman from Texas (Mr. TURNER) for his leadership on the select committee and for this opportunity to draw attention to the critical issues of homeland security. And I also want to take the opportunity to thank as well the minority leader, the gentlewoman from California (Ms. PELOSI), for the honor of having me serve on this important committee.

I was placed here, I think, especially because I am a physician. The issue of bioterrorism is central to the work we are charged with and it is a charge we take very seriously. It is especially so for those of us who have long been concerned about the poor state of the public health infrastructure in many of our communities across the Nation, both urban and rural, as well as in our offshore areas.

The ranking member, the gentleman from Texas (Mr. TURNER) has begun working to ensure we will have the hearings, briefings, and roundtable discussions to learn as much as we can about the public health and other needs of our communities so we will be better positioned to respond to them.

We had our first hearing which was on Project Bioshield last week. And while I am a strong supporter of NIH and applaud the work that they do, and while I was impressed with the Department's employment of advanced technology to be able to monitor and be alerted in real time of any potentially dangerous exposure, all of that will be useless if we do not take care of the public health facilities, personnel, and systems at home in our towns, cities, and islands who must be ready to respond immediately.

We cannot in some cases afford to lose 1 minute; in others, to wait the time to takes for DMAT teams or deployable medical units. They are great things. We have used them in the Virgin Islands after hurricanes, and they are very important, but we may not have the time it takes to get them to the site.

The health care disparities in minorities and in our rural areas that I have come to this floor to bring to the attention of our colleagues on many occasions did not just come about by chance. They exist because of the poor public health systems in these communities. The last 2 years of cuts to health budgets have been devastating. The lack of emphasis on minority and rural health and the even bigger cuts that the President is insisting on this year, so that those who already have the best of health care can get a tax cut and other perks, have sent States into a free fall of budget deficits, and local public health safety nets, like those in Los Angeles and Detroit, to near collapse.

So, Madam Speaker, we cannot just throw money at the problem of terrorism, as this administration has a tendency to do, without adequate planning. In this case, we must first and foremost insist that our public health system is intact and that it can ensure that people are healthy and our bodies are in a better condition to fight off infections and the other biological assaults that may come from a bioterrorism attack.

The anthrax scare taught us that lesson. The breakdowns were fundamental ones. Project Bioshield, the administration's centerpiece for public health preparedness and biological countermeasures, would not have saved the two postal workers just a little way away from here who died because the public health system failed to respond. It happened here, but it could happen anywhere.

SARS, although that has not been determined to be deliberate, is testing the world health community once again. I am very pleased to be here with my colleagues and to be working with the ranking member, the gentleman from Texas (Mr. TURNER) and our other colleagues on the committee to bring real homeland-hometown security to the people of this country and restore the hope that was shaken so violently on 9/11/2001. It can be done. We can be secure again, but the requisite funding must be there in the supplemental tomorrow, and we have to do it by fixing and fortifying the public health systems that we depend on to keep us healthy every day.

Mr. TURNER of Texas. Madam Speaker, I thank the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN). I particularly appreciate her leadership in the health care field. Her training as a medical doctor means much to us when we are dealing with the threats of bioterrorism and preparedness in the health care arena. We thank you for your leadership.

Next I would like to recognize another member of our Select Committee on Homeland Security, a gentleman who spent a great deal of time working on behalf of emergency preparedness to be sure our first responders get the tools and the training that they need to do the job, the distinguished member from New Jersey (Mr. PASCRELL).

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Mr. PASCRELL. Madam Speaker, I want to thank my good friend, the gentleman from Texas (Mr. TURNER), for his exemplary leadership as ranking member on the Permanent Select Committee on Homeland Security. He has a weighty and difficult course to chart in helping Congress stay focused on the most important issues of our day; but I cannot, if I can just move to an addendum, a footnote, I must respond to what I heard early this evening.

I voted on October 10 to support the President. That does not make me any

better of an American than those who voted not to support the resolution; and until we understand that, we do not really understand the impact of the Constitution. I carry this document with me at all times, and I would suggest that to come to this floor and to challenge those people who may disagree, who may protest, this is what changes us from the other guys, the bad guys. I had to put that in there. I hope my colleague does not mind.

Sometimes I fear that we do lose focus, Madam Speaker. Even as our national alert system is ablaze in Code Orange, our Armed Forces are fighting thousands of miles away. I just returned this last month. I was there in central Asia and in Kuwait. Far too much of our time has been spent on the rigid, uncompromising domestic proposals that have been sent to us time and time again.

At least it is somewhat heartening to see that tomorrow on the third day of the fourth month of 2003, we will begin debate on needed funding for the war and needed funding for homeland security. It is a little bit too late to be sure, but I also fear that it is too little.

I would like to read my colleagues a brief passage from a December 2002 report sponsored by the Council on Foreign Relations, not a partisan group by any stretch. They wrote, ''America remains dangerously unprepared to prevent and respond to a catastrophic terrorist attack on U.S. soil.'' Just a few months ago they said that. Let that statement frame our conversation here tonight, and let those words linger in all of our thoughts as we decide on what the priorities of this Congress should be from here on out.

We must take every possible measure, bear any needed costs to safeguard our country and our people, and that is exactly what we are doing for our sons and daughters on the battlefield in Iraq and in Afghanistan.

A one-track-minded commitment to massive new tax breaks does not help us in this regard. As has been reported everywhere, local communities are now charged with an enormous responsibility. When Washington calls Code Orange alert, the States and local communities absorb the costs of heightened security measures.

In New Jersey, it has spent close to $66 million, Madam Speaker, on homeland security needs this fiscal year alone. Shockingly, these increased security measures statewide cost about $125,000 a day. Nationwide, a new survey released last week, by the United States Conference of Mayors, as a former mayor, I can particularly appreciate, they estimate that cities are spending $70 million a week as a result of the war and the increased threat alert. At a time when our economy is barely moving, when States throughout our country are suffering from debilitating budget deficits, this is money they can ill afford.

We appreciate that tomorrow's supplemental spending measure includes almost $4.2 billion to homeland security; specifically, I am glad to see $2 billion allotted to our first responders in terms of State grants. However, let us be real. The $2 billion included for first responders, combined with the $3.5 billion set-aside in fiscal 2003, the omnibus bill, is just about a third of what local governments really need. If we really care about our firefighters and police officers and other emergency workers, and I think both sides of the aisle are committed to this, Madam Speaker, but we have got to put our money where our mouth is. If everything's a priority, nothing's a priority; and we need to prioritize this to those first responders where they are day in and day out.

Three weeks ago, I had another meeting with first responders in my district. They reiterated what everyone who studies homeland security agrees upon: firefighters and police officers need better training. They need protective gear. They need interoperable communications equipment, when they rush to the scene of a terrorist attack. These people on the front lines know what they need. We do not need any consultants. We do not have to hire consultants to find this out. Ask them; they will tell us.

The gentleman from Wisconsin (Mr. OBEY) introduced that amendment yesterday. When it went down the tubes, I could not believe this. Our priority must be to improve local emergency preparedness, to provide for a strong homeland defense. If we agree that this is our priority, then we must do more.

I am disheartened, I will conclude, Madam Speaker, by the 2004 budget, which is not what we will be voting on tomorrow. That budget cuts $4.1 billion from the Justice Department programs. Think about this. Here we are dealing with a supplemental tomorrow to help our first responders, and yet we are cutting money for the cops. We are cutting money for the Edward Burn grants. We are cutting money for fire assistance. So we are giving on one hand; and we are saying to the FBI, the INS, the DEA and Customs, wait, hold on.

I assure my colleagues, I realize that every person sitting at home, anything over $1 million sounds like a tremendous amount of money and it is. So the fact that I am here arguing in a realm of billions of dollars may seem excessive, but we cannot do this on the cheap. If we think we can, we are wrong. Ask those people, ask those mayors, ask those councilmen, ask those Governors. They need help. They have been footing the bill since 9–11. Do we not get it? If we get it, we need to respond; and I thank the gentleman from Texas for giving me this opportunity to speak.

Mr. TURNER of Texas. Madam Speaker, I thank the gentleman from New Jersey for his leadership on behalf of homeland security.

The amendment that the Democrats hope to be able to offer on the floor tomorrow on the supplemental appropriations bill would provide slightly over $1 billion in additional funding for first responders, first responder equipment, firefighter grants, chemical/biological response to support State and local governments and to provide civil defense team funding. These we believe are important issues to ensure the security of our Nation and also to be sure that we arm and train those soldiers on the front lines of homeland security just as we are always committed to funding those who fight for us abroad.

It is my pleasure now to yield to the gentleman from Minnesota (Mr. OBERSTAR), the distinguished ranking member of the House Committee on Transportation and Infrastructure, a gentleman who knows perhaps more about the functions of a very important element of homeland security, the United States Coast Guard, than any person in this House.

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

Mr. OBERSTAR. Madam Speaker, I thank the gentleman for those kinds words and his leadership in initiating this Special Order tonight to focus on transportation security, homeland security.

We have made a great deal of progress on aviation security, thanks to the tough law with strong deadlines that this Congress passed, largely initiated by the Democratic Caucus on the Committee on Transportation and Infrastructure; but we have made little progress in other modes by comparison. The administration has been unconscionably slow in proposing security measures and requesting the necessary funding to initiate and implement those measures.

Case in point is maritime transportation. EPA has identified 123 chemical manufacturing facilities in the U.S. where toxic gases released by a terrorist attack could kill or injure more than 1 million people and 700 other chemical facilities where an attack could kill or injure 100,000 people. Most of those 823 facilities are along the navigable waterways of the United States.

The Maritime Transportation Security Act, otherwise known as the port security bill, requires the Coast Guard to undertake a vulnerability assessment of each of those facilities and requires the owner to have the security plan approved by the Coast Guard and implemented by July 1 of next year. Good idea, good plan. Implementation in serious doubt. We have yet to see any plan from the administration for conducting vulnerability assessments of these chemical facilities, let alone a process to review and approve the security plans for these chemical time bombs.

The Port Security Act also requires the Federal Government to undertake vulnerability assessments of every vessel, port and facility to assess security weaknesses. By July 1 of next year, the Coast Guard is required to review and

approve a security plan for each port, facility and vessel. If it does not have a security plan, it cannot operate.

Again, slow implementation. Only in the past week has Secretary Ridge agreed to accelerate the rate of port vulnerability assessments to ensure that assessment will be done at the Nation's 55 largest ports by the end of next year. There are 361 ports in the United States. When are they going to get serious about this?

Then we have the Vessel Security Provisions Maritime Transportation Security Act. In the December 30, 2002, Federal Register, the Coast Guard stated it was going to accept the security certification, pay attention to this, issued by the foreign government where the vessel is documented. That means the U.S. Coast Guard will accept security certification by countries such as Liberia, Panama, Malta, Cyprus.

We did not intend the security of the Nation to be placed in the hands of the country that runs those flags of convenience registers. We expect the Coast Guard to review the plans firsthand. They will have very great difficulty reviewing foreign security flag plans since the International Maritime Organization Standards allow those plans to be written in French and Spanish.

The administration is supposed to support funding to secure our ports and facilities as required by the law. The Coast Guard estimates are it will cost $4.4 billion to provide port security over the next 10 years, and the administration to date has requested only $11 million. Congress has appropriated $350 million, but the administration has made available only $92.3 million of available port security funds.

When the maritime administration asked for proposals for the ports, they received requests totaling seven times the amount of money available, and even though we have appropriated more funds, no further grants have been awarded.

Last week, we passed a budget resolution that attempted to deal with this issue, but our side did not prevail. The other side did. It passed by one vote, but again, their budget proposal does not have enough in it to deal with the needs of port security.

I do not want America's port security to be in the hands of a country like Liberia that cannot even protect itself, let alone our maritime interests. This administration is not taking the threat to port security or its responsibility seriously enough. Securing the Nation's ports and the cargo that moves through them is a Federal responsibility. All Americans, whether they live in a port city or in Boise, Idaho, will benefit from that security.

The impact on our economy, on all Americans, if the Nation's ports are shut down, as the Nation's airports were in the aftermath of September 11 because of a terrorist attack, that aftermath, those consequences will be far greater than the consequences of September 11. Refineries will run out of oil. Factory lines will shut down. Stores will run out of goods. The economy will come to a screeching halt. We cannot let this happen.

Madam Speaker, I insert for the RECORD the rest of my remarks:

AVIATION SECURITY

In aviation, the Transportation Security Administration has made major progress in enhancing security by securing cockpit doors, hiring and training a workforce of federal employees to screen baggage, and procuring and installing explosives detection and trace detection equipment to screen most checked baggage. However, at a few airports, not all baggage is being screened by detection equipment. TSA has been directed to have all baggage inspected with explosive detection equipment by December 31, 2003. We need to ensure that this deadline is met.

We also need to work on other areas of aviation security such as cargo. Current Explosion Detection Equipment systems are too small and too slow to screen all cargo carried on aircraft. TSA relies on the ''known shipper'' program to screen most cargo but questions have been raised about how well shippers are known by the carriers accepting cargo from them.

We also need to do much more work in securing the perimeters of our airports.

AMTRAK'S SECURITY NEEDS

We have to devote considerably more attention to security problems for passenger rail. Although there are unmet security needs of at least $140 million dollars, the Administration has not requested funding.

Intercity rail passengers on Amtrak trains and the hundreds of thousands of others who use Amtrak stations and other facilities each day are also potential targets of terrorist attacks. Terrorist attacks on crowded stations and on key elements of the infrastructure are a particular cause for concern. A preliminary estimate of the cost to secure Amtrak's facilities is $100 million.

Amtrak has immediate security needs for its six New York area tunnels that connect New Jersey and Long Island to Penn Station. Amtrak, New Jersey Transit and the Long Island Railroad operate more than 1,180 trains through these tunnels each day. Although strapped for funding, Amtrak has begun engineering watertight doors to separate these tunnels from Penn Station. It is imperative that this work be completed as soon as possible to prevent catastrophic flooding of parts on NYC that are beneath the water table (including Penn Station, the Subway system and much of Lower Manhattan). Amtrak is trying to complete the work before the scheduled date of May 2004 and requires a $4 million reimbursement for this emergency construction.

Amtrak also needs $40 million to develop redundant capacity for its train dispatching centers. Currently, Amtrak has three dispatching centers for the electrified Northeast Corridor (Boston, New York, and Philadelphia). Amtrak also has a consolidated National Operations Center in Wilmington, Delaware that monitors and manages all other train movements around the Nation. A successful attack on any one of the three locations controlling the NEC trains could prevent Amtrak from monitoring and dispatching train movements. Amtrak would have to shut down all train movements in the Corridor including all commuter operations.

In addition, Amtrak is incurring additional security costs to respond to the Code Orange Threat Level. Each Code Orange day costs Amtrak an additional $18,000 in overtime cost for security personnel—roughly $500,000 for April alone.

BUS SECURITY

I am particularly concerned with the Administration's poor performance in dealing with security in the intercity bus industry. Since the September 11, 2001 terrorist attacks, over the road bus drivers and passengers in the United States have been the targets of many serious assaults, including one assault killing seven passengers and another assault injuring 33 passengers. In addition, there have been at least three other serious over-the-road security breaches. Over the same period, no other mode of transportation has experienced as many incidents of passenger attacks. These incidents occurred in states throughout the country, including Tennessee, Arizona, Utah, Oklahoma, Pennsylvania and Vermont.

These violent incidents point to the immediate need to improve security measures for intercity buses and bus terminals. On August 2, 2002, the President signed into, the 2002 Supplemental Appropriations Act which provided $15 million for grants and contracts to enhance the security of intercity bus operations. The FY2003 Omnibus Appropriations Act provided an additional $10 million for these purposes.

Despite the timely enactment of funds, the Transportation Security Administration has yet to release a single penny. Furthermore, there are indications that these funds may not be released until June.

The Administration's failure to make these funds available in a timely manner is inexcusable. Any further delay in releasing the funds risks the lives of thousands of Americans whose only mode of transportation may be travel by bus. The Administration must take immediate action to make the funds available.

Furthermore, I am gravely disappointed that the Administration's recently released plan, Operation Liberty Shield, says nothing about buses, the most ubiquitous and, in many ways, the most vulnerable public transportation mode. What were the people who drafted Operation Liberty Shield thinking about, leaving out such an important mode of transportation? In light of the war and its associated security risk, the Administration must take action now to release the funds. Releasing the funds will allow the intercity bus industry to respond immediately to the elevated threat level precipitated by the war.

In conclusion, Mr. Speaker, only in aviation have we responded to the security vulnerabilities of our transportation system. We, in the Congress, must pursue vigorous oversight to ensure that we do not have another 9/11 tragedy in our ports, highways or railroads.

Mr. TURNER of Texas. Madam Speaker, I thank the gentleman for his leadership on the House Committee on Transportation and Infrastructure and his leadership, particularly on homeland security.

Next I would like to yield to the gentleman from Texas (Mr. LAMPSON), a distinguished member of the Committee on Transportation and Infrastructure, a Member who has worked long and hard on behalf of homeland security.

□ 1845

Mr. LAMPSON. Madam Speaker, I thank the gentleman from Texas for yielding to me and giving me this opportunity to come up and join the Democratic members of the Homeland Security Committee, the select committee, on this amendment that they are trying to put together and that certainly needs consideration.

I was somewhat astounded when I was given the summary of this amendment and found what was not included on the bill that was put forward by the majority party and became very pleased that we were asking for something from the Democratic side as an amendment to that bill. It certainly, certainly needs to be given consideration.

If our recent experience with anthrax, for example, has taught us anything, it is that we need to make the necessary investments to better identify solutions to these problems and to prepare appropriate responses. This comes only after we make science and research investments a priority and boost our homeland security funding.

I know that Dr. John Stobo at the University of Texas Medical Branch in Galveston had a vision when they moved to establish a Biosafety Level 4 laboratory to do that kind of research. UTMB Galveston's vision was validated after the attacks of September 11 and the ensuing anthrax tragedy. When completed, that project is going to be one of five such laboratories in North America and the first full-size facility on a university campus in the United States. The research that they will perform in this laboratory will be absolutely invaluable as we continue to attempt to solve these problems, whether it be smallpox, anthrax, or the next bioterror act that we may not know.

When I looked at this amendment, I found that there is zero money requested for this in the proposal tomorrow and that the Democratic amendment is requesting at least $150 million for these funds. Half of the funds would go to the CDC and the other half would go to the EPA. The funds would be used by agencies to help State health laboratories develop capacity to rapidly detect the presence of chemical terrorism agents. What a tremendous need we have within our communities, and it is astounding to me that we do not appear to be addressing this right now.

Another point that I found in here that took my breath away, 20 percent of the petrochemical processing capacity of our country is in the Ninth Congressional District, immediately south of the district of my colleague, the gentleman from Texas (Mr. TURNER). We are surrounded by other petrochemical activity. The Houston Galveston ship channel has 150 petrochemical facilities up and down the channel, and all of the rest that is going on there. We understand from a GAO report that the Federal Government has not comprehensively assessed the chemical industry's vulnerabilities to terrorist attacks.

This is one of the things I have talked about since 2 days after September 11 when I began to meet with the plant managers of the plants and our municipal leaders throughout. Certainly they have done a great deal of work. Certainly the communities have reached out and attempted to make improvements to our security. And I feel very good about the work that has been done. But in this bill for tomorrow we are not requesting any more money to give them help, and it does cost if we are going to address the problems that they are facing about that security.

Water and chemical plant security. We are asking for $100 million. Again, I am astounded we do not have any request in the supplemental tomorrow that we will be considering. We know what happened in my district in 1947. The Monsanto chemical plant in Texas City had two freighters parked at a port when ammonium nitrate fertilizer exploded and blew up both ships and half of the city of Texas City, killing over 600 people. It was the largest loss of life to firefighters until the September 11 attack on the World Trade Center. So we know what can happen to these communities, and for us to not give every opportunity to address the problems that we are facing, I think is shortsighted.

If I may ask my colleague, I just received a phone call a few minutes ago from my county judge and the U.S. attorney in the Eastern District of Texas, asking for the first responder equipment particularly dealing with inoperability of equipment. Am I to understand that there is not a request to fund the needs that they have for communications capability, to be able to communicate between agencies and among agencies when there is a disaster?

Mr. TURNER. It is my understanding that there are no funds in the current proposed appropriation supplemental to assist the local governments in that purpose.

Mr. LAMPSON. The fact that the gentleman's committee, and under his leadership with the Homeland Security Committee, is asking for $350 million to help address that problem is most appreciated. And I want to assure him that not only will I pass this information on back to the people in my congressional district about the needs that they face and the effort that the gentleman is making, and all the members of that committee are making to change this, but I will work as hard as I possibly can in support of this amendment tomorrow. I hope that it will be considered and it will be passed into law.

We need these funds. The lives of our citizens across this country depend on it, and I thank the gentleman for his work and commend him for it.

Mr. TURNER. Well, I thank the gentleman for his leadership in this area.

Madam Speaker, I will now yield to another member of the Texas delegation, who also represents a significant port in the United States and the city of Houston, the gentleman from Texas (Mr. BELL).

Mr. BELL. Madam Speaker, I would like to thank the gentleman from Texas (Mr. TURNER) for his leadership as the ranking member of the Homeland Security Committee and for giving me this opportunity this evening.

Madam Speaker, we as a Nation will pay any price in order to support and protect our troops in the line of fire. There is no cost too high to protect American lives in the face of tyranny and terrorism. This is not a new principle in American government but a promise renewed in the hearts and minds of the American people after the horrific events of September 11, 2001.

I think no one in this Chamber would disagree that the world has heard our resounding call: Never again. Never again will we handle the specter of terror with kid gloves or the dismissive neglect of indifference because it is a problem that affects them and not us. This is a lesson that we have all learned together, and I would like to commend my colleagues on both sides of the aisle for their clear commitment to support our troops with the resources they need to protect themselves.

One question still hangs heavy over this body. How do we keep our homeland secure? I do not have to tell my colleagues that our firefighters and police officers have become citizen soldiers in the war on terror, our first line of defense against another September 11. Americans have been empowered with a responsibility to protect their families and their communities by working with each other to stop acts of terror before they happen. The war on terror is a war in which we are all on the front lines.

I submit to this body that Americans on the front line need greater resources to get the job done. They need more funding in order to protect our homeland. I am particularly concerned about the security of American seaports. America's ports are our gateways of commerce to the world. Each year nearly 6 million seaborne containers enter our Nation's ports, yet only 3 percent, only 3 percent, of the cargo is ever physically inspected. The screenings that are performed are often carried out without the use of detection aids or with only hand-held devices that have limited range and capability.

This security gap gives groups like al Qaeda over 5 million opportunities every year to smuggle a nuclear device or weapon of mass destruction into the United States of America. In total, 95 percent of the cargo moving into and leaving this country each year passes through American ports. The region of Texas I call home has one of the largest of these ports. In fact, the Port of Houston receives more foreign tonnage than any other port in America. Each year, Houston alone receives 7.8 million tons of cargo from Iraq itself, 10

million tons of cargo from Saudi Arabia, and nearly 5 million tons from Algeria, a known state sponsor of terrorism.

Recently, I had the opportunity to tour the Houston ship channel, home to one of the world's largest concentrations of petrochemical plants and other critical energy infrastructure. Having had the opportunity to see the sheer size of the ship channel, the miles of exposed coastline and the sensitive nature of the industry located there, it became clear just how daunting a task protecting our waterways has become. If a petrochemical plant were to be struck by a bomb, we could face a tragedy greater in magnitude than the Chernobyl meltdown right in the heart of a major metropolitan area. This is a problem we cannot afford to ignore in Houston or anywhere else.

The Port of New York/New Jersey, the Port of Long Beach, California, the Port of Charleston, South Carolina, all three are major American ports. All three are located in close proximity to major metropolitan areas. And all three are at serious risk of attacks. These ports I have mentioned are but a few of the at-risk waterways across America. According to the GAO, Tampa Bay is home to Florida's busiest port and receives half of Florida's volume of hazardous materials, such as liquid petroleum gas, sulfur, and ammonia, all this in close proximity to downtown Tampa Bay where thousands of Americans live and work.

As my colleagues can see, it is critical that we support our port authorities and the thousands of shipping companies around the world with whom they work by enabling them to do the business of America without the constant threat of a terrorist attack.

The U.S. Coast Guard announced last year that necessary improvements to port security will cost $963 million in fiscal year 2004 and as much as $4.4 billion over the next 10 years. But since the attacks of September 11, Congress has appropriated less than $400 million for port security across America. Welcome funding, yes, but far short of where we should be given the challenges we face in protecting America's borders.

We must make a commitment in this body to adequately fund port security before it is too late. By giving lip service to the problem and then not providing our local communities with the resources they need to protect our families, we risk undermining our own campaign to rid the world of terror and keep the homeland secure.

How do we explain after the next terrorist attack on American soil that our country was willing to spend $80 billion to liberate the oppressed people of Iraq but were unable to commit the money necessary to protect our homeland against what the CIA has determined is one of the greatest vulnerabilities in America today, the threat of attack against our own ports?

We must give our heroes on the home front the same quality of support that I know each of us is committed to giving our heroic fighting men and women abroad. The threat to our Nation's ports and our communities is a clear and present danger that cannot be ignored. The time is now to begin fully funding these critical port security needs and it can begin now. The homeland security amendment to the wartime supplemental appropriations bill, to be offered tomorrow hopefully, calls for $440 million for port and chemical plant security and for the Coast Guard. Pass the amendment. The time is now.

Mr. TURNER. Madam Speaker, I thank the gentleman from Texas for his comments and for his leadership on a most critical issue, homeland security.

I now would like to now yield to the gentleman from North Carolina (Mr. ETHERIDGE), who serves as a member of the Homeland Security Committee, whose leadership on the committee has been invaluable, and whose experience in education brings a unique perspective to the issue of our homeland security.

Mr. ETHERIDGE. Madam Speaker, I thank the gentleman for yielding to me, and I thank him for his leadership on this committee and his leadership on the Homeland Security Committee. It has been invaluable and it is an area that we need to spend a lot of time on.

First responders are our hometown heroes. Their sacrifice and service inspire us all. When the Federal Government raises the threat level to code orange, like we have seen in the last couple of weeks, and once before that when it was raised, these are the men and women that are immediately called upon to assume the extra duties and responsibilities to help defend our hometowns from unknown threats. Congress has the responsibility to back up our local first responders with the funds that they need to make the extra security details work.

Last year I held a series of meetings with first responders across my district in North Carolina to assess what their needs were. More than 100 police officers, sheriffs, firefighters, emergency personnel, and others came to those briefings. During these meetings and in the months since then, I have heard troubling reports from our frontline forces. Despite improvements in security here in Washington at our Nation's historic sites and many urban areas, North Carolina's first responders still lack an interoperative communications infrastructure, appropriate training equipment, and the things they need to respond appropriately.

Do not get me wrong, we have made progress in coordinating responsive training and communications; but at what cost? Police chiefs and county sheriffs must decide whether to buy gas masks or bulletproof vests. Firefighters have to choose between arson training and learning about weapons of mass destruction.

□ 1900

Public health authorities divert resources from prenatal care to smallpox vaccination programs. The Federal Government mandated that local and State authorities take the lead in planning and coordinating response efforts, and when Congress appropriated funds for first responders, the President vetoed the first appropriation and said it was too much money. Now we are trying once again to provide additional money in the supplemental tomorrow, a bit more money to pay for the unfunded mandates ordered by the Federal Government.

The majority says it is too much money, that States may not be spending the money they already have on first responders. Yesterday I received a report from the State of North Carolina. It showed that last September North Carolina received approximately $7 million for the Office of Domestic Preparedness for first responder equipment, and the State immediately began to collect and process grant requests. This process does take some time. We want to make sure that it is not duplicated and we get the best equipment. Believe me, States all across the country can use every spare dime they can get. Our cities and States do need the money for training equipment, and they do need timely information about possible threats, and it is our responsibility to put the dollars in to help these first responders. We need to pass this amendment tomorrow to help first responders who will protect our homes, our communities, our schools and our families.

We cannot let them down and leave them unprepared.

I call on the Congress and this Administration to make the training and equipping of our nation's first responders a top priority.

Our first responders are ready and willing to do what it takes to ensure the security of their communities, our state and our country.

However, it is the responsibility of the Administration and Congress to make sure that they have the information, training and resources necessary to protect the men, women and children of America, as well as themselves.

The American people deserve to live without fear of a terrorist attack.

Parents deserve to send their children to school without fear for their safe return. Shoppers deserve to be able to walk into a crowded shopping mall without fear that a suicide bomber lurks in their midst, waiting for the right moment to strike.

Passengers deserve to be able to board an airplane without the fear that a shoulder-fired missile will bring it down.

Although no plan can guarantee every individual's safety at any given moment, all Americans deserve the right to a reasonable expectation that in their daily lives, the proper authorities have taken appropriate measures to maximize safety and security.

Unfortunately, that expectation is not being met today due to a lack of leadership.

Mr. Speaker, America was changed forever by the 9/11 attacks, and the American people accept the challenges and difficulties this new era presents.

But the American people deserve to live free from fear, and the national leadership

must provide the means to restore that hope for a secure future.

Our local first responders are absolutely key to that effort, and Democrats are working in Congress to provide the leadership necessary to get the job done.

Again, I want to thank my colleague Congressman TURNER for his leadership in this most important endeavor, and I yield back the balance of my time.

Mr. TURNER of Texas. Madam Speaker, I thank the gentleman for his leadership.

Madam Speaker, I yield to the gentleman from Florida (Mr. MEEK), a freshman Member who served very effectively in the Florida legislature and who serves on the Committee of Homeland Security.

Mr. MEEK of Florida. Madam Speaker, I thank the gentleman. I want to be very quick and within a minute I would like to share with the American public something that is very, very important. The information that you are receiving here this evening and the amendment that the Democrats will have tomorrow to not only put teeth but to make sure we have real homeland security is very, very important.

As we look at our ports and the Coast Guard, I think we need to go far beyond great speeches in front of Coast Guard cutters, and talking about how we support our men and women riding in those vessels and fighting in helicopters. I would say that with any major incident in our ports, not only will we experience a large loss of life, but we would also experience quite an interruption in commerce.

It is very, very important that the American people understand that the Coast Guard says they need a billion dollars alone this year to secure our ports. We have individuals working at our ports now that do not have proper credentials as it relates to some of the shipping companies. We know we are very vulnerable in our ports, and I think it is important that we make sure that this administration understands that it is more than just giving speeches, that it is important that we put our money where our mouth is and make sure that we are standing on behalf of homeland security.

This is an everyday issue that Americans care about, and it is an everyday issue that we have to respond to, and I am encouraging this Congress to support our efforts tomorrow to make sure that we have true homeland security.

Madam Speaker, I thank the gentleman from Texas (Mr. TURNER) and our subcommittee members for sharing their thoughts and ideas that we have as it relates to meaningful homeland security versus just talking about what we need to do.

The SPEAKER pro tempore (Ms. GINNY BROWN-WAITE of Florida). The time of the gentleman from Texas (Mr. TURNER) has expired.

Mr. ABERCROMBIE. Madam Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Without objection, the gentleman from Hawaii (Mr. ABERCROMBIE) is recognized for 5 minutes.

There was no objection.

FUNDING HOMELAND SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. ABERCROMBIE) is recognized for 5 minutes.

Mr. ABERCROMBIE. Madam Speaker, I would like to join my colleagues in urging the House to increase the amounts we will include in the supplemental appropriations bill later this week for homeland security. Last Friday I held a meeting in Honolulu of first responders to discuss preparedness, planning and coordination among agencies and funding needs. It became very apparent during the meeting that funding being received is clearly inadequate to undertake the job we are asking of our emergency law enforcement agencies and personnel.

For example, the Honolulu Police Department has apprised me of the need for some $65.5 million for several projects that are necessary if the Island of Oahu is to be protected to the extent necessary. There are several important military installations for which Honolulu police have major responsibilities, such as Pearl Harbor Naval Base, Hickam Air Force Base, and Schofield Barracks. The Department has the responsibility for the safety of military personnel and their family who live off base, and to some extent on base. Specifically, communication and operability between civilian law enforcement and the military is essential. Additional personnel protective equipment has been identified as a need as well as emergency vehicles in a centralized equipment and maintenance facility.

The cost for effective homeland security management is a huge, unfunded mandate the Federal Government has imposed on State and local governments. The Honolulu Police Department is establishing an Emergency Management Command and an antiterrorism unit. It is undertaking extensive specialized training in areas such as chemical, biological, and explosive handling. Joint exercises with the military have been conducted so that in the event of an emergency, roles are recognized and responsibilities are familiar.

Our state of affairs and level of protection afforded to our citizens changed greatly after September 11, and has been heightened by our military engagement in Iraq. Our citizens expect and deserve such elevated security. But it also serves to remind us that protection is not cheap, and we in Congress should stand up to our responsibilities to properly fund the protections our citizens need.

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There are other imbedded homeland security costs with which state and local officials are struggling. When the Nation moves to a Code Red Alert posture, the Honolulu police incur costs of over $1.5 million a day, about two-thirds of it for the protection of critical infrastructure for military installations.

The Oahu Civil Defense Agency has identified numerous critical projects which total $18.1 million. Essential projects include warning siren upgrades, security cameras, computer software, as well as equipment and personnel training.

These statistics are for but two of numerous first responder agencies. This does not include the fire department, nor the burdens placed on hospitals and emergency rooms. And the Hawaii State Government has separate and additional mandates and responsibilities.

I'm not speaking today to point fingers of blame at anyone for the situation we face, but to articulate the need to provide adequate funding in the supplemental appropriations bill.

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Madam Speaker, I yield to the gentlewoman from California (Ms. Loretta Sanchez).

Ms. LORETTA SANCHEZ of California. Madam Speaker, while our brave soldiers continue their work abroad, our citizens back home must live under a constant state of Orange Alert. The administration has implemented Operation Liberty Shield.

Therefore, it is no secret that a threat still looms on our home front, so we must not forget that this war is not just being fought abroad.

Therefore, it is essential that the supplemental spending bill include necessary funding to meet the needs of the Nation's homeland security. In my district the Anaheim Police Department is presently spending an extra $21,000 per day to maintain Level Orange threat. If our Nation goes to Level Red, this number will double to $40,000 per day.

Also, joint terrorism task forces have been set up in a number of cities to coordinate the dissemination of information and strategies dealing with potential terrorism. These task forces give local law enforcement the unique opportunity to train, coordinate, and work closely with Federal agencies like the FBI, the INS, the marshals, Customs, and the Secret Service to share information and develop a coordinated process for combating terror threats, but there is no funding, no resources to adequately implement this.

While we continue to fight for additional resources for our first responders, we must not forget that the main thing we need to do is prevent any future terrorist attacks.

This week the National Commission on Terrorist Attacks Upon the United States received testimony from experts on the state of our Nation's homeland security. The testimony was not pretty. Our Nation's ports were referred to as porous, our civil aviation facilities called unprepared, and our immigration check points deficient. Our ports of entry are some of the most vulnerable threat risks to this Nation, and we need to provide the means and the resources for adequate security.

Every year more than 6 million cargo containers pass through our ports; 4 million of those, accounting for 35 percent of all international trade to the U.S. pass just 20 miles away from my home through Long Beach and L.A. ports, yet only 4 percent of these are screened. But the President responded to these requests with only $22 million, just a third of what we need.

But the President responded to these requests with only $22 million, a third of what the Customs Service deemed necessary.

Additionally, the U.S. Coast Guard requested nearly $1 billion in Port Security Grant money to address gaps in the physical security of the ports it patrols. To date, only 40 percent of that needed funding has been granted.

While the President says in speech after speech that he is taking port security seriously, neither his FY04 budget request nor his supplemental funding request contained money for Port Security. Our ports are still extremely vulnerable, and full funding of Port Security Grants and the Container Security Initiative are imperative.

IMMIGRATION

Of course, our Nation's security risks do not lie exclusively at our ports. We need funding to make sure that border and airport security are adequately staffed to screen entry into our country.

Presently, the government watch list used to screen for suspected terrorists entering the U.S. has 13 million names, including 40 percent more records of suspected terrorists than last year. These numbers are unrealistic, and we need to hire the personnel and develop the accounting systems to make us smarter about keeping track of threats while still allowing legitimate visitors in.

Right now, our universities are facing a crisis because visa backlogs and the government's new foreign student tracking system are slowing the ability for good, qualified students to participate in our university system.

We cannot develop new immigration systems at the expense of undermining the diversity that makes our nation great.

CONCLUSION

As the war goes on in Iraq, we face a great challenge here at home. Our homeland security needs are great, and many of them are not met. We need to work hard, we need to work efficiently, and we need to work intelligently to ensure we are doing everything possible to protect our communities.

FUNDING HOMELAND SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Madam Speaker, let me acknowledge the gentleman from Texas (Mr. TURNER) for the excellent Special Order that preceded me, and I would ask that my remarks be placed in the RECORD alongside that Special Order.

Madam Speaker, let me just suggest that we have an enormous challenge before us, and the responsibility that America is entrusting us with is a very difficult one, a very challenging one, but a very important one, and that is, of course, to secure the homeland. I like to think to secure the home front, the home city, to secure the counties and rural and urban communities, to secure the elderly, the disabled, the economically disadvantaged, people of all walks of life, individuals that do not speak English in our country, these are the responsibilities that we have.

Madam Speaker, I am here to suggest that we have challenges. We have challenges at the northern border, and we have challenges at the southern border. I was just in the Committee on Rules and heard the discussion about funding needs for the southern border and the northern border.

As the ranking member of the Subcommittee on Immigration and Claims, I suggest we also have work to deal with this Nation of laws and immigrants. We are a Nation of immigration, and we should realize it does not equate to terrorism.

Madam Speaker, in the emergency appropriations, I am going to ask for additional monies to help us with the student tracking program because we heard from the inspector general today that we need more resources to train the INS or the new agency that deals with this. We need more funds to train them how to do the student tracking program. As well, we need more funds for the implementation of the student tracking program. Our universities are suffering to a certain extent, and a lot of our research work is suffering.

In addition, I think it is important that we look at the entry/exit system which is not designed to prevent individuals from entering or leaving the United States, it simply makes a record of their entry and exit. It is doubtful that it has much utility in enforcing our immigration laws. It can provide the INS with a daily list of nonimmigrant visitors who have overstayed their authorized visit, but it will not provide information where they are. We must focus on finding where these individuals are. That is how we secure the safety of America.

So I also want to comment on the special registration program and suggest that we might look again at that to see whether or not that really does help us in terms of securing this Nation. What we need to do is ensure that we find the overstays, and that the overstayers are not here to do harm. We need to find the terrorist cells in this country and monitor them, and we need to provide the resources to the first responders.

I have added an amendment in the emergency supplemental to ensure that we give an extra $2 million to our first responders, and an additional $3 million to our emergency hazardous materials units and in our respective fire departments throughout the Nation.

Madam Speaker, I believe we have a lot of work to do, and we can do it together. I believe homeland security should be this Nation's first priority. We support the troops, the POWs, and their families. As they secure our freedom, we need to secure the homeland.

As the ranking member of the Judiciary Subcommittee on Immigration, Border Security and Claims, I want to emphasize that immigration law enforcement and immigration benefits are interrelated and both merit serious attention, support, and funding. The transition from the former Immigration and Naturalization Service into the new department should be undertaken so as to ensure the full provision of services and effective and fair enforcement, while minimizing disruptions and delays.

With the Department of Homeland Security's authority to establish and administer rules governing the granting of visas, it is vitally important that visas be granted to the people who come to build America and denied to those who mean to do us harm. We must balance our national security and economic security needs by recognizing that the United States is tied to the rest of the world economically, socially, and politically.

Enforcement and adjudications come together at our ports of entry. Our national security and economic security depend on the efficient movement of cross-border travel and trade at these ports. The Bureau of Customs and Border Protections must coordinate with the Bureau of Citizenship and Immigration Services to ensure that there are no unnecessary obstacles to cross-border travel. One good way of doing this is to examine ways to expand the use of preinspection stations and authorize pre-clearances for low-risk travelers.

We need to take the time to ensure that our entry exit system works well. This may require billions of dollars to purchase real estate for new inspection lanes, to upgrade our inspection facilities generally, to develop our infrastructure and technological capabilities, and to hire additional inspectors. We must determine if the level of security the system would provide is worth the cost of the program. We also should consider whether the same level of security could be obtained through increased intelligence and database security checks that are performed outside the country.

I want to emphasize that the entry exit system is not designed to prevent individuals from entering or leaving the United States. It simply makes a record of their entry and exit. It is doubtful that it has much utility in enforcing our immigration laws. It can provide the immigration service with a daily list of nonimmigrant visitors who have overstayed their authorized visits, but it will not provide information on where they are. The system will not tell us where they are until they appear at a border to leave the United States. I see little value in placing them in removal proceedings when they are trying to leave on their own volition.

Special registration is a program under which people from certain, specified countries who fall within a specified age range are called in to be interviewed by immigration officers. The program targets groups of people through the use of national origin, race, and religious profiling, not information gathered by intelligence. The special registration program does not enhance our security. Rather, it alienates the very communities here in the United States and abroad that are necessary allies in our fight against terrorism.

We need to do a better job of providing information to our immigration inspectors at the points of entry into our country. We need to obtain information from government agencies that collect criminal and intelligence data that may apply to some of the aliens who seek admission to the United States. A complete and accurate database should have a mechanism for correcting database errors. Having incorrect information only serves to hinder the inspection process and discredit the reliability of the security checks.

The Department of Homeland Security has the responsibility of implementing the President's commitment to admit 70,000 refugees by the end of fiscal year 2003. Among other things, this requires security checks which are causing substantial delays in moving people from refugee camps to the United States. In addition to the delays, there is reason for concern about the effectiveness of the security checks. The current system relies on name checks, and, according to the information my counsel received at a meeting with the State Department, the information from these name checks has not resulted in denial of refugee admission in a single case yet.

THE WAR IN IRAQ

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from California (Mr. HUNTER) is recognized for 60 minutes as the designee of the majority leader.

Mr. HUNTER. Madam Speaker, I think it is time to tell the American people, ''steady on.'' This operation in Iraq is proceeding according to plan. Our troops are well equipped, well trained, well led. Don Rumsfeld, our Secretary of Defense, is doing a great job. General Tommy Franks, who is the CINC commander and in charge of the operation, is doing a great job.

□ 1915

This plan was well thought out, and it is being well executed. And as I looked at the map and looked at the bridges which we overran so quickly with a fast armor attack in which the defenders, the Iraqi defenders, did not have a chance to blow, I look at the oil wells that they did not have a chance to fire up, to put aflame as they did in 1991 when we came into an Iraq that was literally carpeted with fires because the Iraqi defenders had a chance to ignite their oil fields, when I look at the other key infrastructure that has not been destroyed and was not laid down in the wake of the retreating Iraqis as a barrier to the American forces, one thing comes to mind, a lightning armor strike as fast as we moved it up those narrow causeways coming up through the center of Iraq has paid off.

And if we had waited, if we had held back, if we had choked those roads with more men and material and we had given them time to blow key bridges, we would have had engineers working in an exposed manner, being subjected to sniping, to potshotting; and we would have taken, in my judgment, Madam Speaker, more casualties. This operation is being conducted very effectively right now, and the Iraqi military is feeling that effectiveness.

Beyond that as we are ringing now the Baghdad area and hammering the remaining Iraqi divisions with heavy air power, it is very clear that even if we had heavy units ringing Baghdad, if we had another two, three, four, five divisions, we still would not have gone in until we attrited or brought down the strength of the Iraqi divisions with air power. So the number of heavy divisions that we had in that staging area at this time would not have been relevant. So once again in reflecting on that and going through the many hearings and briefings that we have had on the facts as they emerge on a day-by-day basis, Madam Speaker, I once again am impressed with the great leadership of our Secretary of Defense, Don Rumsfeld; the leadership of the President of the United States, George Bush; and the great operational leadership in theater of General Tommy Franks.

Madam Speaker, it is clear now that there is another war being fought, and that is the war for hearts and minds; and incidentally I am proud that the gentlewoman of New Mexico (Mrs. WILSON), a member of the Committee on Armed Services and a veteran of the U.S. Armed Forces, has put together this Special Order because this is kind of a time to talk about that other effort that is being undertaken, and that is what I would call the ambassadorial effort, the effort that is undertaken by all men and women who wear the uniform of the United States, and those people are proving to Iraqis who may have been subjected to lots of propaganda coming from Baghdad about how Americans were going to rough them up and be mean to them and ill treat them and they now have American GIs doing what American GIs have always done, and that is hand out candy to kids, be kinder than usual, giving away their rations and doing all those other things that young Americans are taught to do because of their moms and their dads and the communities that they are brought up in.

And, Madam Speaker, I think this is a historic time. I think it is a little bit like the days right after the close of World War II when all of Japan lay prostrate before the American military machine; and Japan's military leaders, because they were brutal and because they were cruel and because they were inhumane and especially looking at the things that they did to Chinese civilians when they took Nanking and looking to the beheadings and the mutilations that they undertook against American forces and the executions, they told their people to expect the same thing from the Americans.

And yet when those GIs walked down the streets of Tokyo, completely unopposed, in total power, they handed out candy bars to the kids; and we had almost no incidents, Madam Speaker, of brutality, of GIs acting out bad behavior. They were good ambassadors for this country and for our values. And they are doing the same thing right now, those grandchildren of those great GIs who persevered and won us our freedom in World War II. They are doing the same thing in Iraq because they are great people, and we are seeing now incident after incident of Americans proving that they have great values and that this thing that we call democracy over here is a good way to foster those values and maybe, when we get this country stitched back together, a good thing for the Iraqis to emulate.

I yield now to the gentlewoman from New Mexico (Mrs. WILSON), my great colleague on the Committee on Armed Services, who has some very good evidence of those good ambassadors; and I yield to the gentlewoman.

Mrs. WILSON of New Mexico. Madam Speaker, I thank the gentleman from California for yielding, and I also thank him for his leadership in the Committee on Armed Services at a time like this. I found his leadership to be refreshingly direct and full of good humor and also making sure that every Member of this body on both sides of the aisle have access to information, the kind of information that we need to make decisions.

I came to this whole thing very much a skeptic. I know about these things. I

think anybody who has ever worn the uniform is always very cautious about using military force because we know the consequences of war and we often know many of the participants.

When we came to this House in October to decide whether we would authorize the President to use force, I think all of us came to that decision, a serious and sober decision, having been gathering information for several months. And I came to the decision that, yes, we did need to give him that authority, that we could not allow Saddam Hussein to have chemical or biological weapons or the ability to deliver them against Americans; and I also came to the decision that Saddam Hussein had the intent to use those weapons against Americans.

Over the last 2 weeks we have seen the cruel brutality of this regime. Day and night air power is degrading Iraq's command and control and its armored divisions with powerful, sustained, and precise engagements. And to prevent the regular army from surrendering or defecting, Iraqi death squads now depend on executions to maintain a climate of fear. They kill people, civilians, women, children, the elderly trying to cross bridges just to get food and water. That is the regime we are facing.

Most folks probably do not know this, but as Members of Congress, we are not told in advance exactly what the war plan is because we have no need to know, and the security of the operation is more important. We do not direct the Army or the Navy. We do not instruct the diplomats. Our role is different. But we do get briefings as things are going on, and we have been briefed daily; and I commend the Defense Department and the military for coming up here every day and answering questions from every Member of Congress that has them in a classified way about exactly what is going on so that we can put in some kind of context the soda straw views that all of us are getting on our televisions 24 hours a day.

I am very much a skeptic about military plans too. I was one of the Members of this House that opposed U.S. action in Kosovo, and I opposed it for the reason of principle. So I believe when we go into combat we must first have a very clear political objective, and in this case we do. Our objective is to overthrow the regime of Saddam Hussein, to rid Iraq of chemical, biological, and nuclear weapons, and then to put in place in Iraq a unified Iraq, a government that is responsive to its people. That is a clear political objective. I think people can understand that.

Second, we need a military plan that is tied to that objective. That was our failure in Kosovo, by the way. It was a largely humanitarian mission, and we had a plan that included only air strikes against a door-to-door campaign of ethnic cleansing. We failed in that military plan.

I have been looking day by day at this military plan as it has unfolded, not only what we see on television but what we are briefed on in detail in the gentleman's committee; and I have been very impressed. We were reassured before this started that we would use overwhelming force, the full force and might of the United States military, so that we could secure our objectives and bring our men and women home again. And that is what they have brought us, overwhelming military force, the full force and might of the American military.

At the same time this plan is being executed, we are also seeing not only the greatness of the American military but the goodness of the American military. The commander of the United States Marines in Southwest Asia the night before the launch of the ground attacks said to his troops we are going to show the world, we are going to show the world that they have no better friend and no worse enemy than a United States Marine. They have been showing the world. There is no better friend and no worse enemy than a member of the United States military.

This picture beside me was taken this weekend. It is of Annette Gonzalez; and she came to downtown Albuquerque in the plaza in Albuquerque, New Mexico, and she was a very quiet woman, but she brought a picture of her son. He is a sergeant in the United States Marine Corps, a staff sergeant. His name is Anthony. And before she knew it, Annette was surrounded by people on the plaza there in Albuquerque who gave her comforting messages, who told her that she would be in their prayers, who thanked her for her son's service; and she gets pretty choked up when she talks about Anthony. She says she is very proud to be a Marine mom, but nowadays it is very hard.

The last time that the family heard from Anthony was about 3 weeks ago when he called his wife to tell her that he loved her. Anthony grew up in Las Lunas. He wrestled there and he played football, and he joined the Marines in 1993 shortly after he graduated from Las Lunas High School. He is a proud father, and he is considering becoming a preacher so he can help his fellow Marines learn about God. And that brought his picture of his full dress uniform to Friday's rally in support of our troops in New Mexico because she wants people to know that there are real people serving in Iraq. There are husbands and wives and sons and daughters proudly serving their country, and Annette is very proud of her son. They need and deserve our support and our prayers, and they have it.

Mr. HUNTER. Madam Speaker, I thank the gentlewoman for that wonderful story, and I think that really reinforces the idea that the best ambassadors we have are not folks that stay in consulates and embassies. Of course we have Marines in consulates and embassies also, but they are the folks in uniform. And the gentlewoman mentioned Kosovo and of course the Bosnia operation preceded Kosovo, but I am reminded of a story that is another true story about another Marine, and that is General Randy West, now retired, who was undertaking a recon operation in Bosnia and came with his unit, with his force, to a bridge where a massacre had taken place, and Randy noticed among all the bodies there was a blanket laying on the frozen ground. It was the dead of wintertime. There was a little lump under that blanket, and he peeled it back, and it was a little baby boy. And he wrapped the baby up and sent it back to a hospital in the rear, and a couple of months later Randy was asking the governmental officials what had happened to this little boy that his recon element had shipped back to the hospital, and the official told him that the baby was still in the hospital, that he had not been claimed because the mom was Bosnian and the dad was Serbian and that the baby was still there but without anybody to come and claim the baby.

□ 1930

So Randy was telling me this story as we were walking up to his house in the Blue Ridge Mountains a couple of months ago, and as we got to the door, I said well, Randy, what happened to that little baby boy? And Randy opened the door, and there stood a young man, a couple of years old, and Randy said, ''I want you to meet Randy West, Jr.,'' now his son. And that kind of heart and those types of values is something that permeates the United States military.

Madam Speaker, interestingly, and I would say to my colleague, the Vietnam experience was largely reflected, and I would say in an aberrational way, to the American public through the prism of some folks who probably would have to work hard to qualify for the title of drug-crazed hippies. Of course I am referring to some of the folks in Hollywood who saw Vietnam through the prism of their own experience. And generally, that experience was one of not participating in the Armed Forces and not having any idea of what went on in Vietnam.

So we had these nitwit movies like Full Metal Jacket and Platoon and all of these other things where every other GI was setting fire to a hut or madly spraying the countryside with his M–16, which, of course, were totally false and erroneous images. And in reality, most of the GIs, a great, great majority of GIs who were in Vietnam were also wonderful ambassadors. They were good people. They treated the people well. That is why after we left that country, half the nation tried to swim after us.

Now, they did not try to rush to the North where they could consolidate with the North Vietnamese Communists who offered them, of course, a worker's paradise, and they did not try to rush out to join up with the Hollywood directors who felt this great kinship for the folks from the North, but

they tried to follow the GIs, because they knew the GIs were basically really good people.

That has been the story of this country. We see it in every town, every city of any size. We see the Korean community, much of which came over to the United States after getting to know the American military community, and we see the German community, and many other communities that got to know Americans and, because of that, wanted to be in our home within the boundaries of this great country.

So these folks are making relationships right now. They are meeting people. They are working with people. They are smiling, they are just being GIs. You cannot fake it. You cannot fake that sense of humor.

I know when I was in Afghanistan here a few months ago with a good CODEL of folks, Pete Geren, our great former colleague from Texas was with us, and Pete pulled me off to the side as we were going down through the row of tents and he said, we have to take a picture over here. I said, what is it? He said, I have to show you a picture. And this was in the middle of a windstorm and stuff was blowing all over the place. There was not a speck of grass. One of the tents had a sign in front of it that said ''yard of the month,'' and Pete had to get a picture of that sign, ''yard of the month,'' and that little windswept front of that tent that I think had a couple of cactus in a tin can prominently displayed.

So GIs still have that great sense of humor. They also have a sense of goodness about them.

Madam Speaker, Tom Brokaw wrote the book about the greatest generation, and since 50 years or so have passed since we won World War II, I think he felt he could now feel close to the people who probably had a lot of values that he probably would not agree with. But I think this generation that is over in Iraq right now in that theater is every bit as great a generation as the generation of World War II, the generation of Korea, and the generation of Vietnam.

I yield to the gentlewoman.

Mrs. WILSON of New Mexico. Madam Speaker, I thank the gentleman. I told the gentleman I was a skeptic about plans, and I am. I will share some of the things I think are right about what we have seen so far, what the military has accomplished under the leadership of General Franks in southwest Asia. First, the tactical surprise. I do not think the enemy, and I do not think a lot of Americans, expected him to jump off with a ground assault. We did not do that 12 years ago. We waited for 38 days of punishing air strikes. But instead, they did something that I think was smart and took advantage of the situation, a completely different situation on the ground, a completely different political objective and military plan to achieve that objective. But they got tactical surprise.

As a result, that force that came out of Kuwait not only seized the oil fields intact after they saw seven of them burning, they jumped off early to try to keep the rest of the oil fields intact to benefit the Iraqi people and rebuild Iraq, but they also seized the bridges up and down the Tigris and the Euphrates to allow our forces to advance instead, as the gentleman said, to build them as they go. So they had tactical surprise. They were rapid, very nimble.

We think about how hard it is to plan, to move forward a large mass of people and vehicles at the same time. Think about doing that and then all of a sudden telling them we are going to do that 12 hours early or 24 hours early. That could be a real mess. And they did it.

I think we have done a much better job in western Iraq than we did 12 years ago with the problem of Scuds and dealing with Scuds. Special Operations forces have been much more integrated with the ground and the air operation than we saw 12 years ago. And, as a result, they managed to control not only all of western Iraq where the Scuds were launching from 12 years ago, but to team up with the Kurds in the north and manage the problems in the north and seize key areas in the south and in the Persian Gulf.

It was the Polish special forces that were some of the first to fire and the first to act in the Persian Gulf in seizing oil platforms, and British and American special forces moving forward to seize key sites in southern Iraq. So we have seen that integration of Special Operations Forces into the plan.

Precision air. Madam Speaker, air power was decisive in the first Persian Gulf War, and I think even more so in this one, because we have gone from about 10 percent of our munitions being precision guided to 90 percent of our munitions being precision guided. And they are pounding the tar out of the Republican Guard divisions from the air. They have been integrated with the ground forces, so that the marine on the ground knows that if he needs air power, he gets it now, and he is not sitting in some queue or waiting for some A–10 to fuel up in Kuwait and fly for an hour and a half to get to him, while he has to sit there and take it until he gets there. He gets air there, now.

We have precision, very good real-time intelligence and the integration of space to the battlefield and to the soldier on the battlefield so that that real-time intelligence is actionable. All of us have seen the pictures of the Predators and the Global Hawks. We are also getting information on that first night of the war, the Central Intelligence Agency, working very closely with our military, both here in Washington and in the field, so that if there is a piece of information, the military can act, whether it is to rescue a prisoner of war as was done so effectively yesterday, or to target a critical target, as was done on the first night of the war. We are seeing unit-level communications much better than it was 12 years ago.

And we are seeing a joint operation. If we look back to Vietnam, we really did not operate as a joint military. The Navy had its route packages to fly, the Air Force had theirs, the Army was doing something different on the ground; there was no kind of integrated military operation. How much the American military has changed in the intervening years is astounding, and it is even more integrated today than it was 12 years ago.

Mr. HUNTER. Madam Speaker, if the gentlewoman would yield on that point, if we go back to precision munitions, it is important for the American people to understand what that means. That means that instead of having to carpet bomb a bridge to knock it down, we can hit one strut on that bridge, if you hit the right one and you know where you have to go, with one precision munition that goes in and hits that particular strut and brings that entire bridge down. Now, that not only gives you your military goal, which was to knock the bridge down with only one bomb instead of maybe hundreds of bombs, but it also means that the village nearby is not going to be damaged, it means that the car halfway up the road is not going to be damaged, although I remember Norman Schwarzkopf talking about the world's luckiest taxicab driver. When that one precision munition went into a bridge in 1991, just about a split second after the taxicab had gotten on to firm footing, that bridge went down. But those precision munitions give us a chance to be more humane and not to hurt people, and that is what we strive for in these operations, and we have done it very successfully.

As the gentlewoman said, most of our munitions now are precision munitions, and that enables us to use these big platforms, whether they are the fast-movers, the F–15s, F–15Es, F–16, our stealth aircraft, 117s or even the large heavy bombers, we are able to use those platforms to bring an enormous amount of firepower into a very tight area.

Madam Speaker, I saw the after-action photos that were taken after the Kosovo operation where we were trying to destroy the revetments for the Serbian Air Force. We did not want their planes to escape and come up and challenge ours. And B–2 bombers had flown all the way from Whiteman Air Base in Missouri to those targets; it hit the targets and returned home, and those craters and those revetments were as precisely placed as if somebody had walked out on the tarmac with an explosive and placed it by hand and then finally detonated it. That is the American technology that allows us to use less assets and to turn these platforms really into very precise military equipment that spare civilians and do not cause collateral damage.

Mrs. WILSON of New Mexico. Madam Speaker, if the gentleman would yield,

on the Monday after the war started, I went to Holloman Air Force Base, and for those who are from New Mexico or who watch these things, on the opening night of the war, everyone who knew that those were the F–117s knew that the only base in America where we have the F–117 is in Alamogordo, New Mexico, at Holloman Air Force Base. I went there the Monday after it all started, and I met and had lunch with a lot of the spouses whose husbands, in this case, all of them were women, the spouses, and their husbands are deployed overseas. The squadron commander's wife has a wonderful sense of humor, which I think always helps in these kinds of situations. Apparently the wives were all talking about the morning after the whole thing started and they were trying to decide which two husbands were on that first mission, a very dangerous mission as it happens, because they went in without the usual cover that you would have in front of you. And she said that she looked at one of her friends and said, if they hit the target, it was my husband; if they missed, it was yours.

The families are so strong at home, and you can see it and feel it when you are talking to them. They support each other. And that is so true of the Air Force. One of the things that I thought was wonderful there is the wing commander, who is not deployed, every day when all of the 117s are back, he gets a phone call that everybody is home from their missions. And then the wing commander calls the squadron commander's wife, and then she calls all the flight commanders' wives, and they have a telephone tree. And by go-to-bed time in New Mexico, every spouse and every parent who has somebody flying the 117s in southwest Asia is reassured. And every child knows that dad is okay, that today dad is okay. And they sleep a lot better.

Now, that probably violates some rule or regulation, and Colonel Hunt may get in trouble for it for me mentioning it here, but please do not. He is using his judgment to do the right thing. His guys are halfway around the world flying and fighting a war, and I know in his heart he would dearly love, like any fighter pilot, to be with them. But he knows the best thing he can do is to make sure their families are taken care of so that they can focus on doing the job that they are doing and doing so well.

By the way, they hit the target, and they now know whose husbands were on the raid, and we are all very proud of them.

Mr. HUNTER. Madam Speaker, I yield to the gentleman from Georgia (Mr. KINGSTON).

□ 1945

Mr. KINGSTON. Madam Speaker, I want to say as the proud Representative from the part of Georgia that has not just Fort Stewart and Hunter, where the 3rd Infantry division is headquartered, but we also have Kings Bay Naval Base and Moody Air Force Base and Robbins Air Base, we are very proud of what the 3rd Infantry and all of our soldiers and all the branches of service are doing.

I have had the opportunity to meet with the wives' groups at Fort Stewart. It is incredible, the strength these people have. As we often are sitting in our hearings in Washington, we can tell that most Members and most members of the public do not realize that many of these soldiers have already been in the theater area for 6 months. They are not on a 6-month rotation that some people seem to think, or a 3-month rotation. Many said good-bye to their loved ones back in September or October, and they have no idea when they are going to be coming home.

Our friend, the gentleman from Maryland (Mr. GILCHREST), who is a Marine veteran and a veteran of Vietnam, raised that issue today among us, about how much time until these folks are getting off. We do not know the answer to that question, because war is imminent. Nobody is talking about, you have Saturday off.

The reality is our soldiers have been fighting and training in the theater for many, many weeks and months at this point. It is key for them to have a good support group back home, and to have the families saying, Everything is okay, honey. Don't worry about us, just come home alive. That means so much to them.

Today, I have an e-mail from one of our staffers, whose husband is deployed, about an Easter egg hunt that the families are putting together at Fort Stewart. Everybody is going to be joining in, and it is going to be an Easter egg hunt like we have never seen before. There will be lots of big and little kids looking for Easter eggs. We cannot have the soldier in the battle without the family support group back home.

I will say also that our Reservists who have come to man these bases and posts while the actives are gone, they are doing a very vital thing for the war effort. It is amazing to see the unity of people coming together.

I had mentioned to the chairman today, one of the distressing things is some of our weak-kneed supports from groups in the U.N. that we thought were going to be with us. I was wondering if it would be appropriate to bring up some of those thoughts.

Mr. HUNTER. Madam Speaker, I thank the gentleman. Let me say that we definitely have some thoughts about countries which heretofore the United States had relied on very strongly. I am thinking of France, a country that we saved twice, actually three times in this last century, in World War I, World War II, and of course the Cold War; and also Germany.

I am reminded of that Berlin airlift which was a lifeline for free Germany, that enabled them to stand up to the Soviet Union with the help of 300,000 American troops over a long period of time, and finally marry up with the captive portion of Germany, East Germany, and become a community again. That was all done because of the strength and the friendship of the United States.

So, of course, I think lots of Americans have thoughts about those countries. But I would ask the gentleman if we could shift back just briefly. I was thinking about the operation taking place right now in Iraq.

In fact, I had my old company commander, Jim Yarrison, a great gentleman, a wise officer, here.

Mr. KINGSTON. Is that the one up here last week?

Mr. HUNTER. Yes. I think I introduced him to the gentleman.

Mr. KINGSTON. Madam Speaker, I had the honor of meeting the gentleman's former commanding officer. He said his years in the military did not wear him out nearly as much as being the gentleman's commanding officer.

Mr. HUNTER. I did not do anything special in the military, in the 173rd Airborne, but I served with some great guys; and Jimmy Yarrison was one of them. The day he came up, unbeknownst to him the 173rd Airborne, reconstituted in Italy, had jumped into Iraq.

We were with another great former trooper from Vietnam, Tom Carhart, with the 101st Airborne. It was awfully good to see a great comrade of the 173rd Airborne when the Sky soldiers have gone into northern Iraq, they are stabilizing that front, they are giving some American spine to that community, the Kurdish community, and acting as a great stabilizing force in northern Iraq right now. So the Sky soldiers were famous folks in Vietnam, and they are proving their mettle in Iraq.

That takes us to the point that the gentlewoman made when she went over the units that are in Iraq. When we look at the enormous firepower arrayed there, when we combine that with the great leadership they are moving under right now, and the fact that the 4th is now moving into place, it is clear to Saddam Hussein's forces, now isolated in a number of very poorly defended areas, that time is drawing short.

I would ask the gentlewoman to give us a little description of her thoughts of that, of the present situation in Iraq.

Mrs. WILSON of New Mexico. Madam Speaker, the gentleman was talking about the pride our American people, and particularly our American veterans, have in our units. All of us get a lot of mail, and I love getting letters from people.

I got a letter from a veteran of the 507th in the Vietnam era. It says here, ''Heather, my name is John Campbell. I served two tours in Vietnam. I was a member of the 507th Engineer Group. I was a crane operator and a dozer operator and cleared land mines, among

other things. Today I am in a wheelchair, in part because of combat-related injuries.

''I am proud to have served my country, and today I am proud the men and women of our military have once again answered our Nation's call to service. I particularly feel a connection to the brave soldiers of the 507th Maintenance Group from Fort Bliss. I am certain you have seen and read the news reports of the POWs from that group now in Iraq.

''I want to let them know that I and others from the Vietnam-era 507th group support them. Enclosed is a banner I had made that says, '507th Engineer and Maintenance, Vietnam and Iraq, good luck.' I would appreciate your help in getting this banner and a message to their home base at Fort Bliss, Texas. I want to tell them, 'Good luck and hang in there. We are praying for you to come home soon, and we know how rough it is. I wish I was there with you, but my wheelchair would probably get bogged down in the Iraqi desert sand.'''

Those kinds of connections and that support from the American people matter so much to our soldiers and sailors and airmen and Marines who are serving all of us now in Southwest Asia.

I find these letters encouraging, and also letters from troops who are over there now. I have a copy of another letter that is from a young Marine. I will not use his name, but his first name is Kent. He is with the 3rd Battalion, 5th Regiment, 1st Marine Division, so he is kind of busy at the moment. He went to St. Pius High School and graduated from there in Albuquerque. His parents live in Albuquerque.

He wrote a letter to them that I just thought typified the greatness and goodness of these young men and women we have serving in the military.

It says, ''Hey, mom and dad,'' and this is written just before things started over there, when he was still sitting in the desert, ''Hey, mom and dad, still living the high life. If there was a worse area in the world, I don't think I want to see it. This place just keeps getting better and better, since it is right now raining. Well, I, for one, feel great and proud. I feel great and proud and I love what I'm doing. This place is terrible, the toilets are disgusting, the sleeping areas are all right, and I love it.

''I love it because I just got done talking to our wacky Iraqi, Jack. He is our local Iraqi defector who escaped to the U.S. after the Gulf War and now works as an interpreter and an intelligence source. We just had a long conversation over lunch about what we are doing here, Iraq in general, and all sorts of things. His family was tortured by the Saddam regime, and his father was killed. He said his story was way too common, and that is why he is doing what he is doing.

''I thought the most poignant thing he talked about was about the protesters and people wanting a peaceful resolution. He says that anyone wanting a peaceful resolution needs to be over here for a year or so. He said his dad, who was tortured and killed, wanted a peaceful resolution, too. It didn't quite happen.

''Anyway, he made me realize that this is where I need to be. I am, of course, coming home; but, you know, war and all. But damn, I feel like I am part of something great and truly going to help a lot of people. Is that too much of a cliche? Anyway, the point is, this place is awful and there really is no place I would rather be. Okay, that is all. I will write soon. Love you, Kent.''

Mr. KINGSTON. Madam Speaker, if the gentlewoman will yield, it is unbelievable when we talk to the soldiers who have that sense of mission, who have had the opportunity to talk face-to-face to the Iraqis who have been oppressed.

There is a group in Washington, D.C., a women's Iraqi advocacy group. They talk about being arrested and having their family members killed, and having cousins and brothers disappear. They say over and over again that the only thing that is going to liberate them from this oppression is an outside intervention by a country such as America that has a moral high ground.

It is unbelievable when we hear the Hollywood crowd, the blame-America-first people, who have done so well by the United States' system of capitalism and government. Yet, they are the first ones to jump up and down and blame things on America.

What I would say to the gentlewoman from New Mexico (Mrs. WILSON) and the gentleman from California (Mr. HUNTER), I hear a lot of people say, I do not support the mission, but I support the troops. Tell that to the young soldier who wrote that letter. We cannot do it, we have to say, love me, love my mission. If we are going to support the soldiers, tell them we agree the mission is very important and what they are doing is the right thing.

Mr. HUNTER. Madam Speaker, I am looking at the picture behind the gentlewoman from New Mexico (Mrs. WILSON) of the G.I. with the baby. Before this campaign is over, we will have passed out lots of vitamins; given lots of inoculations; lots of milk, probably in powdered form; and lots of food for the people of Iraq. They are going to know the friendship of the American people.

That takes us back to our contribution as Members of Congress. What we can do now is get our folks in uniform the tools they need to get the job done. I looked at the supplemental appropriations bill coming up and the $62 billion for DOD, for the Armed Forces. We have to replenish that ammunition, those spare parts, all those things.

I looked at that fairly carefully and looked at what the gentleman from California (Mr. LEWIS), our chairman of the Subcommittee on Defense of the Committee on Appropriations, has done; and what the gentleman from Florida (Mr. YOUNG), the chairman of the full committee, and all the members have done, Democrat and Republican. They have put in a good supply of what it is going to take to get the job done.

Of course, along with that there is going to be lots of humanitarian aid. There is going to be, after this operation, water systems to maintain, transportation systems to maintain. We are going to have to be able to keep the wheels turning and get this country with a new birth of freedom rolling again. Of course, that will be the Americans.

I am reminded, somebody said, war is terrible. I thought, yes, war is terrible. It is what gave us our independence, and it is what got rid of Nazism and fascism. War is terrible. But in the wake of war, only the Americans are generous and good and kind to the folks, even to the folks who ran the operations, the military operations against them.

Once again, I am reminded of the country of Japan, which after it had engaged in a sneak attack at Pearl Harbor and killed 5,000 American service people in that surprise attack, mutilated people, executed people in World War II, killed 30 percent of our POWs while they were incarcerated, we took that country, and they expected us to be as brutal to them as they had been to us.

America said, here is a Constitution. We have one requirement of you, you conquered people. They said, what is that? We said, be free, have access to our markets, sell anything you want in America. You do not have to buy anything from us; we will give you money. We will help you out when you need it, and we will provide for the next 50 years a defense umbrella to make sure that nobody engages in violence against this great nation of violence in World War II, the country of Japan.

We did the same thing to Germany; and after the two Germanys came together, a united Germany.

□ 2000

And that is the mission of this country, and people know that, too. And one of the great stories that represents, I think, is one that my mom and dad told me is when they had been ON a trip to the Philippines. They related being in Manila at the American Embassy when an anti-American demonstration was taking place and there were some organizers in this demonstration and they had some very carefully worded placards all with anti-American slogans on them. And they were paying people to march around with these slogans, ''Down with America.''

Well, my mom and dad looked at this long line of people at the embassy waiting to get their visas to come to the United States, and they noticed that the anti-American demonstration organizers would regularly go over to

the line of visa seekers, pay them money. The visa seekers would ask the person in front of them in line to hold their place, and they would then go out and take their placard that said ''Down with America,'' and they would march around for half an hour or an hour or so, and they would go back, give the placard back to the organizer, receive their money in payment and go back and get in line to get a visa to go to the good old United States of America.

Do people know what we are all about? Absolutely. And a little propaganda television from Saddam Hussein or any of the other people who want to paint us as evil folks cannot erase that and they cannot take that away. People are smart. And the people OF Iraq, when they do not have a gun to their head and when they know their families are safe, are going to turn in the right direction. That direction will be towards the United States of America.

Mrs. WILSON of New Mexico. There has been a lot of carping in the last few days about plans and a lot of criticism from folks who have not seen the plan and have not been briefed on the plan, do not know what the plan is but they are critical of it, and others who say, oh, well, you did not anticipate this in your plan. There is a quote I remember once from General Eisenhower. He said, ''Planning is indispensable because it gives you something from which to deviate.''

Any commander worth his salt will plan well and then will react to what is going on on the battlefield. I would be concerned if our commanders were sticking slavishly to a plan and not reacting to the things that were going on around them. The point is not the plan. The plan allows people to think through the potential problems. You cannot anticipate all of them, but they have done pretty well. And when they have not anticipated, they have relied on the ingenuity of the American soldiers to sort it out and their good commanders to give them the resources they need to get the job done.

And I know that there is a war, a battle in southwest Asia and we all know there is the battle of the Potomac as well. There are people with different agendas around this town who might be upset about the Crusader cancellation or the fact that there is a Marine as the SACEUR or that there is a Marine as the Vice Chairman of the Joint Chiefs of Staff instead of somebody who is wearing a different shade of green. There is a lot of bitterness and game playing going on in this town. And, frankly, there are a whole lot of us here who do not much like it, and we do not even respect it.

And I was glad that the Chairman of the Joint Chiefs of Staff, who is a pretty taciturn Kansan, was just about as blunt and direct as I have seen him yesterday and saying exactly what he thought about this kind of arm-chair quarterbacking by folks who had either long ago hung up the uniform or were still in it and calling themselves ''anonymous sources.'' No decent officer is an anonymous source. And I was very glad to see him put some of them right and defend exactly what his plan was in collective operations going on in southwest Asia.

So here is to you, the gentleman from Kansas, and thanks for standing up for what you believe in.

Mr. KINGSTON. It does seem that in Washington, D.C. you go from maybe major to lieutenant colonel to colonel to general to journalist. And it seems that after you have turned in your uniform, you get more information and you are briefed in more top secret stuff than when you were active. Because it is amazing, the ex-generals who now can tell people what the plan is; where I would kind of think that if you do have a plan, which obviously you may need to deviate from, but you sure do not share it with everybody and his brother, as much as these embedded journalists like to think that they are in the Army. The reality is there are certain things they do not need to know.

I wanted to say a little bit, one thing about this open society we have, this open war where the camera is right next to the rifle, it has got some good and it has some bad. But one thing that is seen over and over again is the United States' efforts to minimize collateral damage. And here you have Saddam Hussein who hides behind school children, who hides behind mosques, who takes his palaces into the civilian areas so that he can cower behind them. And even with that we minimize collateral damage.

But you know, it is really bad when you have groups like the U.N. who have a role to play on the treatment of our prisoners of war, and all Kofi Annan has done today is say he is worried about the collateral damage because a missile hit a marketplace in Baghdad. We do not even know if it was an American missile or not. Does he say, America is bending over backwards to minimize collateral damage? That is a good practice. And is it not too bad that Saddam Hussein is hiding behind civilians and children and women? Is it not too bad? And is it not too bad that the Iraqis put out white flags of surrender and then turn around and ambush and shoot troops? And is it not too bad that they parade American POWs out on worldwide television and even show executed prisoners of war on TV. Not one word from the U.N. on that, but let them come back one more time with one of these veiled criticisms of America.

I think one thing you have mentioned is people can do all the anti-American talk they want, when there is a problem in the world it goes to the United States of America to solve. And the biggest criticism we get is people do not like the way we try to solve problems. But can you imagine trying to turn to France, trying to turn to Germany, trying to turn to Russia, trying to turn to China to solve problems in the world today? What kind of world would we live in if Saddam Hussein could have continued to gain the U.N. and America blinked and backed down from the action that we are having right now?

Mr. HUNTER. On that point, it is interesting that since the days of World War II people have asked in schools and colleges and in family settings, how could the world stand by while Adolf Hitler gassed people to death in these gas chambers in places like Dachau and Auschwitz, and literally killed millions of people in such a horrible way, gassed them to death? How could the world stand by?

Well, the answer is, if you look at what happened to these Kurdish villages and you see the pictures, which we have all seen, of little Kurdish babies and their mothers lying on the ground after a heavy dose of poison gas by Chemical Ali, the gas-dispensing Minister of the Department of Defense of Iraq under Saddam Hussein, we see the answer.

You know what is interesting, after those Kurdish villages were gassed and those people were killed in that despicable manner, there were no demonstrations in Berlin or London or in liberal places throughout the United States. In fact, nobody, nobody in the world did anything except one country, the United States of America.

Now, we have missed some of these and one thing that I have regretted is seeing those bodies float down the Rwanda River after the massive massacres that took place in Africa where innocent people were killed in huge numbers and the United States, with all of our power, did nothing. And as a Member of Congress, I wish and I regret that I had done more, that I had taken an effort.

There are massacres that take place around this world and there are evil deeds that are done to people by dictators. And sometimes those dictators are beyond the means and the reach of the United States of America. We saw that, I think by British estimate, some 20 million people were executed by the Communist Chinese and actions were not taken by this country.

But in many cases we do act. This is one of those cases. So when those people asked the question about how you could stand by and watch Mr. Hitler commit the atrocities that he committed before and during World War II without taking action, the answer is that just recently thousands of people were gassed to death by an evil dictator, and no one in the world took action except the Americans and our allies.

And I want to mention the British and those folks that sided with this coalition, and there were lots of them. But the real message for us is if the United States does not lead the free world, the free world will not have a leader.

President Bush is manifesting that leadership right now in a very effective

way. And right by his side is Donald Rumsfeld and, of course, the Chairman of the Joint Chiefs who has been mentioned, General Myers. And of course we have that great American, very sharp, very smart, very effective in strategy and tactics, General Tommy Franks, leading this operation in the theater. With that team and with the team of all of the folks that wear the uniform of the United States, we are going to win this contest.

Once again, I want to thank this gentlewoman for bringing out not only the military operational effectiveness of this present campaign in Iraq, but also the campaign of goodwill that people in uniform are bringing to the people of that country, the good old GIs who by their values and by their demonstrations of kindness are winning a lot of folks over even as we speak.

Mrs. WILSON of New Mexico. I thank the chairman. And maybe the way for me to at least close my participation in this 1-hour Special Order that we are having tonight is with another e-mail. I think it shows the goodness of the American military. It is one thing to be great. We have a great American military who can do things that no other military in the world can do, the overwhelming power. But we also have a very good American military. And sometimes I think it is more important to be good than to be great.

This is an e-mail that was forwarded to me by a master gunnery sergeant. And master gunnery sergeants are not necessarily known for their softheartedness, although I think that is actually a myth. I think some of them are the softest-hearted guys. They are kind of like chocolate-covered marshmallows, tough on the outside but marshmallows on the inside.

It says, few things move me to get misty but there are a few, and this one did. He saw this and described it this morning on CNN. And he wrote it down in an e-mail, what he saw. He said, Martin Savage of CNN, embedded with the 1st Marine battalion, was talking with four young marines near his foxhole this morning live on CNN. He had been telling the story of how well the Marines had been looking out for and taking care of him since the war started. And he went on to tell about the many hardships that the Marines had endured. And he told them that he cleared it with their commanders to call home, for each one of the four to call home. And he turned to the first marine next to him, a 19-year-old kid and said, Who would you like to call? And he said, Well, sir, if you do not mind, I would like to allow my platoon sergeant to use my call. I would like to give my call to him to let him use it to call his pregnant wife back home who he had not been able to talk to for 3 months.

Savage was stunned. And the young man ran off to get his sergeant. And then he turned to the other three who were still there and he asked which one would like to call home first. And the marine closest to him responded, Sir, if it is all the same to you, we would like to call the parents of a buddy of ours, Lance Corporal Brian Buesing of Cedar Key, Florida. He was killed on the 23rd of March near Nasiriyah. We want to see how his parents are doing.

At that, Martin Savage was close to tears and unable to speak, and all he could say before signing off was, Where do they get young men like this?

I will tell you where we get them. We get them from Palestine, West Virginia and Saint Charles, Indiana; we get them from Sherwood, Oregon; Queens, New York; from Midland, Texas; from San Diego, California. We get them from Lee, Florida; from Adams, Colorado, and Mountainair, New Mexico.

Mr. Speaker, I thank the chairman for letting me join him here this evening.

Mr. HUNTER. Mr. Speaker, I thank the gentlewoman. The USA will prevail.

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REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1559, EMERGENCY WARTIME SUPPLEMENTAL APPROPRIATIONS ACT, 2003

Mr. SESSIONS, from the Committee on Rules, submitted a privileged report (Rept. No. 108–57) on the resolution (H. Res. 172) providing for consideration of the bill (H.R. 1559) making emergency wartime supplemental appropriations for the fiscal year ending September 30, 2003, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPUBLICAN BUDGET

The SPEAKER pro tempore (Mr. CHOCOLA). Under the Speaker's announced policy of January 7, 2003, the gentleman from Maryland (Mr. CUMMINGS) is recognized for 60 minutes.

Mr. CUMMINGS. Mr. Speaker, tonight I come with a heavy heart and come with members of the Congressional Black Caucus and some members of the Congressional Hispanic Caucus.

We come, Mr. Speaker, at a time when our country is at war; and we want to say from the outset that we support our troops with all our heart and that we spend our days and our prayer time praying that they will be kept safe.

At the same time, Mr. Speaker, on next Friday, it will be my sad duty to be with a gentleman named Michael Waters as he parts with his son Kendall Waters-Bey, Sergeant Kendall Waters-Bey for the last time. His son was one of the first young men to die in the Iraq war. As a matter of fact, Mr. Speaker, I was supposed to be meeting with the father of Kendall Waters-Bey tonight; but he, I am sure, would have preferred that I join the Congressional Black Caucus this evening in not only lifting up the name of his son but also lifting up the names of all of our people who are in our military who are giving their blood, sweat and tears and, in his case, his life.

So our sympathy goes out to all of those families who have lost loved ones. Our prayers go out to all of our military personnel and others who may have been harmed. Our prayers go out to all of those who find themselves in harm's way.

As I sat here, Mr. Speaker, listening to the previous hour, I could not help but think about the fact that the Republican budget cuts $28.3 billion in veterans benefits over 10 years, compared to the amount needed to maintain purchasing power in at the 2003 level. It hurts my heart. Of this $28.3 billion, $14.2 billion are cuts in health care, and there is a 3.8 percent cut in overall benefits.

Mr. Speaker, I ask how we could possibly, with a clear conscience, deny the tens of thousands of veterans that we just heard about. They will be veterans, too. How can we deny them these benefits?

So it gives me great pleasure to yield to the distinguished gentlewoman from the great State of Texas (Ms. EDDIE BERNICE JOHNSON), who has been a fighter with regard to standing up for what is right and has consistently been a conscience for this Congress and for the United States of America.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, let me express my appreciation for our Chair of the Congressional Black Caucus for organizing this hour tonight.

Mr. Speaker, sometimes when I hear the comments about the troops that we all strongly support, we forget that if they survive this war they will be veterans; and it is the veterans that we owe a great deal to for our freedom, but we really have left them behind in this budget.

So I rise to express my opposition to the Bush budget, because despite President Bush's pledge to leave no one behind, the budget has proposed leaving out over half of African Americans and Hispanic families; and this really is not compassion with conservatism, conserving resources for a very, very few.

Can my colleagues just imagine in less than 2 years, 2.5 million private jobs have been lost since January 20, 2001? The unemployment rate for African Americans has climbed 28 percent from 8.2 percent indicating really how African Americans will be disproportionately impacted by this budget. The employment rates for Hispanics is up by 33 percent.

I am from Dallas, Texas, where we have lost many jobs because we are very high tech in our employment. For every job lost in the high-tech field, there are three other jobs lost in low-income jobs because they are hired for cleaning homes, doing the yards, keeping the children; and we have a record number of foreclosures, not of poor people, but working people because they have lost their jobs.

This budget does not help because it is cutting adult training programs, the dislocated workers programs and the employment service State grants by $60 million below the 2003 enacted level, while freezing funding for youth employment activities at the 2003 enacted level. That is leaving most of the American people, the workers, the real taxpayers behind.

The budget leaves Americans behind on education. Vital programs like Head Start are taking tremendous cuts. Many more children should be enrolled in Head Start because we have said over and over again that education is so important for the future. The proposed budget provides $9.7 billion less than the amount promised in Leave No Child Behind.

The Bush budget proposes to cut the maximum Pell grant from $4,050 in 2003 to $4,000 in 2004, when he promised, in my presence, to some college presidents that the Pell grants are key to helping low-income young people to get to college. In fact, more than 45 percent of the African Americans and 40 percent of Hispanic students in 4-year public colleges and universities depend on Pell grants to make college affordable.

The budget essentially freezes the funding for the historically black graduate institutions to $53 million, and for Hispanic-serving institutions to $94 million at the 2003 enacted level, at a time when we encourage minority students, with everyone else, to get a better education. They have to get a better education in order to have a job. We are still the last hired and the first fired. So education really is essential, not just for jobs, but also to understand each other and to be able to relate to our diversity now.

It leaves our seniors very vulnerable, exhausting the Social Security trust fund over the next 10 years to try to fill in for this deficit that is, I cannot believe that we went from almost over a $1 trillion surplus to over a $1 trillion deficit in less than 3 years.

African American and Hispanic seniors are even more likely than others to rely solely on Social Security as their source of income upon retirement. The proposed budget does not even address Medicare increases for seniors, and yet I hear billions and billions being talked about, going out of the country, while we leave the American people at risk.

I am not opposed to foreign aid; but I do think homeland security is very, very important, and this is a part of homeland security. The American people want to feel safe, and safety has a lot to do with employment and education, but this budget does not seem to understand that.

Our college young people are coming home because parents have lost jobs, and they have to drop out of college, and they get home and find that the house has been foreclosed as well; but the President's budget makes many cuts in public housing, even though these funds are critical to making it possible for 1.7 million low-income families to have homes, and this is not all African Americans and all Hispanic. This is low-income Americans.

More than 45 percent of these residents are African American, and nearly 20 percent are Hispanic; and it is growing. So that is according to HUD's multifamily characteristics report.

The proposed budget eliminates funding for the HOPE VI program which replaces distressed low-income housing with new strong community housing. That also provides opportunities for homeownership. All of us know that when one invests in a home it brings about pride. It brings about new wealth, and it also brings about a good deal of safety because crime goes down, children are stable in homes. When they are using rental property, some young people, some kids, change schools three times in one school year. They cannot be caught up because every time somebody offers a month of free rent, the parents move to get that one month of free rent; but they are dislocating children, inconveniencing and handicapping our teachers, and disproportionately burdening our school systems because they cannot plan when we have a moving population at all times.

So, sadly, in a democratic Nation, we have also witnessed Americans being left behind with a vote. We worked from January 2001 until November last year, 2002, trying to get some kind of election reform so we can be sure of who we elect to office. The proposed budget offers $500 million in funding for election reform, undercutting the Help America Vote Act authorized at the level of $1.5 billion. That is how we distinguish what a democracy is. It is whether someone can speak out for whom they want as their leaders and make sure it is counted. The Help America Vote Act must be fully funded to ensure that every citizen's right to vote is protected. Every citizen, every citizen.

In fact, the Civil Rights Commission found that minorities, particularly African Americans, were the Americans most impacted by the loss of voting rights. They were the ones who were not counted well in Florida. If they had been, we might have a better economy, because it sure would not be the President that is over there now. It would have been the President that got elected; and unfortunately, this Bush budget does not address any of these concerns.

So homeland security involves a lot of things; but most importantly, it also involves our first responders. Firefighters, police, emergency medical personnel, all are in jeopardy because the Bush budget includes $4 billion less than what is required for them to do their jobs adequately.

We are in dismal shape in this country and everyone should be feeling it; and if they have not felt it yet, they will. We cannot afford to leave the Americans and their agenda without adequate security through education, housing, and a means to economically sustain themselves and their families.

As lawmakers, we have the responsibility to ensure that all Americans, including minorities, are able to move ahead to achieve the American dream: life, liberty and the pursuit of happiness.

We must reject this budget. It is clear that if the President's budget office has given out negative information about this budget, we know that others see it, feel it, and will never forget it.

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Mr. CUMMINGS. Mr. Speaker, I want to thank the gentlewoman for her statement.

Mr. Speaker, a lot of people have asked the question, why is it that members of the Congressional Black Caucus have decided to address the budget issues while the war is going on? And it is very simple. It is what the gentlewoman from Texas just said. Life goes on in this country. We believe very strongly that not only must we protect our country from outside forces, and, sadly, some home-grown forces, but we also realize that at the same time we have to make sure that we keep America strong.

As the gentlewoman said, when we talk about our children and a program like Head Start, it is so very, very important with this budget that so many of our children will be denied the opportunity to get that head start. When we look at an issue like the $215 billion of cuts in the House Republican's budget for Medicare and Medicaid, for school lunches and student loans, in agriculture and veterans programs, that is major. Major.

So while the war goes on, as the gentlewoman from Texas said, we have to make sure that when our veterans come home that they come home to a very strong America.

And speaking of a very strong American, it gives me great privilege to yield to the gentlewoman from the great State of California (Ms. LEE).

Ms. LEE. Mr. Speaker, I want to thank the gentleman from Maryland (Mr. CUMMINGS), our outstanding and very dedicated and very brilliant chairman of the Congressional Black Caucus, for his leadership and for his vision and for organizing once again this Special Order to really discuss the disastrous Republican budget and to examine the terrible toll it will take not only on communities of color but on our entire country as a whole.

As we support and pray for our troops, for their speedy and their safe return, I have to ask tonight what kind of America, what kind of opportunities and support will we provide for them upon their return? Our troops and our veterans deserve a sense of economic security. This Republican budget, however, demonstrates nothing less than a very profound disregard for the majority of Americans and for the future of

this Nation. It sacrifices our children, our seniors, our security, our veterans, our environment, and our economy in order to advance special interests and promote tax breaks for the wealthy.

This is a national mistake, and the repercussions of it will be felt in cities and rural communities and towns across America. They will certainly be felt in my district in northern California, where the high-tech economy has struggled, where housing costs are sky high, where seniors and veterans are struggling to pay medical costs and grocery bills, where seniors sometimes have to choose between their medication or buying food, where school infrastructure is crumbling, and where the State budget is reeling from the body blows struck by the recession.

In the last year, we have seen rising unemployment, escalating housing costs, and a floundering economy. We have seen, however, tax cuts for the rich that the President wants to make permanent, forever protecting the richest 1 percent at the expense of the rest of us. That is wrong. And now we see $1.6 trillion in additional tax cuts for the wealthy. Those tax cuts and those misplaced priorities help explain why this budget falls $4 billion short of the money we need to invest in homeland security according to nonpartisan experts. They help explain why this budget underfunds education, short-changing special ed, gutting after-school programs, freezing Pell grants and ultimately leaving millions of children far, far behind.

With the struggling economy and millions of Americans unemployed, this budget cuts spending for job training and employment programs and does nothing, absolutely nothing, to create new jobs. It also cuts funding for environmental programs, including badly needed enforcement programs at EPA that will safeguard our water supply and our children's health. Communities of color will continue to pay the highest price for pollution. This budget will only increase environmental injustices and the health costs it exacts every day.

In terms of energy, the budget reinforces our dependence on fossil fuels by cutting energy efficiency programs and assuming drilling in the Arctic National Wildlife Refuge. In energy, in education, in security, and in so many other areas, we should be investing in our future rather than bankrupting our children. With this budget, we will be spending as much on defense as the rest of the world combined. But, Mr. Speaker, $400 billion plus for defense that underfunds homeland security will not make us any safer.

We could put some of these resources, and we should put some of these resources into health care, but the Republican plan is not designed to expand health care access. For example, seniors would be herded into HMOs and forced to abandon their own doctors if they want prescription drug coverage. This budget threatens Medicare without offering real coverage. And again it will hit African Americans, Hispanic Americans and other minorities especially hard.

We have enormous health disparities in this country and this budget just makes them wider. Most of the 9 million children who lack health insurance in this country are minorities, children of color. Under this budget they remain uninsured. It even cuts Medicaid coverage for children. Cuts it. And it slashes funding for minority health programs.

Instead of spending billions on a faulty and unproven missile defense system, we should put more resources into housing, which is a national emergency and a national disgrace, but this budget cuts funding for public housing. It eliminates funding for the HOPE VI program to replace public housing structures that are in terrible condition. I ask you, without HOPE VI, what hope will those residents really have?

The credibility gap between the administration's rhetoric and its budget grows each and every day. The President promises an economic stimulus but offers tax cuts for the wealthy that leaves small business out of the picture, even though small businesses are the real engine for economic growth in this country. The President promises to leave no child behind, but then cuts nearly $1 billion of funding, $1 billion, Mr. Speaker, for elementary and secondary education. The budget cuts teacher quality programs and after-school programs for our kids and slashes Pell grants and Perkins loans that can transform college from an impossible dream into an actual diploma.

The President praises our troops, as we all do, but then decimates veterans programs, enacting cuts that will reduce cost-of-living increases for the veterans who are with us and who have served our country well. What a shame and what a sham. Our veterans deserve better. Again, rhetoric versus reality.

Look at the budget. It is about choices. We could choose to invest in our future, grow our economy, enhance our security, look out for our children, our senior citizens and those who are struggling economically, or we could, as the Republican budget has demonstrated, provide tax cuts for the multimillionaires and special interests.

I hope it is not too late to wake up America to the damage that is being done to our country, to our children, and to our future. That is the choice that the Republican budget offers. Once again, America, wake up to what is going on in Washington, D.C.

Mr. CUMMINGS. I want to thank the gentlewoman for that wonderful statement, Mr. Speaker, and I just want to emphasize something that she said, because we have heard so much about support of our troops. We all support our troops. But the fact still remains, and we need to say this over and over again, the Republican budget cuts $28.3 billion, billion, in veterans benefits over 10 years compared to the amount needed to maintain purchasing power at the 2003 level.

The gentlewoman talked about veterans, and I just wanted to emphasize that because that is so significant. We do not want to be a Congress that says one thing and does another. I think that is what the gentlewoman was emphasizing.

Ms. LEE. Well, Mr. Speaker, I thank the chairman, and, yes, I think this really highlights the credibility gap, this increasing credibility gap of this administration.

And as I say, with regard to our veterans, it is really a shame and a sham that this administration is cutting their benefits, cutting out their economic security that they so deserve. They have served our country well. Our troops deserve better upon their return, and we are going to fight this to the end, Mr. Chairman.

Mr. CUMMINGS. It is very painful when we go to the American Legion meetings and we see our veterans in parades and they meet us at the shopping centers, or wherever they see us, and so often they come to us with their concerns. I agree with the gentlewoman, if we are going to support our veterans, we have to support them with everything that we have. Clearly, when we are cutting $28.3 billion, and I emphasize that ''b,'' over a 10-year period, I do not know what kind of message that sends.

Ms. LEE. Mr. Chairman, I do not know what kind of message it sends, and also I do not think this administration remembers that we have many homeless veterans now who are just seeking shelter and a place to live. That, again, is a disgrace that we need to address in this budget. We need to address their access to health care and to housing and to all of those support services which they need. They fought for us and they deserve a decent life. They do not deserve to have their funding cut, as the President intends to do in this budget.

Mr. CUMMINGS. I thank the gentlewoman. It is my pleasure now, Mr. Speaker, speaking of veterans benefits and speaking of standing up for veterans over and over and over again, to yield to the gentlewoman from Florida (Ms. BROWN), who has been an 11-year veteran of the Committee on Veterans' Affairs.

Ms. CORRINE BROWN of Florida. Mr. Speaker, I want to thank the gentleman from Maryland for his leadership in organizing this Special Order, and to the members of the Congressional Black Caucus for participating.

Mr. Speaker, I have served on the Committee on Veterans' Affairs for 11 years, and I do not think I have ever been as outraged at the shameful act of this Republican leadership as I am today. On the same day that this House voted to commend our troops and the work that they are doing in Iraq, this same Republican leadership pushed through a veterans budget that cut the VA budget by almost $30 billion. Let me repeat that. Thirty billion dollars.

Republicans can talk the talk, but they do not walk the walk. Or as one veteran group says, they do not roll the roll. It is not what you say, Mr. Speaker, it is what you do.

Our troops today are tomorrow's veterans. These cuts mean the loss of almost 20,000 VA nurses at a time when we are already experiencing a nursing shortage. These cuts mean the loss of 6.6 million outpatient visits. These cuts mean the disenrollment of over 160,000 veterans in a 1-year period from the VA health care system.

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Not only that, but these cuts also mean reaching into the pockets of our Nation's service-connected veterans and robbing them and their survivors of a portion of the promised compensation. And the veterans are not the only unlucky recipients of the Republican budget ax. Elementary and secondary education as well as teacher quality programs also get the ax. Head Start and school lunch programs get the ax. The Office of Minority Health and the Ryan White program all get the ax.

Mr. Speaker, I do not have enough time here today to let the American people know about all the crucial programs that the Republican leadership does not think are more important than funneling money to their country club friends.

Mr. Speaker, this budget dishonors the service of millions of veterans and our Nation's commitment to care for its defenders. Mr. Speaker, I cannot express it any better than the Disabled American Veterans did so appropriately in testifying on this budget, and I quote, ''Is there no honor left in the hallowed halls of our government that you choose to dishonor the sacrifices of our Nation's heroes and rob our programs, health care, and disability compensation to pay for a tax cut for the wealthy? '' Let me repeat that again. Somebody out there needs to hear what I am saying.

The Disabled American Veterans, in testifying before the Committee on Veterans Affairs said, ''Is there no honor left in the hallowed halls of our government that you choose to dishonor the sacrifices of our Nation's heroes and rob our programs, health care and disability compensation to pay for tax cuts for the wealthy?''

Mr. Speaker, I call on all of my colleagues who so vocally supported the troops 2 weeks ago on the floor to stand up today and put their money where their mouth is. This budget is one of the best examples of what I call reverse Robin Hood, robbing from the poor to give tax breaks to the rich. Wake up, America.

Mr. CUMMINGS. Mr. Speaker, I thank the gentlewoman from Florida (Ms. CORRINE BROWN) for her statement, and I want to thank her for emphasizing our veterans when the gentlewoman said today they are soldiers, and tomorrow they are veterans. When we see those soldiers parting from their families to go overseas, when we see their interviews over in Iraq, some of them with sand in their faces and hot weather, giving up their lives, blood, sweat and tears for us, it seems to me that we would not want to do this double talk thing.

I am so glad the gentlewoman said what she said because a lot of times when we talk about the Congressional Black Caucus, people conclude that we are just talking about African American people, but we are talking about all veterans. I know that the gentlewoman has been fighting year after year, day after day. I have heard her so many times on this floor standing up for all of our veterans.

Ms. CORRINE BROWN of Florida. Mr. Speaker, we talk a great talk here, and on Veterans Day we are all involved in the parade; but what is very discouraging is when we get in the closed rooms of the conference and they say, well, we do not have enough. Well, the Bible tells us, and many of my colleagues talk about the Bible and the poor will always be with us, but our job in Congress is to help raise the standards.

How can we deny our veterans fighting for us today? They will come home tomorrow, they are going to need assistance and counseling, and yet we are cutting programs. It is a disgrace. I say, wake up, America.

One last thing as far as our veterans are concerned. Many of them are African Americans. They are fighting for this country today when we have a Commander in Chief who says you are good enough to go fight, but you are not good enough to go to our universities, and that is a disgrace. Wake up, America.

Mr. CUMMINGS. Mr. Speaker, I thank the gentlewoman for mentioning that. Over and over tonight we have been saying we support our soldiers, our men and women in the armed services, and we want to make sure that they come back to an America that is strong, an America that will support their families, an America that will support them when they have health care needs. I can think of no better person than the gentleman from New Jersey (Mr. PAYNE) to address those issues. The gentleman has constantly, like the gentlewoman from Florida (Ms. CORRINE BROWN), has stood up for veterans, but not only stood up for veterans, but stood up for people all over the world, traveling constantly to Africa and around the world trying to make sure that the entire world knows of the concern of not only the Congressional Black Caucus, but of the American people for people who may never even know all that he has done for them.

Mr. Speaker, I yield to the gentleman from New Jersey (Mr. PAYNE).

Mr. PAYNE. Mr. Speaker, I commend the gentleman from Maryland (Mr. CUMMINGS) for the leadership the gentleman has shown in the Congressional Black Caucus in the short time he has been our Chair. Just this past weekend the gentleman conducted a housing summit in Florida where the gentlewoman from Florida (Ms. CORRINE BROWN) had close to a thousand people during the weekend coming to a housing fair, and his participation in Houston, Texas, where he and the gentlewoman from Texas (Ms. JACKSON-LEE) talked about the fight against the Bush plan to end affirmative action. I think the great work that you have been doing is commendable; and as was just indicated, affirmative action is supported by many of the Fortune 500 companies. I spoke at a Black History Program at Merck in New Jersey, and mentioned seven or eight of the companies that were supporting affirmative action, and I failed to mention Merck, and as I finished my speech and came off the platform at their home office, they said we are part of that suit that supports affirmative action.

Our military generals, such as retired General Schwarzkopf, say we should keep affirmative action, especially because our troops need to see diversity in our leadership. As we talk about that, I would like to join with the gentleman in this question about the budget.

I rise to join my colleagues in expressing my grave concern about the budget plan approved by the Republican-controlled House of Representatives. With our Nation engaged in a military conflict overseas, we are told that this is a time of sacrifice on the part of Americans. Unfortunately, both in the military conflict and on the domestic front, sacrifices are being asked mainly from those at one end of the income scale. The fact is that the sons and daughters of wealthy Americans rarely serve in combat while minorities and lower-income men and women serve in disproportionate numbers. It is a time we as a Nation renew the spirit of shared sacrifice. That is what made us so strong in World War II, shared sacrifice, rationing of food, rationing of meats, fuel, price controls, wage controls. Everyone came together, and that effort during World War II made us and saved the world and rebuilt Europe, and Asia then began to strengthen itself. Shared sacrifice is what is fair, not what we are seeing today.

During this time of rising unemployment rates, we should be concentrating on creating jobs for those out of work rather than giving the wealthy more tax breaks through a $1.3 trillion tax cut. Is that fair? Is that shared sacrifice? I do not think so from my math.

Is it fair to approve a budget that cuts domestic appropriations by $244 billion over 10 years, below the amount needed to maintain services at the present level, and we know that services will need to increase, but at the present level cutting it $244 billion? All of the spending cuts will be used to finance the huge tax cut for the wealthy, for those at the country clubs, which most Americans say we should not do. Most Americans say we should not

have a tax cut at this time, but the Bush administration insists on a $1.3 trillion tax cut for the wealthiest of our Nation.

As a former teacher and as a member of the Committee on Education and the Workforce, I am deeply concerned about the fact that the Republican budget approved by the House of Representatives cut education by $2.1 billion in fiscal year 2004 and by $25.7 billion over the next 10 years, and that is below the Bush budget which freezes spending for education by failing to keep up with inflation or increasing enrollments. His budget did not give any increase, but the House Republican-approved budget cuts $25 billion below what President Bush asked for.

The House budget also fails to provide an increase for Head Start, despite the fact that the program is serving only 54 percent of those eligible 3- and 4-year-olds. We know there is a real problem with affordable housing in this Nation, and yet the Republicans drastically cut spending for housing. It is a shame. It is a disgrace.

The Bush administration budget eliminates funding for the Hope VI program, which displaces distressed low-income housing with new community housing. It is hope, Hope VI. That is what people are looking forward to. So what did they do, cut it out. Funding is slashed for the public housing capital fund by $71 million below fiscal year 2003. Rents have increased for thousands of tenants who receive Federal housing aid through minimum rent requirements for public housing and section 8 vouchers. Section 8 vouchers are for the truly poor in our community. That has been cut.

The Republican budget calls for $169 billion in cuts that could harm Medicare and Medicaid. By contrast, the budget put forth by the Congressional Black Caucus led by the gentleman from New York (Mr. OWENS) and the Progressive Caucus led by the gentlewoman from California (Ms. LEE) and the gentleman from Ohio (Mr. KUCINICH) implements the Medicare For All Program. That is what our budget did, a single payer, universal health care plan that guaranteed access to health care regardless of income. There are close to 70 million people now. The number grew from 40 to close to 70 million who are uninsured today. Where are we going as a Nation? Our budget, the Congressional Black Caucus and the Progressive Caucus budget, provides an economic stimulus plan that provides $20 billion in extended unemployment assistance and $50 billion for Federal revenue sharing with States, as well as $50 billion for needed infrastructure investment.

States need help. Our government has turned its back on our States. New Jersey has a $5 billion budget gap, Pennsylvania has one, as does California and New York. States are cutting budgets, and we are turning our backs on them. That is unfair.

We need to restore fairness to our Nation's veterans in gratitude for their service to our country. Our budget provides $3 billion over what the Bush administration allocates. Our plan would provide a substantial investment in school construction, in our Nation's teachers, in student loan programs. We would also create a national housing trust and restore the reckless cuts in housing put forth by the Bush administration, including Hope VI and the Public Housing Drug Elimination Program which has been eliminated.

Mr. Speaker, let us come together as a Nation and truly move forward in the spirit of shared sacrifice. Let us not continually target those who can least afford those severe cuts in order to fund a reckless, unfair tax cut tilted towards the wealthiest members of this society.

Mr. CUMMINGS. Mr. Speaker, I thank the gentleman, and I want to say when the gentleman talks, as a former teacher I know he can appreciate our children getting where they are supposed to be. I sit on the board of Morgan State University, and every year now as it is right now, we have to let go some 600 to 700 students every year. Why, because they do not have enough money to go to school. It is so sad with the Pell grant cut situation; it is going to make it even worse.

People ask me, why is the Congressional Black Caucus so concerned about this budget?

□ 2100

The reason why we are so concerned is because life has to go forth while we are also dealing with a war, and we also understand that a lot of these young people that I just talked about, and I am sure that the gentleman has them in his district, and I am sure that people who are watching this right now who do not have an idea of how they are going to pay for their college education, they may never, they may never get back in college, and their earning power is thus reduced. They cannot do for their families as well as they could have done if they had gotten the education, and it is so very painful to so many people.

So I want to thank the gentleman for all the things that he mentioned. It just kind of stood out in my mind because the gentleman talked about the Governors in various States, State budget suffering and we had our Republican Governor come down to meet with our delegation, and he gave us a book about that thick of things that he wanted from Congress. And as I began to flip through the book, I had to tell him the President and the Republicans have slashed just about every single thing he wants. So States are suffering tremendously. As a matter of fact, in the State of Maryland, it looks like we are going to have to go into extra days of session beyond our 90-day normal session just to figure out how to deal with the budget, and a lot of it is a result of this budget that we are dealing with on this Federal level.

Mr. PAYNE. Mr. Speaker, I thank the gentleman very much. As I met with our Governor, Governor McGreevey, a bright young man who for 2 years in a row had to cut $5 billion each year, does not want to raise taxes, refused to raise taxes, but cut funding for arts, cut funding for hospitals, cut funding for all kinds of programs. The Governors deserve better, whether they are Democrat or Republican Governors. The people in the State are saying really do not tread on us, but bring us in. As a matter of fact, in the first 13 original colonies, New Jersey's flag was a flag with a snake that said, ''Don't tread on us.'' We are treading on our States. It is unfair. It is wrong, and I wish that all the Governors, Republican and Democrat, would tell the unfair Bush tax cut, cut the tax cut, help the States. I thank the chairman.

Mr. CUMMINGS. Mr. Speaker, I thank the gentleman.

I yield to the distinguished gentleman from Virginia (Mr. SCOTT). We have often heard and we heard on this floor earlier tonight of people being very upset that there were people who were concerned about this war and expressing their concerns, and the gentleman from Virginia (Mr. SCOTT) has been one who has consistently stood up for our constitutional rights and has been a conscience of this Congress; and so it gives me great privilege to yield to the distinguished gentleman from the great State of Virginia (Mr. SCOTT).

Mr. SCOTT of Virginia. Mr. Speaker, I thank the gentleman from Maryland (Mr. CUMMINGS) for yielding.

We have heard a lot of adjectives and descriptions. Let me just show some charts that show where we are and why we have so much trouble in funding programs. And one cannot spin these charts. These charts show the numbers of the budget.

This chart shows the deficit over the past few years starting with the Johnson administration, Ford, Carter. Reagan and Bush, as everyone knows, generated a great deal of debt. These are the deficits. When President Clinton came in, we passed a budget in 1993 without a single Republican vote, 218 to 216 in the House, 50/50 with Vice President Gore breaking the tie in the Senate and creating a straight line, straight up until we generated a surplus.

The Republicans note that they were in the majority in much of this time. However, people will remember that their budgets were vetoed. They closed down the government. President Clinton would not sign their budgets because they were irresponsible. So the line kept going because President Clinton had enough Democrats to sustain the veto and those Republican budgets were not passed, were not enacted; and we have a straight line going up into surplus.

In 1 year in the Bush administration, when there was no veto on those irresponsible budgets, we had the deficit coming right back worse than it ever was. This chart was developed before the recent budget that we will consider

tomorrow, $70-some billion with no way to pay for it. So this red line will go almost off the chart.

What are the plans? The plans are we started with a surplus in 2000. In 2001 we spent all of the Medicare surplus. September 11 is 3 weeks before the end of the fiscal year; so there is nothing that could have been done in those 3 weeks. We had already gone into Medicare and almost into Social Security by September 10. In 2002 we are spending all the Medicare, all the Social Security surplus, and $160 billion in additional deficits. In 2003 it looks like we are going to spend all of the Medicare, all of the Social Security, and $300 billion in additional debt. As a matter of fact, we are going to spend Social Security and Medicare and hundreds of billions of dollars in debt as far as the eye can see.

How did all of this happen with this tax cut? Who gets the tax cut? The blue is the 2001 tax cut. The green is the proposed 2003 tax cut. My colleagues will see, and take my word for it, the lowest 20 percent do get some. There is a little bar there. We can hardly see it. The second 20 percent, the third 20 percent, the fourth 20 percent, the top 20 percent, what they get out of the tax cuts. This line right up to here shows the top 1 percent, the next 4 percent. So this is the top 5 percent population. The top 5 percent gets this much of the tax cut. We were told we had to do that for economic growth. This is a chart of economic growth since the Truman administration. Average growth of the Presidents, the worst growth since World War II as a result of that tax cut.

Most people who have any kind of retirement fund know what the stock market looks like. This is 2000, the average price on the Dow, the S&P and the NASDAQ collapsing right after we enacted those budgets. We ran up all that debt. My colleagues will notice that in the Clinton administration when he left, we had anticipated by 2008 paying off almost all of the debt held by the public so there would be almost no debt held by the public. Right now in 2008 it looks like we are going to have this much debt.

We have to pay interest on that debt. Here is the difference in interest that we are going to be paying over these years. We add up the difference of what we anticipated paying and, because we have no debt, what we are going to pay. By 2010 we would have paid an extra $1.6 trillion, with a T, trillion dollars in additional debt.

Let us make this personal, a family of four. Add up the whole interest on the national debt, divided by the population, multiplied by four, and what do you get? In 2003 a family of four's share of the interest on the national debt, not the national debt, the interest, $4,500. As my colleagues will remember, it was going to nothing; but instead, by 2008 it will be almost $6,500; by 2013, almost $7,500 interest on the national debt. We do not get anything for that.

This chart shows where we are with Social Security. Right now Social Security is paying a surplus. We are getting more into Social Security than we are paying out. 2017 we will break even, and then it gets worse. We will be paying almost $1 trillion a year more out in Social Security than we have coming in.

The thing about this chart that is interesting is the tax cut in 2001 already enacted was twice as big as necessary to pay Social Security for 75 years. In other words, if we cut taxes half as much in 2001 as we did and the other half receive the taxes and allocate it to Social Security, that half would have been enough to pay for Social Security for 75 years. But, instead, we are paying more interest on the national debt, and what happens? We have heard about the cuts in veterans benefits, cuts in heating assistance for low-income elderly, cuts in education.

The last 5 years or so, 4 or 5 years, average 12.3 percent increase in education, this year a cut in education, which means that we are going to be cutting school lunches. We are going to be cutting school loans and Pell grants at the time when States are increasing their tuition. With No Child Left Behind, the president went all over the country bragging about that authorization, but the money is not there to fully fund it.

I just want to ask how bad it has to get before somebody realizes that the budget is not working and we have to do something. We are cutting veterans benefits, housing, health care, and education.

Mr. CUMMINGS. Mr. Speaker, I thank the gentleman for that excellent presentation.

Mr. Speaker, I yield now to the distinguished gentleman from New York (Mr. OWENS), who is a leader in the area of education and has consistently stood up for our young people.

Mr. OWENS. Mr. Speaker, I thank the gentleman for organizing this Special Order. I think all Members should be listening and should get the kind of education we have just gotten from the gentleman from Virginia (Mr. SCOTT).

We have, the Congressional Black Caucus along with the Congressional Progressive Caucus, produced a budget, an alternative budget, to guide our people into understanding what the priorities should be. This is a budget which we call Leave No Family Behind because it addresses the needs of working families.

The New York Times just this past Sunday said that the military, the people who are fighting in Iraq right now, mirrors a working-class America. New York Times, Sunday, March 30, 2003. I urge all Members to get it and read it. It goes into an analysis of who is in the military in great detail. It is working families, representatives of working families. Those are the people who are fighting for America. It is our country as much as it is anybody else's country, and certainly the budget that the Republican majority has put forward starting with the president does not mirror a concern for working families. The concern is not there.

We have heard from my colleagues quite a number of examples of items that are being cut. I will not go through all of that again, but the fact that food stamps for low-income families are being cut drastically, temporary assistance to needy families is being cut. The members of these families are out there fighting. Student loans are being cut. Schools are going to have to close early in some States because the States are running out of money, and they should be the beneficiaries of revenue sharing which is proposed in our budget.

The Federal Government would give the States money to help them make up some of the gap in their budgets. We need a budget which reflects a concern for the working families, members who are out there fighting in Iraq for our country. We need to let them know that this country cares about them and appreciates them and the benefits of the Federal Government certainly are going to be there for them when they come home. That is not true in the President's budget proposed by the Republican majority. We need to make certain that between now and the time we pass the appropriations, we correct this great injustice, this great gap between what is needed for working families and what is there.

Mr. CUMMINGS. Mr. Speaker, I began this evening dedicating this hour to a young man from Baltimore, and I talked about how we wanted to make sure that we kept America strong for him although he has gone on, SGT Kendall Damon Waters-Bey. And the things that we have talked about tonight, Mr. Speaker, is about balance, balancing addressing our needs, for protecting ourselves from the outside, and for protecting ourselves from some home-grown enemies, and at the same time balancing our needs to take care of the American people.

It is so important to us in the Congressional Black Caucus that we focus in on this budget which, while it addresses a year or two now, it addresses expenditures for now, we realize that those expenditures that are made today or those cuts that are made today will affect people for a lifetime. A child only has 1 year to be in the first grade or to be in pre-K. If that child is denied Head Start, that might affect that child until she or he dies.

□ 2115

When it comes to prescription drugs and things of that nature, when our seniors simply want medicine and they cannot get it, it can affect them today and can cut their lives short immediately.

So we have come today to focus in on this budget. It is a budget that we have concluded is very unfair to the American people.

EDUCATING AMERICA ABOUT THE WARTIME SUPPLEMENTAL APPROPRIATIONS BILL

The SPEAKER pro tempore (Mr. CHOCOLA). Under a previous order of the House, the gentlewoman from California (Ms. WATERS) is recognized for 5 minutes.

Ms. WATERS. Mr. Speaker, I would like to first of all thank my colleague on the opposite side of the aisle for his generosity in granting me the opportunity to address the House prior to the hour that he has reserved for himself. I would also like to thank all of the Members of the Congressional Black Caucus for being here this evening to help highlight the problems with our budget.

I think that the case has been made. I think that the Members who came to the floor this evening were able to point out all of the devastating cuts in the President's budget that are going to wreak havoc on America. I think they have been able to make a very, very clear picture about what is happening in education, what is happening in housing, what is happening in health care. So I do not need to revisit all of that, but I would like to take time to talk about an action that I tried to take just earlier this evening.

Earlier this evening I went to what is known as our Committee on Rules. I went to the Committee on Rules because this is the committee that will decide whether or not we can amend the supplemental appropriations legislation that the President has asked us to pass in this House. The President has asked for supplemental appropriations legislation because the president needs to have more money to fund the war in Iraq. We understand, whether one agrees with the war or not, that once we deploy our soldiers it costs an awful lot of money. They have to be fed, their clothing, all of the supplies and the equipment, and I think every Member of this House is prepared to support our soldiers and the funding that is needed.

But, Mr. Speaker, as we examine the supplemental appropriations, one can readily see that there is something else going on in that appropriations bill. It is not simply a bill that is designed to support our soldiers and that war in Iraq. What it appears is we are literally paying some people off. We are rewarding some folks, maybe because they voted with us in the U.N., maybe because we want them to vote with us; certainly, Turkey is in the bill for $1 billion. But in addition to Turkey, what I discovered in the bill was money for Afghanistan, for Israel, for Jordan, for Bahrain, for Oman and Pakistan, Poland, Hungary, the Czech Republic, Estonia, Latvia, Lithuania, Bulgaria, Romania, Slovakia, Slovenia, Djibouti, the Philippines, Colombia, and on and on and on.

Now, I went to that committee because I decided that if they can fund all of these countries for whatever reasons, billions of dollars, and, in addition to that, Mr. Speaker, in this bill we will find a very generous allocation for educational needs for not only Afghanistan, but also for Iraq where we are talking about rehabilitating schools and providing building and rehabilitating buildings, and building new schools. We are also talking about providing health care. As a matter of fact, it is the universal health care system that we wish for in America that we will be providing to Iraq. I am not jealous of the fact that we have torn up the countries and we need to in fact do something about funding them.

So I went and I asked that we appropriate $5 billion for our rural and poor communities that need health care clinics and transportation systems to get people to the hospital, and that we fund urban communities so we can get rid of buildings that are burned out and that are boarded up and that have been standing for 35 and 40 years on land that we can have people investing in for growing these communities, if we could but clear them and package it so that we can do some economic development. Of course it is not going to be made in order.

But, in addition to a president's budget that is cutting and slashing domestic programs, now we have a supplemental appropriation that is asking for more money for all of these countries, I guess because they voted for us in the U.N.

Mr. Speaker, it is not right, and the people are going to want to know why we are doing this. We come to this floor tonight to do some educating.

IMMIGRATION REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from Colorado (Mr. TANCREDO) is recognized for 60 minutes.

Mr. TANCREDO. Mr. Speaker, I rise tonight to talk about the issue of immigration and immigration reform and a specific aspect of that particular problem that we face here in the United States. I have, over the course of the last couple of weeks anyway, tried to enter into a dialogue here; perhaps it is more of a monologue, I suppose, at this time of night and in this particular setting, and the discussion that I have tried to focus on is one that I believe is of paramount, or should be at least, of paramount importance to the Members of this body. It is true that I am concerned about that particular issue and I intend to spend at least most of the evening tonight discussing this particular point, and I should say more particularly, more specifically, the issue of the drug importation into this country which is allowed by the porous nature of our border and the various hazards that that poses, because there are a wide range of problems that confront us because our borders are porous.

We are going to explore these one at a time; we are going to take them in sections, I guess, if you will, and we are going to talk about, as I did last week, we are going to talk about the issue of national security and how that is affected by porous borders. We are going to talk this evening about the importation of illegal narcotics into the United States and how that threatens the country and how that phenomenon is made more, I guess prevalent, and it is, of course, much easier to import illegal narcotics into the United States because our borders are porous, and we are going to focus on that. And then we are going to talk about maybe in the next week or so, environmental degradation that comes as a result of millions of people crossing this border illegally and what they do to the land as they trespass upon it.

But let me just for a moment or two reflect upon some of the things that have been said in the prior hour by members of the Black Caucus.

Time and again we heard reference to the ''cuts'' that were part of the budget we passed, the Republicans introduced and passed in the House. And I am certainly not going to spend a lot of time talking about each of the issues, each of the different kinds of budget issues that were identified here, but I am going to talk for just a moment about one aspect of this, and that is, I think 13 or 14 times I heard the phrase ''cuts in funding for veterans.'' I am going to only focus on that to show my colleagues the difficulty of debating this kind of an issue and actually getting the facts out to the general public.

Now, if anybody did in fact hear the last hour, Mr. Speaker, they would think certainly that there has been a cut in funding to veterans, and actually proposed, that is to say, by the Republican budget. A cut not just to veterans, but to a whole host of groups, the elderly, children, schools, you name it. So let me just focus on this one point, just on veterans, in order to put this thing in some sort of perspective for anyone who was actually listening to that discussion.

Cuts in the budget to veterans. Cuts. Now, I am not sure exactly how Webster defines the word ''cut,'' but it has to do, I am sure, with a reduction from one level to another. I am just going to assume that. So if someone stands up in front of us and says there has been a cut proposed in the Republican budget for veterans, one assumes that the money that is being proposed to be spent for veterans benefits next year, 2004, is less than what is or what has been spent or will be spent in the 2003 fiscal year.

So that we again can actually understand what is going on here, let me tell my colleagues what the figures are. These are undeniable, undebatable; they are in black and white; they are produced for the public consumption by the printing office when it prepares these budgets. So anyone can determine whether or not I am being truthful here when I tell my colleagues that the budget for veterans for the fiscal

year 2003 was about $57 billion. I believe $57.6 billion, to be a little more specific.

Now let me tell my colleagues what the budget is for veterans for the year, in our budget, in the Republican budget for the fiscal year 2004. It is $61.6 billion.

Now, let me think. Let me think. Mr. Speaker, $57.6 is this year; $61.6 is next year proposed; somehow or other, only in this place, only in this kind of debate can we say things like the Republican budget is proposing a cut. I do not know how they come to that conclusion. It may be because they established for themselves some mythical number that should be in the budget of $100 billion, and then say, do you realize the Republicans have cut the budget for seniors by $40 billion? Because I think they should get $100 billion, therefore the proposed budget of $61 billion is a cut from my figure. Now, maybe that is what they meant. It is, of course, irrelevant because nobody does math like that; or perhaps, I should say, nobody does anything but fuzzy math in that way.

Or maybe it is a product of a school system. Maybe it is the fact that the schools are so bad, as was discussed in the last hour, that people simply cannot figure out, they cannot do the math and figure 57 minus 61; let me think, that is about, oh, yes, that is $4 billion. That is an increase proposed for the next fiscal year. So I am going to go out and say that because I wanted $70 billion or $100 billion, there is less money available, or that the Republicans had cut the budget.

Now, I am just pointing at that particular thing because it is really and truly an example of this entire debate. The president's budget, by the way, was a 4 percent increase, higher than inflation. It proposes a 4 percent overall increase for all Federal spending. An increase, I-N-C-R-E-A-S-E.

□ 2130

No matter how many ways we try to construct this debate, it is impossible if we do the math to figure out or to come to the conclusion, I should say, that there is a ''cut.'' Yet people can say things like that over and over and over and hope that somebody actually believes it. It is amazing. What a country, as the comedian says, what a country.

There is another aspect of that last debate that I wanted to bring up. It is a very, very controversial aspect. I certainly understand that what I am about to discuss here for a moment or two has that dimension, or that characteristic. It is controversial.

I am concerned about the fact that in this body, and certainly throughout the country, we do things that are designed, maybe not purposely, but certainly have the effect of pulling America apart, pulling us apart and putting us into camps as individuals. This is one of the issues that we deal with when we talk about immigration reform, and the problems with massive immigration into this Nation that occur simultaneously with the development of this philosophy of multiculturalism.

It is not just massive immigration into the United States that is problematic. We have, as a Nation, dealt with it over the last couple of hundred years. As a percentage of the population, it has risen; it has fallen. We have been able to deal with it. We would be able to deal with it even today, even though the numbers are far greater today. The massive immigration into this country exceeds, in just the numbers, anything we have ever witnessed before.

But I am sure that we could handle it if we did not have to also deal with, internally, this issue of, I would call it, a pernicious multiculturalist philosophy. What that philosophy boils down to is something like this: that, you know, the United States as a whole, as a Nation, cannot really be defined. America cannot really be defined easily if we are talking about a group of people that are coming together in support of and in a complete understanding of and an allegiance to a certain set of ideals and goals, because of course we are not a country of people that can easily be identified any other way.

We are not a people that you can look at and say, yes, he or she is an American. We do not know that, because we are people of different color and different religious perspective and cultural habits; and all the things other countries maybe have to hold them together we do not have in America.

People say diversity is our strength. Of course, there are certain positive aspects of diversity; but there are certain times when diversity, driven to the extreme, becomes something other than a positive aspect of our society. It is when we become pulled apart as a Nation and divided up along ethnic lines, as opposed to along the lines that would divide any other sort of republic; that is to say, along the lines of ideas: ideas about how we should be governed, ideas about what it is to be an American, some communal thing.

There can certainly be differences. Absolutely there are differences, as evidenced by the division in this House, right and left, conservative and liberal, Republican and Democrat. Those are good. They are healthy differences to be discussed, to be debated, and for the Nation to work through. Those are healthy differences, and I applaud them.

I wonder sometimes about those things that are designed, however, to divide us on other lines; not into camps based on ideas about how government should be formulated and how government should actually react to the citizens of this country and reflect their opinions. But we should in fact be divided on other lines: on racial lines, such as the Black Caucus, the Hispanic Caucus.

I respect every single person in this body. I respect people; and I certainly have great, great respect and love for my colleagues who serve here. I do believe that they are capable, competent individuals who have gained this seat in this body because of their individual abilities. They are, for the most part, I think, enormously competent people, and people who come to serve here for all the right reasons, because they want to do what they can to improve the quality of life for people who live in this country; but I hope it is for all the people who live in this country.

I am concerned to a certain extent about the division even in this body into groups that are based on things other than ideas, and that are based on things like race. Certainly, I would be opposed to a white or Anglo caucus, and certainly the media would go crazy. Everybody would say, what kind of a thing is that? That is a racist concept. I would have to agree that such a caucus would be, I think by its very nature, racist, because I do not think that the problems that confront the United States are problems that are uniquely black, white, or Hispanic. I believe they are problems that confront us as human beings.

I want to reiterate that I respect every single Member of this body, and certainly every member of the Black Caucus, every member of the Hispanic Caucus. But I do wonder about the kind of message that even the creation and existence of those caucuses, those two caucuses, what is the message that it sends, that we are as a Nation dividing up into these camps, and that it is appropriate to do so: white, black, Hispanic.

Mr. Speaker, I think that is a dangerous thing. It is one of the reasons why I do, in fact, take the floor often to talk about the implications of massive immigration that are combined with this multiculturalist philosophy that permeates our society, a multiculturalist philosophy that says there is nothing unique about America, or if there is anything unique, it is maybe about how bad it is compared to other cultures and civilizations; that there is nothing special about America.

It is the philosophy that we see in the textbooks of the children in our classrooms throughout this country that downplays American history, that downplays the role of Western Civilization in the development of world history, the positive aspects of Western Civilization, all of Western Civilization and the participants therein, be they black or brown or white or yellow.

Western Civilization offers much to the world and has provided enormous opportunities. Certainly there are warts. Certainly there are aspects of Western Civilization that we can condemn or criticize. But overall, overall, I think it can be said and empirically proved that Western Civilization has contributed far more than it has taken away from human liberty.

We should extol that virtue, especially, especially when Western Civilization is in fact under attack, which I believe it to be. Western Civilization is confronted by many rivals, and we are seeing some of those battles being played out, I must tell the Members, right now, I think, in Iraq, in Afghanistan, in other places in the world. Because, yes, I think part of what we are facing is a clash of civilizations. I believe Western Civilization and the values thereof are being confronted by other values.

Perhaps we can, for our purpose here for just a moment, describe those other values or those other concepts as fundamentalist, or radical Islam. I believe that Islamists, radical Islamists, are in fact threatening Western Civilization, confronting Western Civilization. I believe that what is happening even today in Iraq is a reflection of that conflict.

I know that what I am saying here tonight is controversial. It is certainly not politically correct. It will tend to make people respond with the usual epithets of ''ethnocentrism'' and ''racism.'' Those are the words that are usually used to describe a person who feels as though Western Civilization does have a significant role to play in the development of mankind, and intrinsically has a great positive benefit; but I believe it does. I believe it can be proven.

I believe there is nothing to be ashamed of in this, as being a sort of representative of Western Civilization; or a participant in, a member of, however we want to put it. There is nothing to be ashamed of, and I think there are many things to be proud of.

I am proud, but I do worry about all of those things that are part of this multiculturalist philosophy that tend to tear us apart and make us, therefore, less able to actually confront an opponent; in this case, fundamentalist Islam.

Islam, I should say, is not a monolithic entity. It is made up of over 1 billion people who have different opinions and attitudes and ideas, so I do not want to suggest that everyone who is of the Muslim faith is a foe of Western Civilization. But I will tell the Members that the fight we fight in Iraq and that we will be fighting after the war in Iraq ends and after Saddam Hussein is deposed, that war, it will go on; and it is a war that I think can be characterized accurately as a clash of civilizations.

So we have to know who we are, Mr. Speaker. We have to know exactly what it is that we as Americans and that we as representatives and leaders of Western Civilization are all about, whether the ideas and ideals of Western Civilization matter, whether or not they are worthy of the battle and of our defense.

I think they are. I do not mean for a second to suggest that people who come to the floor and who argue for their particular point of view, certainly because it differs from mine, are not as committed to this Nation and to its future as I am. I just would want to bring to the attention of the body this fear, this problem, this one aspect of that debate.

When it strays from a debate over ideas and into a debate that divides us up on racial or ethnic lines, this is, I think, problematic, to say the least. It is something that we need to talk about, to discuss in candor and without vitriol. It is something that we must not be afraid to talk about, even though, I admit, it is controversial.

Certainly there are a lot of people who will be on edge when we begin to discuss this thing, but perhaps that is not a bad thing. Putting Americans on edge when confronting these kinds of questions is perhaps not the worst thing in the world; and it is, perhaps, absolutely necessary.

We have to think about this: What does, in fact, tie us together? What makes us come together as Americans? Can we actually define what that means, American? Can we leave out any reference to the color of our skin or to our ethnicity in that definition? Can we, to paraphrase someone else, can we forget about the color of our skin and concentrate on the nature of our character?

That would be the ultimate goal, and that would be the most positive development and the most positive aspect of any debate over what is America, what is the definition of America, or Americanism.

□ 2145

It is worthy, I think, of our allegiance, but we have to tell our children about it. I hope that the President of the United States and leaders of this country, elected leaders and cultural leaders and people in the pulpits of the country, I hope all of them will think about the importance of advancing this concept of America as one Nation, as an ideal, an ideal that has many components and one of the wonderful aspects thereof is the ability to debate those ideas in a forum like this.

So I hope that I will be given some leeway by those who are listening in terms as they get very on edge, I guess I should say, about what I am saying here tonight. Let me suggest that it is important for us to discuss these topics in a way that I think would make us all better people and better Americans.

So with that let me go to the point or to the discussion now of the issue of immigration specifically, and even narrow it down to a greater extent to the problem we face as a Nation of porous borders and the amount of very dangerous things that come across those borders. And so tonight for the rest of the evening I am going to talk about just one aspect of porous borders and the problem with lax immigration laws, and that is what happens to the United States and in the United States as a result of those porous borders, and specifically as a result of the drugs that come across those borders.

First, I am going to take a look at the Canadian border. Now, it is an interesting thing that although marijuana is by far the drug that is trafficked across that border more than anything else, there is one little thing that is happening up there that is worthy of our attention. That is the amount of a different kind of narcotic, in this case methamphetamines, that are coming across the border.

This is a series of pictures of meth labs that we have uncovered on our border, on our northern border, and what we are finding is that there is an enormous amount of methamphetamine traffic from Canada to the United States. Due to the lack of legal control measures in Canada, both Canadian- and American-based drug traffickers are able to purchase chemical products used in making methamphetamines openly from legitimate distributors. So they buy the component parts of methamphetamine in Canada. They ship them into the United States. They are cooked. They are brought together in meth labs like this that we see all over the northern border States and some, as a matter of fact, down in the Southwest, but primarily again up in Canada. The drugs are put together in these meth labs and then transported farther inland in the United States, sold, and the money goes back to the drug cartels in Canada.

Now, here is one little interesting aspect of this whole thing that I think relatively few people may be aware of; that in Calgary, Canada, we now see a relatively large community of Muslims, about 25,000 in Calgary. There are about maybe 100,000 in Vancouver, and I am not sure, estimates are about a quarter of a million or so in Canada generally. But the 25,000 Muslims that are in Canada can be identified as the primary source of that drug trafficking activity into the United States.

I was on the northern border not too long ago. I was a guest of the Forest Service and the Border Patrol. They were telling me about this particular phenomenon. They were telling me about the group in Calgary, Canada, about how they transport the methamphetamine components into the United States, about how those components are put together in these meth labs, and how then the money goes back to the Muslim group inside Canada, and then that money is used to support terrorist activities and terrorist organizations all over the world. I confirmed this, when I got back, with Asa Hutchinson who is, I guess we can call him our drug czar, but a Member whom I served with some time ago and a Member for whom I have the greatest respect. And it is true. What I just told you is true. There is this group in Canada, primarily Muslims, who are the source of this methamphetamine trade into the United States.

Now, not only, of course, do we know the damage that this particular drug

does in the United States to our children and to adults, there is also an environmental component of this, and we will talk about that more at a different time, the environmental degradation of the land as a result of illegal immigration and of porous borders, but specifically with regard to this particular problem, the methamphetamine and the labs that are operating all over the northern part of the United States, that environmental degradation is caused by dumping of toxic by-products resulting from this methamphetamine production, and it is a very scary thing. It is a very costly thing.

On average, 5 or 6 pounds of toxic waste are produced for every pound of methamphetamine produced. It costs us about 3- or $4,000 every time we go into these areas and clean up these meth labs that are left around. They will dispose of much of these chemicals, by the way, in caves, in abandoned mines and that sort of thing. And the problem is, of course, people come across it, kids, hikers, whatever, will go in there, animals; the danger is great. These toxic chemicals are very, very dangerous, and very lethal.

In addition to the chemical and other kinds of threats to health and safety of officers in dismantling these laboratories, these sites often contain additional dangers such as blasting caps, dynamite, explosive booby traps, grenades, pipe bombs, and plastic explosives of a variety of kinds.

The Canadian border sometimes, well, we just are sometimes astounded by it. We cannot believe this is happening up there. We do not pay a lot of attention to it. The media does not pay a lot of attention to the porous nature of that particular border. But while I mentioned earlier that I was up there along the Canadian border, this was not too far from Bonners Ferry, Idaho, an incredibly beautiful part of the North American continent. And I went to the border to observe an exercise being conducted by 100 marines who had been sent up there to see what kind of technology we could employ along with the military to try to control just one section of the border there, just one little tiny, maybe 100 miles of border.

And while we were there, we were using by the way, I say ''we,'' I was really just an observer. But the marines were using three drones, unmanned aerial vehicles to patrol the skies over that border to identify people coming across that border. And by the way, this is the most rugged territory you have ever seen in your life. And there are no roads, and people coming across that border are usually coming because they would not be welcomed at the port of entry. And sure enough, while we were there, one evening a drone that was being operated, it was about 2 o'clock in the morning, it was being operated by this young marine, and it pops up on the monitor, on the screen there, some sort of activity on that border. And they closed in on it and found, I think it was four people coming across on ATVs, All Terrain Vehicles, carrying 4- or 500 pounds of narcotics on the back of these ATVs. And they were able to be interdict because we were using the military in conjunction with the Border Patrol and in conjunction with the Forest Service to apply technology and human resources to try to see whether or not we could actually control the border. Actually it worked.

We also, I was not there at the time, that same exercise was responsible for interdicting, as I understand it, a light plane that was carrying a lot of drugs. And planes are often used, of course, for the transportation of narcotics across that border. Oftentimes drugs are smuggled across the Canadian border commingled with legitimate cargo in commercial vehicles. For example, in February of 2001 a bus driver from British Columbia was arrested for transporting 135 kilos of Canadian-produced marijuana into Washington State aboard a tour bus. Marijuana was secreted inside garbage bags located in the spare tire compartment of the bus.

The Coast Guard seized 240 pounds of marijuana from a Canadian military vehicle that crossed the border from British Columbia in the Blaine port of entry.

Canadian Customs in Montreal discovered 350 kilos of cocaine concealed in pallets loaded with a shipment of coffee. The shipment which originated in Brazil was transported by vessel to the United States through the port of Philadelphia, then transported by tractor-trailer to Canada through the St-Bernard-de-Locolle port of entry on the northern end of Interstate 87.

The Office of National Drug Control Policy reports that drug smugglers along the northwestern corridor of the United States have been increasingly exploiting the open skies policy between the United States and Canada. Due to this agreement, law enforcement reports contain several examples of drug smuggling by aircraft from Canada to the United States. It occurs in a number of locations, including from British Columbia to Washington State, from the Vancouver area across the Idaho and Montana borders, across Lake Erie into Pennsylvania, and from Quebec to Maine.

In January 2001, law enforcement authorities in the Western United States arrested 13 members of a smuggling group that regularly transported and air-dropped a potent type of Canadian marijuana into Washington State via fixed-wing aircraft and helicopter. There is even intelligence that suggests four trafficking groups transporting Canadian-produced marijuana into Pennsylvania using small aircraft and a corporate jet.

As with the southern border, we are seeing a higher degree of technology being employed and of sophistication being employed by the people smuggling drugs across that northern border. Intelligence reports indicate that drug smugglers are increasingly using night vision optics, global positioning systems in order to navigate in remote areas.

Furthermore, again, not unique to just the northern border, but what we see is smugglers increasingly are carrying weapons to protect their cargo. This is of course a threat to any law enforcement officer that may approach them. You have to remember that most often they are being approached by Forest Service personnel, Park Rangers and other, who are really not being trained for this kind of thing. They are not really able to be the first line of defense against drug traffickers, narcotics smugglers into the United States. Their job has been mostly dealing with people who are violating some camping regulation or whatever. But they are not really all that prepared to deal with this enormous amount now of smuggling that is going on on our borders.

Now, the northern border, as I say, it has unique problems that we have to confront. Incredibly difficult terrain, a government in Canada that takes sort of a blind eye towards the issue of smuggling and narcotics in general. We have actually had, we have actually had Royal Canadian Police call our folks on our side of the border, both Forest Service personnel and Border Patrol people and say, look, we are chasing a load of drug smugglers into the United States. But we are going to let them go. We are not going to actually interdict them. We are just going to keep chasing them because we know if we stop them, they are going to be let loose by our government because our government does not care about drugs, especially when they are going into the United States. So they actually warn us so that we can interdict them as they get across the border and hopefully they will be charged, sent to prison, and pay for the crime. But the Canadian police know that their government will not do it, so they call us and ask us to help them.

Those are some of the unique problems on the Canadian border. Those are some of the problems we incur because our friends, the Canadians, are not so friendly when it comes to these border-related issues.

□ 2200

Canadian borders are themselves porous. People can come in and do often come into Canada, claiming refugee status. That is all they have to do, and at that point, they are admitted into Canada, and they are allowed, of course, to actually traverse Canada.

I have often joked, but it is not really much of a joke that Osama bin Laden could land. I am surprised in a way that one of the countries that are not offering some sort of refuge to Saddam Hussein, I am surprised it is not Canada or Mexico because frankly their immigration policies would indicate that they would be wide open to it. I said that it was not really a joke, but I have suggested that Osama bin Laden could shave off his beard, come into Canada, call himself Omar the Tent Maker or anybody else, not have to produce any document of identification, just claim refugee status. He

would be allowed to go into Canada, and of course, because our borders are porous and because we refuse to actually do anything to control those borders, he could come into the United States; and of course, people do by the thousands, by the hundreds of thousands, yes, by the millions.

We are focusing tonight on just the drug importation problem. It is a serious one, but it is certainly not the only problem that results from porous borders.

Now we are going to move to the southern border. Magnify everything I just told about that northern border by 50 times, and this is the problem we have on the southern border. The problem there is we not only have a government that looks the other way when it comes to drug smuggling activities, we have a government, a large portion of which is involved with the drug smuggling activity.

Mexican drug lords, backed by corrupt Mexican military officials and police officers, will move tons of marijuana, cocaine and heroin this year over rugged desert trails to accomplices in Phoenix and Tucson for shipment to willing buyers throughout the United States as per an article printed not too long ago in the Washington Times by Jerry Seper.

He goes on, ''Most of the smuggling routes pass through the Tohono O'odham Nation, a sprawling Indian reservation, where undermanned and outgunned tribal police will confiscate more than 100,000 pounds of illicit drugs this year, about 300 pounds a day.'' I am going to talk more about the Tohono O'odham Indian reservation in just a moment or two, but believe me, the problem is not just there, that 71-mile chunk of the border.

The people coming across that border, according to Detective Sergeant Kray says, again, they have become very, very sophisticated. They have two way radios, night vision gear, body armor, and carry automatic weapons. They put people on the hills to act as lookouts and use portable solar panels to power their communications equipment. They have powerful four wheel drive vehicles that are under orders not to stop, to shoot their way through if they have to.

This is an example of that sophistication, of that level of danger, I should say, that is developing on those borders. Oftentimes we have seen probably on television when the police are in a chase, the police in the United States are chasing someone, they will put out spikes and try to stop the car and blow up the tires. The drug traffickers are doing exactly the same thing, but only to us. When they are being chased, they throw out these spikes here behind them so as to puncture and disable the tires of the border patrol or law enforcement agents that are coming after them.

They will also put across the road these barriers. They will cut down trees. They will place rocks across the border to stop people, carjack them, take their vehicles, use them for drug transportation and then abandon them; and we can go across the Southwest, we can fly over the desert areas in Arizona and Mexico, and we will see cars, literally hundreds and hundreds of abandoned cars all over the desert.

These cars are oftentimes stolen from Americans, stolen from people who are just traveling in the area. As I say, they are carjacked. People are sometimes hurt in the process, sometimes killed. Their cars are taken, used in the drug transportation and then abandoned.

This article goes on to say that the smugglers, according to U.S. law enforcement authorities, often are protected by heavily armed Mexican military troops and police, who have paid handsomely for the privilege of escorting the drug traffickers and their illicit shipments across the border and into the United States. The drug lords are expected to spend more than $500 million this year in bribes and payoffs to a cadre of Mexican military generals and police officers to ensure that the illicit drugs reach their destination. Mexican smugglers will account for 80 percent, 80 percent of the cocaine and nearly half the heroin that reaches the streets of America this year.

Law enforcement authorities all along the U.S.-Mexico border are concerned about the involvement of Mexican military troops and police in the alien and drug smuggling business.

Another visual portrayal of that, 2001 Mexican military police incursions into the United States. Hear what I am saying. Mexican military and Mexican Federal police have come into the United States along these points. The blue arrows indicate the Mexican military, the red the Mexican police. The yellow are the ports of entry.

''Several officials said in interviews that Mexican police agencies along the border have been 'totally corrupted' by drug smugglers and that the corruption included a number of key Mexican generals and other commanders.

''Violence along the border, fueled by the drug trade, has spiralled out of control.''

Corruption among Mexican police is so extensive that, they said, some U.S. law enforcement agencies refuse to work with their Mexican counterparts. Mexican police officials have been tied not only to alien and drug smuggling, but also to numerous incidents of extortion, bribery, assault, kidnapping and murder along the border.

''Border patrol agents in Douglas, Arizona, were pulled from their duty stations after police in Aqua Prieta, Mexico, tipped U.S. authorities of a pending drug shipment. Supervisors were fearful of putting their agents in the middle of a shootout between rival drug gangs, each supported by competing Aqua Prieta police.''

This is absolutely incredible in a way, if we think about it. Members of a foreign military, members of a foreign government's military establishment and police establishment routinely cross our border for the purpose of aiding and abetting a drug trafficking cartel, actually several cartels.

We have had over 200 of these incursions since about 1997. I have written the President of Mexico. I have written the Secretary of State of the United States. I have asked our administration what do they intend to do about this. What they say periodically is we intend to bring it up at the highest levels of government. We know what that means. Let us define that down to regular speak, okay. Nothing, that is what we intend to do, nothing.

Because, of course, these issues, if understood by the American public, Mr. Speaker, would certainly arouse some degree of ire, and they would probably result in people suggesting to their congressional representatives, let us say, that something should be done about the border, that, in fact, if the Mexican Government can put troops on the border for the purposes of helping the narcotics traffickers into the United States, that certainly the United States could put American troops on our border for the purpose of protecting our own sovereign Nation, if it is sovereign anymore.

We have had instances where Mexican military and/or Mexican police have fired on and injured people in the United States, specifically our border patrol agents. A recent documented Mexican military incursion on May 17 of last year when a border patrol agent was fired on by three Mexican soldiers in a military HUMVEE near now what is known as the San Miguel Gate on the Tohono O'odham Indian reservation, I mentioned it earlier, about 30 miles northwest of Nogales. The gunfire, which erupted shortly after 8:30 p.m., shattered the rear window of the U.S. agents' four-wheel-drive vehicle.

An unnamed agent, after spotting the soldiers, sought to avoid a confrontation, according to U.S. authorities, and had turned his clearly marked green and white border patrol vehicle away from the HUMVEE when it was hit by gunfire. Mexican soldiers were armed with assault rifles. One bullet was deflected by the vehicle's prisoner partition located directly behind the agent's seat, and knocked out the right rear window. The agent involved had been on the job for about a year, authorities said. I actually interviewed this fellow when I went down and visited the border some weeks later.

Earlier that day, in the same area, border patrol agents had confiscated 2,200 pounds of drugs from a vehicle that had crossed into the United States, although a second vehicle escaped back into Mexico. I am sorry I am getting ahead of myself here because we get into some other very dangerous situations along that border.

Let me move ahead here. Let me talk a little bit about those cartels that I mentioned, the cartels in Mexico that actually control most of the drug

smuggling into the United States, five main cartels: the Arellano-Felix organization, the Vincente Carrillo-Fuentes organization, the Armando Valencia organization, the Miguel Caro-Quintero organization, and the Osiel Cardenas-Guillen organization. They are responsible for the majority of the cocaine, heroin, methamphetamine, marijuana, and precursor chemicals entering the United States.

In April 2000, an investigation revealed that Mexican marijuana organizations were working in conjunction with Jamaican traffickers in the United States. A large-scale Jamaican marijuana trafficking smuggling group had numerous distribution sales throughout the United States and a primary marijuana source supply Mexico-based traffickers with ties to Mexico and to these different organizations.

We have uncovered tunnels. There is no two ways about it. These organizations are very creative and industrious. We have identified a whole series of tunnels that were dug across the border near Nogales and other cities along our border with Mexico through which both people and drugs were smuggled.

Let me talk a moment or two about the Tohono O'odham Indian Reservation in Arizona because this is a microcosm of the problem we are facing. I just want my colleagues to think about it. What I am going to tell my colleagues here is just one little part. It shares just a 71-mile-long border with Mexico; and of course, our border with Mexico is close to 4,000 miles, so extrapolate this any way you want to.

''They're being overrun by illegal aliens. They're being overrun by drug smugglers. And they're caught in a war zone,'' says Judge Pogo Overmeyer of the Tohono Indian Nation courts.

Homes burglarized by illegals, deadly car wrecks caused by reckless smugglers, drug runners brandishing weapons as they demand help from the local people, this is daily fair on the reservation. Overmeyer said that she noted that Tohono O'odham police reported seizing 33,000 pounds of marijuana during the first 4 months of the year. During the same period, the police located 1,877 vehicles that smugglers had abandoned on the reservation.

One of the busiest smuggling routes through the reservation begins about 25 miles to the West where taxis finish a 15-minute run from the Mexican town of Sonoyta by depositing passengers at a flimsy border fence.

This is a little publication put out by the Tohono O'odham Indian Nation. Four separate land areas comprise 2.86 million acres, three counties, 75 miles, I said 71, 75 miles contiguous with Mexico, nine villages in Mexico.

Narcotics seized in 2002, 65,000 pounds. Illegal immigrant traffic, over 1,500 a day, 1,500 a day coming through there. Towing vehicles out of there, 30 to 40 a day. Refuse, trash, every immigrant leaves behind over 8 pounds a day, equal to 6 tons per year.

□ 2215

In just December of 2002, the Indian Nation, and this is a very small contingent of police on that reservation, they alone took in 5,400 illegals. They have spent millions and millions, $6.5 to $7 million, in treating illegals that are getting sick on the transportation, 85 cases of death, exposure, drug smuggling, other death investigations, homicides, vehicle towing, immigrant interaction cases and Sells Indian Hospital. Sells is the little community there that has a hospital. Treatment of illegal immigrants, over 50 cases a month, summertime over $500,000.

And these are not just Mexican nationals, they say. In 2002, over 200 undocumented immigrants were apprehended in the Nation that were not Mexican nationals. On August 6, the Tohono O'odham Police Department drug enforcement officers found a plane ticket stub dated August 21, 2001, a plane ticket paid for Yousif Abdelkaber, paid for in cash.

Mexican military incursions into the Indian reservation in March 1999, April 2000, January 6, May 17, February 7. All this on this little Indian nation. They are overrun. Their entire life has been destroyed. Their children are being taken into these cartels, sometimes forcibly, but oftentimes of course just led into it for the money. I saw 5-year-old children on this Indian reservation who were walking around stoned. These parents are going crazy. They do not know what to do. They cannot deal with the fact that they are being invaded essentially.

But let me tell you, they are just one part of that border problem. It is just a microcosm. We can identify it, we can quantify it, because it happens to be an Indian nation and they have their own organization. They have their own police department and they keep numbers and track of it, so we can do that there.

But let us talk about the Tucson area, where in the month of November of last year they accounted for 100,000 people. They stopped about 23,000, but 100,000 people came through there illegally. This is a picture of the plane flights coming out of Mexico. I do not know if this can be seen, but there are literally hundreds, thousands, of plane flights just in the last year.

In the green, these are all over the area here; these are fades, where we catch them on radar then they duck under and we do not see it. The blue are low flyers. The red are called short landings. Now, what these red are, that means we catch them, they land in the United States, and we see them back on the radar going back out in 15 to 20 minutes. These are all drug related, coming into the United States. Okay?

How about this? How about this? Talk about the creative and inventive nature of the drug cartels down there. They stole a vehicle, an SUV, and they painted it with Border Patrol logos. They found and were able to obtain government plates for this thing. They used it to transport drugs into the United States. They packed it full of marijuana, but we caught it. That was pretty smart, right, decking out a vehicle to look like a Border Patrol vehicle, and then using it to smuggle drugs in? But they are pretty stupid at the same time, because they are smuggling the drugs through at about 2 a.m. in the morning with their lights off, so we caught them.

This is the kind of thing that goes on and on, on that border. And here is what it ends up. We have a Park Service that is also under siege. We have a situation where 40 percent of our border on the southern border and 10 percent of the northern border are national parks. They were being inundated. They are being trashed. The drug traffickers are coming through. Sometimes there are caravans of people walking through; a guy with an M–16 on the front end, a whole bunch of people carrying 60 pounds of drugs in backpacks on their backs, and a guy with an M–16 on the back. Meantime, here is mom and dad in a Winnebago down in the Coronado or the Cactus Pipes National Park, and they are camped out, and all of a sudden they look out their camper window and see a whole bunch of people coming through with guns and drugs.

This is happening, and people are getting killed in these parks. The parks are being destroyed by these drug traffickers who could not care less about the land. They leave trash, they set the place on fire. When we were down there in the Coronado, a fire had been started by an illegal alien who had started the fire at night to keep warm, and then walked away from it. By the time I got back to Denver, 35,000 acres had been burned to the ground. This is what is happening on our southern border, yet we do not have much of an intention to do anything about it. And on the northern border, of course, this is what is happening to us.

And let me say this. This is a face I wanted all of my colleagues to remember. I want all of America to remember this face, Mr. Speaker, because this is the face of a gentleman by the name of Kris Eggle, who at the young age of 28, last August, was killed by drug traffickers.

A drug bust went down near the border. We got about 400 pounds of drugs that we confiscated. That drug load was not actually completed, because the guys that were responsible for it lost the load. We got it. The cartel sent somebody to take care of them. They killed four of them in Mexico, who were escaping across the border, and they ran into Kris Eggle, who was doing his job as a park ranger. He confronted them and they killed him.

I visited the spot where he died. I visited it with his father, who had been there four times to commemorate his son's death and to relive that experience. It is a difficult thing to do for anybody, but he did it because he does not want this death to go in vain, and I do not either.

These borders are porous. We refuse to protect them and we send people like Kris Eggle down there and we do it at their peril. This is a shame, Mr. Speaker; a shame that we do not defend these borders and defend the people we send into harm's way there. It is a war zone also.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MCINNIS (at the request of Mr. DELAY) for today on account of surgery.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SCHIFF) to revise and extend their remarks and include extraneous material:)

Mr. DEFAZIO, for 5 minutes, today.

Mr. SKELTON, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mr. MEEK of Florida, for 5 minutes, today.

Mr. SCHIFF, for 5 minutes, today.

Mr. CROWLEY, for 5 minutes, today.

Mr. CONYERS, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

(The following Members (at the request of Ms. GINNY BROWN-WAITE of Florida) to revise and extend their remarks and include extraneous material:)

Mr. HENSARLING, for 5 minutes, today.

Mr. NORWOOD, for 5 minutes, today.

Mr. SMITH of Michigan, for 5 minutes, today.

Mr. PETERSON of Pennsylvania, for 5 minutes, today.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Mr. ABERCROMBIE, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Ms. WATERS, for 5 minutes, today.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 704. An act to amend title 10, United States Code, to increase the amount of the death gratuity payable with respect to deceased members of the Armed Forces; to the Committee on Armed Services.

S. 711. An act to amend title 37, United States Code, to alleviate delay in the payment of the Selected Reserve reenlistment bonus to members of Selected Reserve who are mobilized; to the Committee on Armed Services.

S. 712. An act to amend title 10, United States Code, to provide Survivor Benefit Plan annuities for surviving spouses of Reserves not eligible for retirement who die from a cause incurred or aggravated while on inactive-duty training; to the Committee on Armed Services.

S. 718. An act to provide a monthly allotment of free telephone calling time to members of the United States armed forces stationed outside the United States who are directly supporting military operations in Iraq or Afghanistan; to the Committee on Armed Services.

ADJOURNMENT

Mr. TANCREDO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 22 minutes p.m.), the House adjourned until tomorrow, Thursday, April 3, 2003, 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:

1638. A letter from the Under Secretary, Comptroller, Department of Defense, transmitting certification that the current Future Years Defense Program fully funds the support costs associated with the CC-130J/KC-130J multiyear program, pursuant to 10 U.S.C. 2306b(i)(1)(A); to the Committee on Armed Services.

1639. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

1640. A communication from the President of the United States, transmitting the Third Annual Report on the Inter-American Convention Against Corruption; to the Committee on International Relations.

1641. A letter from the Comptroller General, General Accounting Office, transmitting the Month in Review: January 2003 Reports, Testimony, Correspondence, and Other Publications, pursuant to 31 U.S.C. 719(h); to the Committee on Government Reform.

1642. A letter from the Chairman, Federal Maritime Commission, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 2002, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform.

1643. A letter from the Chairman, Defense Nuclear Facilities Safety Board, transmitting the Board's Performance Report for FY 2002; to the Committee on Government Reform.

1644. A letter from the Secretary, Department of Homeland Security, transmitting a plan for ensuring the elimination, to the maximum extent practicable, of unwarranted disparities in the pay and benefits of employees being transferred to the Department of Homeland Security, pursuant to Public Law 107—296; to the Committee on Government Reform.

1645. A letter from the Secretary, Department of Transportation, transmitting the Secretary's Management Report on Management Decisions and Final Actions on Office of Inspector General Audit Recommendations for the period ending September 30, 2002; to the Committee on Government Reform.

1646. A letter from the Chair, Federal Election Commission, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 2002, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform.

1647. A letter from the Vice President for Legal Affairs, General Counsel and Corporate Secretary, Legal Services Corporation, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 2002, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform.

1648. A letter from the Chairman, Occupational Safety And Health Review Commission, transmitting the FY 2002 Annual Program Performance Report, required by the Government Performance and Results Act; to the Committee on Government Reform.

1649. A letter from the Board Members, Railroad Retirement Board, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the Calendar Year 2002, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform.

1650. A letter from the Chairman, Securities and Exchange Commission, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 2002, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform.

1651. A letter from the Chairman, Securities and Exchange Commission, transmitting the Commission's Government Performance and Results Act Annual Performance Report for FY 2002 and the Annual Performance Plan for FY 2004; to the Committee on Government Reform.

1652. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Pollock in Statistical Area 630 of the Gulf of Alaska [Docket No. 021122286-02; I.D. 030703B] received March 31, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1653. A letter from the Senior Staff Attorney, United States Court of Appeals, transmitting an opinion of the court; to the Committee on the Judiciary.

1654. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Drawbridge Operation Regulations; Palm Beach County Bridges, Atlantic Intracoastal Waterway, Palm Beach County, FL [CGD07-03-031] received March 24, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1655. A letter from the Secretary, Department of Transportation, transmitting notification regarding the Coast Guard's report on the Feasibility of Accelerating the Integrated Deepwater System; to the Committee on Transportation and Infrastructure.

1656. A letter from the Executive Vice President, Communications and Government Relations, Tennessee Valley Authority, transmitting a copy of the Authority's statistical summary for Fiscal Year 2002, pursuant to 16 U.S.C. 831h(a); to the Committee on Transportation and Infrastructure.

1657. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule — Tax-Exempt Bond Look Through (Rev. Proc. 2003-32, 2003-16 I.R.B.) received April 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

1658. A letter from the Under Secretaries of Defense, Department of Defense, transmitting the Department's report entitled, ''Plan for Improving the Personnel Management Policies and Procedures Applicable to the

Department of Defense Civilian Acquisition Workforce''; jointly to the Committees on Armed Services and Government Reform.

1659. A letter from the Vice Chairman, Federal Election Commission, transmitting the Commission's FY 2004 budget request, pursuant to 2 U.S.C. 437d(d)(1); jointly to the Committees on House Administration and Appropriations.

1660. A letter from the General Counsel, Department of Defense, transmitting the Department's legislative initiatives as a part of the National Defense Authorization Act for Fiscal Year 2004; jointly to the Committees on Armed Services, Science, Small Business, Government Reform, Education and the Workforce, International Relations, and Transportation and Infrastructure.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Florida: Committee on Appropriations. H.R. 1559. A bill making emergency wartime supplemental appropriations for the fiscal year ending September 30, 2003, and for other purposes (Rept. 108–55). Referred to the Committee of the Whole House on the State of the Union.

Mr. OXLEY: Committee on Financial Services. H.R. 1280. A bill to reauthorize the Defense Production Act of 1950, and for other purposes (Rept. 108–56). Referred to the Committee of the Whole House on the State of the Union.

Mrs. MYRICK: Committee on Rules. House Resolution 172. Resolution providing for consideration of the bill (H.R. 1559) making emergency wartime supplemental appropriations for the fiscal year ending September 30, 2003, and for other purposes (Rept. 108–57). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. ENGLISH (for himself, Mr. OBERSTAR, Mr. NEY, Mr. HOYER, Ms. DUNN, Ms. HART, Mr. LIPINSKI, Mr. DEFAZIO, Mr. MENENDEZ, and Mr. WEINER):

H.R. 1553. A bill to provide for additional temporary extended unemployment compensation for certain displaced workers; to the Committee on Ways and Means.

By Mr. FILNER:

H.R. 1554. A bill to amend title 38, United States Code, to make certain improvements to the National Service Life Insurance and United States Government Life Insurance programs, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. DOGGETT (for himself, Mr. ALLEN, Ms. BALDWIN, Mr. BECERRA, Mr. CROWLEY, Mr. DEFAZIO, Ms. DELAURO, Mr. FROST, Mr. JEFFERSON, Mrs. JONES of Ohio, Mr. KLECZKA, Mr. LEVIN, Mr. LEWIS of Georgia, Mr. MCDERMOTT, Mr. MCGOVERN, Mr. MCNULTY, Mr. MARKEY, Mr. MATSUI, Mr. GEORGE MILLER of California, Mr. NEAL of Massachusetts, Ms. LORETTA SANCHEZ of California, Mr. SANDERS, Mr. SHERMAN, Ms. SLAUGHTER, Ms. SOLIS, Mr. STARK, Mr. TIERNEY, and Mr. WAXMAN):

H.R. 1555. A bill to amend the Internal Revenue Code of 1986 to curb tax abuses by disallowing tax benefits claimed to arise from transactions without substantial economic substance, and for other purposes; to the Committee on Ways and Means.

By Mr. DOGGETT (for himself, Mr. ALLEN, Ms. BALDWIN, Ms. BERKLEY, Ms. BORDALLO, Mr. BROWN of Ohio, Ms. CARSON of Indiana, Ms. DELAURO, Mr. EMANUEL, Mr. FILNER, Mr. GRIJALVA, Mrs. JONES of Ohio, Ms. LEE, Mr. LEWIS of Georgia, Mrs. MALONEY, Mr. MATSUI, Mr. MCDERMOTT, Ms. NORTON, Mr. OWENS, Mr. SANDERS, Ms. SLAUGHTER, Ms. SOLIS, Mr. STARK, Mr. TIERNEY, Mr. WAXMAN, and Ms. WOOLSEY):

H.R. 1556. A bill to amend the Internal Revenue Code of 1986 to require greater transparency of corporate tax accounting measures, to facilitate analysis of financial statements, to permit inspection of true corporate tax liability and understand the tax strategies undertaken by corporations, to discourage abusive tax sheltering activities, and to restore investor confidence in publicly traded corporations; to the Committee on Ways and Means.

By Mr. DOGGETT (for himself, Mr. BROWN of Ohio, Ms. DELAURO, Mr. GONZALEZ, Ms. EDDIE BERNICE JOHNSON of Texas, Mrs. JONES of Ohio, Mr. LEWIS of Georgia, Mrs. MALONEY, Mr. MATSUI, Mr. MCDERMOTT, Mr. NEAL of Massachusetts, Mr. POMEROY, Mr. RANGEL, Mr. SANDERS, Mr. SANDLIN, Ms. SCHAKOWSKY, Mr. SHERMAN, Ms. SLAUGHTER, and Mr. STARK):

H.R. 1557. A bill to amend the Internal Revenue Code of 1986 to allow the Secretary of the Treasury to disclose taxpayer identity information through mass communications to notify persons entitled to tax refunds; to the Committee on Ways and Means.

By Mr. DOGGETT (for himself, Ms. DELAURO, Mr. LEWIS of Georgia, Mr. NEAL of Massachusetts, Mr. SANDERS, Mr. SANDLIN, and Mr. STARK):

H.R. 1558. A bill to amend the Internal Revenue Code of 1986 to allow a married couple conducting an unincorporated trade or business to elect out of partnership status; to the Committee on Ways and Means.

By Mr. YOUNG of Florida:

H.R. 1559. A bill making emergency wartime supplemental appropriations for the fiscal year ending September 30, 2003, and for other purposes.

By Mr. DUNCAN (for himself and Mr. YOUNG of Alaska):

H.R. 1560. A bill to amend the Federal Water Pollution Control Act to authorize appropriations for State water pollution control revolving funds, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. SMITH of Texas (for himself and Mr. BERMAN) (both by request):

H.R. 1561. A bill to amend title 35, United States Code, with respect to patent fees, and for other purposes; to the Committee on the Judiciary.

By Mr. BEAUPREZ (for himself, Mr. SMITH of New Jersey, Mr. EVANS, Mr. SIMMONS, and Mr. RODRIGUEZ):

H.R. 1562. A bill to amend title 38, United States Code, to enhance the authority of the Department of Veterans Affairs to recover costs of medical care furnished to veterans and other persons by the Department from third parties that provide health insurance coverage to such veterans and other persons; to the Committee on Veterans' Affairs.

By Mr. ACKERMAN (for himself, Mr. ROHRABACHER, Ms. LEE, Mr. KILDEE, Ms. LOFGREN, Mr. SCHIFF, Mr. MCNULTY, Mr. LEWIS of California, Mr. WU, Mr. ISRAEL, Ms. BERKLEY, and Mr. BARTLETT of Maryland):

H.R. 1563. A bill to require engine coolant and antifreeze to contain a bittering agent so as to render it unpalatable; to the Committee on Energy and Commerce.

By Mr. ALLEN (for himself and Mr. MICHAUD):

H.R. 1564. A bill to provide for the full funding of the Individuals with Disabilities Education Act and the No Child Left Behind Act of 2001, and for other purposes; to the Committee on Appropriations, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. BALDWIN (for herself, Ms. LEE, Mr. FROST, Mr. SANDERS, Mrs. JONES of Ohio, Mr. MCDERMOTT, and Mr. CONYERS):

H.R. 1565. A bill to establish a National Center for Military Deployment Health Research in the Department of Health and Human Services to provide an independent means for the conduct and coordination of research into issues relating to the deployment of members of the Armed Forces overseas, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committees on Veterans' Affairs, the Budget, and Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. COBLE:

H.R. 1566. A bill to replace the existing Federal price support and quota programs for flue-cured and burley tobacco with a licensing program designed to assist the actual producers of flue-cured and burley tobacco, and for other purposes; to the Committee on Agriculture.

By Mr. DEAL of Georgia:

H.R. 1567. A bill to amend the Immigration and Nationality Act to deny citizenship at birth to children born in the United States of parents who are not citizens or permanent resident aliens; to the Committee on the Judiciary.

By Mr. DOOLEY of California (for himself, Mrs. TAUSCHER, Mr. KIND, Mr. DAVIS of Florida, Mr. SMITH of Washington, Mr. STENHOLM, Mr. EMANUEL, Mr. COOPER, Mr. HILL, Mr. FORD, Mr. PETERSON of Minnesota, Mr. CARDOZA, Mr. CASE, Mr. CRAMER, Mr. MOORE, Ms. HARMAN, Mr. MILLER of North Carolina, Mr. DAVIS of Alabama, Mrs. MCCARTHY of New York, Mr. ISRAEL, Mr. WU, Mr. MARSHALL, Mr. LUCAS of Kentucky, Mr. MATHESON, and Mr. LARSEN of Washington):

H.R. 1568. A bill to amend part B of title XVIII of the Social Security Act to provide for a prescription drug benefit with a high deductible at no additional premium and access to discount prices on drugs and to provide for the operation of such benefit without a deductible for certain low-income Medicare beneficiaries; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GARRETT of New Jersey:

H.R. 1569. A bill to designate the facility of the United States Postal Service located on Kinderkamack Road in Emerson, New Jersey, as the ''Gary Albero Post Office Building''; to the Committee on Government Reform.

By Mr. JOHN:

H.R. 1570. A bill to accelerate natural gas exploration, development, and production from oil and gas wells drilled to deep depths on existing lease tracts on the Outer Continental Shelf, and for other purposes; to the Committee on Resources.

By Mrs. MALONEY:

H.R. 1571. A bill to amend title 13, United States Code, to provide that the term of office of the Director of the Census shall be 5 years; to provide that the Director of the Census report directly to the Secretary of Commerce, and for other purposes; to the Committee on Government Reform.

By Mr. MILLER of Florida:

H.R. 1572. A bill to designate the historic Federal District Court Building located at 100 North Palafox Street in Pensacola, Florida, as the ''Winston E. Arnow Federal Building''; to the Committee on Transportation and Infrastructure.

By Mr. PASCRELL (for himself, Mr. COSTELLO, Ms. NORTON, Mr. MCGOVERN, Mr. DOYLE, Mr. HOLDEN, Mr. WAXMAN, Ms. WOOLSEY, Ms. WATSON, Mr. FALEOMAVAEGA, Mr. HINCHEY, Mr. THOMPSON of Mississippi, Ms. LEE, Mr. OLVER, Ms. SLAUGHTER, Mr. LIPINSKI, Ms. BORDALLO, Mr. CASE, Ms. SCHAKOWSKY, and Mr. CAPUANO):

H.R. 1573. A bill to amend the Truth in Lending Act to require credit card issuers to mail monthly statements at least 30 days before the due date of the next payment, and for other purposes; to the Committee on Financial Services.

By Mr. PAUL:

H.R. 1574. A bill to amend the Farm Security and Rural Investment Act of 2002 to require, as a condition on the receipt of direct payments or counter-cyclical payments under such Act for rice produced by tenants and sharecroppers in Texas, that the producers on the farm agree to retain the rice cropland in production for the next crop year; to the Committee on Agriculture.

By Mr. PAUL:

H.R. 1575. A bill to amend the Internal Revenue Code of 1986 to provide assistance with elementary and secondary educational costs to parents of children with disabilities; to the Committee on Ways and Means.

By Mr. STARK (for himself and Mr. HOLT):

H.R. 1576. A bill to amend the Individuals with Disabilities Education Act to establish a method to provide outcome-based funding increases to States, and for other purposes; to the Committee on Education and the Workforce.

By Mr. TANCREDO (for himself and Mr. HOEKSTRA):

H.R. 1577. A bill to designate the visitors' center in Organ Pipe National Monument in Arizona as the ''Kris Eggle Memorial Visitors' Center'', and for other purposes; to the Committee on Resources.

By Mr. UDALL of Colorado:

H.R. 1578. A bill to promote and coordinate global change research, and for other purposes; to the Committee on Science, and in addition to the Committees on the Budget, and International Relations, 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. HONDA (for himself, Mr. RADANOVICH, Mr. ABERCROMBIE, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. LEE, Ms. WOOLSEY, Ms. NORTON, Ms. LOFGREN, Mr. FILNER, Ms. CARSON of Indiana, Mr. MCDERMOTT, Mr. WU, Mr. TOWNS, Ms. CORRINE BROWN of Florida, Mr. GEORGE MILLER of California, Ms. ROYBAL-ALLARD, Mr. GONZALEZ, Mr. CASE, Mr. KIND, Mr. CONYERS, Mr. MCGOVERN, Ms. WATSON, Mr. BACA, Mrs. NAPOLITANO, Mr. MATSUI, Mr. SCOTT of Virginia, Mr. SANDERS, Ms. BERKLEY, Mr. FRANK of Massachusetts, Mr. NEY, Mr. GRIJALVA, Ms. JACKSON-LEE of Texas, Mr. WYNN, Mr. LARSON of Connecticut, Ms. SOLIS, Ms. MILLENDER-MCDONALD, Mr. RANGEL, and Ms. BORDALLO):

H.J. Res. 45. A joint resolution posthumously proclaiming soldiers of Asian descent who fought in the Civil War to be honorary citizens of the United States; to the Committee on the Judiciary.

By Ms. LOFGREN:

H. Con. Res. 135. Concurrent resolution expressing the sense of Congress that secondary schools should begin classes no earlier than 8:30 in the morning; to the Committee on Education and the Workforce.

By Mr. BRADLEY of New Hampshire (for himself and Mr. ALLEN):

H. Res. 170. A resolution recognizing the 40th anniversary of the sinking of the U.S.S. Thresher; to the Committee on Armed Services.

By Mr. OBERSTAR (for himself, Mr. SABO, Mr. RAMSTAD, Mr. PETERSON of Minnesota, Mr. GUTKNECHT, Ms. MCCOLLUM, Mr. KENNEDY of Minnesota, and Mr. KLINE):

H. Res. 171. A resolution commending the University of Minnesota Duluth Bulldogs for winning the NCAA 2003 National Collegiate Women's Ice Hockey Championship; to the Committee on Education and the Workforce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII,

Mr. ISAKSON introduced a bill (H.R. 1579) to authorize the vessel Stad Amsterdam to carry certain persons who are not directly and substantially connected with the operation, navigation, ownership, or business of the vessel; which was referred to the Committee on Transportation and Infrastructure.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 20: Mr. GERLACH, Mr. PRICE of North Carolina, Mr. MILLER of North Carolina, Mr. MEEK of Florida, Mr. THOMPSON of California, and Mr. ENGEL.

H.R. 25: Mr. FRANKS of Arizona, Mr. BONILLA, and Mr. LEWIS of California.

H.R. 49: Mr. GALLEGLY, Mr. DEMINT, and Mr. HUNTER.

H.R. 58: Mr. BOSWELL, Mr. HOEFFEL, Mrs. JO ANN DAVIS of Virginia, Ms. KAPTUR, Mr. FATTAH, and Mr. HAYES.

H.R. 100: Mr. BILIRAKIS, Ms. CORRINE BROWN of Florida, Mr. RODRIGUEZ, Ms. HOOLEY of Oregon, Mr. STRICKLAND, Ms. BERKLEY, Mr. HOLDEN, Mr. GEORGE MILLER of California, Mr. MURPHY, Mr. RENZI, Mr. UDALL of New Mexico, Mr. ABERCROMBIE, and Mr. RYAN of Ohio.

H.R. 135: Mrs. NAPOLITANO and Mr. DOOLITTLE.

H.R. 218: Mr. ABERCROMBIE, Mr. KENNEDY of Rhode Island, Mr. CRENSHAW, Mr. ISRAEL, Mr. HERGER, Mr. GOSS, Mr. ROGERS of Michigan, and Mr. CLAY.

H.R. 303: Mr. MARSHALL, Mr. PASCRELL, Mr. WALDEN of Oregon, Mr. UDALL of Colorado, Mr. FORD, Ms. WATERS, and Mr. GUTIERREZ.

H.R. 306: Mr. TAYLOR of Mississippi.

H.R. 348: Mr. RYAN of Ohio.

H.R. 428: Mrs. MUSGRAVE and Mr. LEACH.

H.R. 445: Ms. LORETTA SANCHEZ of California.

H.R. 463: Ms. GINNY BROWN-WAITE of Florida and Mr. EHLERS.

H.R. 489: Mr. BURGESS.

H.R. 533: Mr. STUPAK.

H.R. 543: Mr. HASTINGS of Washington, Mr. SENSENBRENNER, and Mr. TERRY.

H.R. 716: Mr. ISRAEL, Mr. DUNCAN, Mr. PASTOR, Mrs. CAPITO, Mr. FROST, Ms. NORTON, and Mr. MARKEY.

H.R. 717: Mr. ETHERIDGE.

H.R. 752: Mr. ISRAEL.

H.R. 775: Ms. HART.

H.R. 779: Mr. FILNER and Ms. SCHAKOWSKY.

H.R. 826: Ms. ESHOO.

H.R. 832: Ms. CARSON of Indiana and Mr. LAMPSON.

H.R. 850: Mr. BISHOP of Georgia.

H.R. 857: Mr. FATTAH.

H.R. 870: Mr. HERGER.

H.R. 876: Mr. GOODE, Mr. ROSS, Ms. GINNY BROWN-WAITE of Florida, Mr. HERGER, and Mr. PASCRELL.

H.R. 879: Ms. CORRINE BROWN of Florida, Mr. BISHOP of Georgia, and Ms. GINNY BROWN-WAITE of Florida.

H.R. 887: Mr. BILIRAKIS.

H.R. 898: Mr. TURNER of Texas, Mr. DICKS, Mr. THOMPSON of California, Mr. DOOLEY of California, Mr. ABERCROMBIE, Mr. ORTIZ, Mr. PASTOR, Mr. FROST, and Mr. BAIRD.

H.R. 937: Mr. LUCAS of Kentucky.

H.R. 941: Mr. ENGEL.

H.R. 973: Mr. KIRK.

H.R. 983: Mr. MCDERMOTT and Mr. MEEKS of New York.

H.R. 990: Mr. CARSON of Oklahoma, Mr. LUCAS of Kentucky, Mr. PLATTS, Mr. TURNER of Texas, Mr. WILSON of South Carolina, Ms. GINNY BROWN-WAITE of Florida, Mr. SCHROCK, Mr. GINGREY, Mrs. MILLER of Michigan, Mr. JANKLOW, Mr. CHOCOLA, Mr. BARRETT of South Carolina, Mr. BAKER, and Mr. NETHERCUTT.

H.R. 1008: Mr. GRAVES.

H.R. 1040: Mr. FARR, Mrs. CHRISTENSEN, Mr. DAVIS of Illinois, Mr. HINCHEY, Ms. JACKSON-LEE of Texas, Mrs. JONES of Ohio, Ms. KILPATRICK, Mr. OWENS, Mr. PAYNE, Mr. SANDERS, Ms. SCHAKOWSKY, Mr. TOWNS, Ms. WOOLSEY, Mr. CLAY, Mr. BALLANCE, Mr. LEWIS of Georgia, Ms. WATSON, Mr. JEFFERSON, Mr. MEEKS of New York, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. HASTINGS of Florida, Mr. RANGEL, Mr. SCOTT of Georgia, Mr. THOMPSON of Mississippi, and Ms. CARSON of Indiana.

H.R. 1083: Mr. GORDON, Mr. GRIJALVA, Mr. WYNN, and Ms. KAPTUR.

H.R. 1102: Mr. STUPAK, Mr. DOOLEY of California, and Mr. GEPHARDT.

H.R. 1103: Ms. ESHOO.

H.R. 1115: Mr. SHAYS.

H.R. 1119: Mr. BOOZMAN.

H.R. 1148: Mr. BLUMENAUER, Mr. HONDA, and Mr. LATOURETTE.

H.R. 1157: Mr. PASCRELL.

H.R. 1179: Mr. PAUL and Mr. WICKER.

H.R. 1181: Mr. NORWOOD.

H.R. 1182: Mr. SHAW.

H.R. 1229: Mr. SMITH of New Jersey, Mr. FEENEY, Mr. TANCREDO, Mr. ADERHOLT, Ms. GINNY BROWN-WAITE of Florida, Mr. WILSON of South Carolina, Mr. BARRETT of South Carolina, and Mr. PAUL.

H.R. 1231: Mr. EVANS, Mr. FARR, Mr. BOOZMAN, Ms. BERKLEY, Mr. BONNER, Ms. LORETTA SANCHEZ of California, Ms. ESHOO, Mr. GIBBONS, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. JEFFERSON, Mr. JACKSON of Illinois, Mr. BARTLETT of Maryland, and Mr. LINCOLN DIAZ-BALART of Florida.

H.R. 1252: Mr. FRANKS of Arizona.

H.R. 1321: Mr. HINCHEY and Mr. FALEOMAVAEGA.

H.R. 1355: Mr. GEORGE MILLER of California, Mrs. JONES of Ohio, Ms. BORDALLO, and Ms. SCHAKOWSKY.

H.R. 1409: Mr. HAYWORTH.

H.R. 1422: Mr. GORDON.

H.R. 1426: Mr. HONDA, Ms. LEE, Mr. CARSON of Oklahoma, Ms. NORTON, and Mr. KENNEDY of Rhode Island.

H.R. 1429: Mr. MILLER of North Carolina, Mr. MCGOVERN, Mr. ENGEL, and Mrs. JONES of Ohio.

H.R. 1442: Mr. PORTER, Mr. FROST, Mr. FRANK of Massachusetts, Mr. PETERSON of Pennsylvania, Ms. PELOSI, Mrs. CHRISTENSEN, Mr. BEAUPREZ, and Mr. WOLF.

H.R. 1470: Ms. NORTON.

H.R. 1472: Mr. DOYLE.

H.R. 1477: Mr. GRIJALVA, Mr. HONDA, and Mr. NADLER.

H.R. 1479: Mr. HUNTER.

H.R. 1511: Mr. GINGREY, Mr. ROGERS of Michigan, Mr. FOLEY, Mr. BLUNT, Ms. HARRIS, Mr. FRANKS of Arizona, Mrs. MUSGRAVE, Ms. ROS-LEHTINEN, Mr. KIRK, Mr. BEAUPREZ, Mr. GERLACH, Ms. DUNN, Mr. RENZI, Mr. FLAKE, Mr. WELLER, Mr. BOOZMAN, Mr. SAM JOHNSON of Texas, Mr. HAYWORTH, Mr. SHAW, Mr. HAYES, Mr. SHAYS, and Mr. WILSON of South Carolina.

H.J. Res. 37: Mr. BASS.

H. Con. Res. 103: Mr. OTTER.

H. Con. Res. 121: Mrs. JONES of Ohio and Mr. FROST.

H. Con. Res. 122: Mr. HOEFFEL, Mr. SKELTON, and Mr. ALLEN.

H. Res. 56: Mr. ETHERIDGE, Mr. KUCINICH, and Mr. WAXMAN.

H. Res. 60: Mr. PAYNE, Mr. COSTELLO, Ms. BERKLEY, Mr. EVANS, Mr. RYAN of Ohio, and Mr. JONES of North Carolina.

H. Res. 127: Mr. COMBEST.

H. Res. 149: Mr. CARDIN.

H. Res. 154: Mr. BALLENGER, Ms. BERKLEY, Mr. BURTON of Indiana, Mr. CASTLE, Mr. DOOLEY of California, Mr. ENGLISH, Mr. FORBES, Mr. GOODE, Mr. HOUGHTON, Mr. KING of New York, Mr. MANZULLO, Mr. MCCOTTER, Mr. MCNULTY, Mr. MILLER of Florida, Mr. NEY, Mr. OXLEY, Mr. PENCE, Mr. PITTS, Mr. SAXTON, Mr. SCHROCK, Mr. SHERMAN, Mr. STENHOLM, Mr. WELLER, Mr. WILSON of South Carolina, Mr. WOLF, Mr. WYNN, Mr. SMITH of Michigan, and Mr. SCHIFF.

H. Res. 165: Ms. BERKLEY.

DELETONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Uncer clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 660: Mrs. CHRISTENSEN.

H.R. 857: Mr. SMITH of Washington.

H.R. 1014: Mrs. CHRISTENSEN.

H. Res. 59: Ms. LORETTA SANCHEZ of California.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 1559

OFFERED BY: MR. MCGOVERN

AMENDMENT NO. 1: In chapter 3 of title I, in the item relating to ''DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE'', after the aggregate dollar amount, insert the following: ''(reduced by $34,000,000)''.

In chapter 4 of title I, in the item relating to ''ANDEAN COUNTERDRUG INITIATIVE'', after the aggregate dollar amount, insert the following: ''(reduced by $27,000,000)''.

In chapter 5 of title I, in the item relating to ''OFFICE FOR DOMESTIC PREPAREDNESS'', after the first and second dollar amounts, insert the following: ''(increased by $61,000,000)''.

H.R. 1559

OFFERED BY: MR. MCGOVERN

AMENDMENT NO. 2: In chapter 3 of title I, in the item relating to ''DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE'', after the aggregate dollar amount, insert the following: ''(reduced by $34,000,000)''.

In chapter 4 of title I, in the item relating to ''ANDEAN COUNTERDRUG INITIATIVE'', after the aggregate dollar amount, insert the following: ''(reduced by $27,000,000)''.

In chapter 5 of title I, in the item relating to ''OFFICE FOR DOMESTIC PREPAREDNESS'', after the first and second dollar amounts, insert the following: ''(increased by $34,000,000)''.

H.R. 1559

OFFERED BY: MS. MILLENDER-MCDONALD

AMENDMENT NO. 3: Page ___, after line ___, insert the following:

SEC. ___. (a) DEFINITIONS.—In this section, the following definitions apply:

(1) FRONTLINE TRANSIT EMPLOYEE.—The term ''frontline transit employee'' means an employee of a mass transportation agency who is a bus driver, transit operator, transit maintenance employee, or community representative or is otherwise employed in a position with direct interaction with the public.

(2) ELIGIBLE TRANSPORTATION AGENCY.—The term ''eligible transportation agency'' means a designated recipient as defined in section 5307(a) of title 49, United States Code, and any other transportation agency designated by the Secretary.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of Homeland Security.

(b) PUBLIC TRANSPORTATION SYSTEMS VULNERABILITY ASSESSMENTS.—

(1) ASSESSMENT.—The Secretary, in consultation with the heads of other appropriate Federal departments and agencies, shall—

(A) conduct a review of all government assessments conducted after September 11, 2001, of terrorist-related threats to all forms of public transportation, including public gathering areas related to public transportation; and

(B) as necessary, conduct additional assessments of vulnerabilities associated with any public transportation system.

(2) ADEQUACY OF TRAINING.—In conducting the review and assessments under paragraph (1), the Secretary shall determine the percentage of frontline transit employees who have received training in emergency preparedness and response activities.

(3) REPORTS.—

(A) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall transmit to the President and Congress a report on the results of the review and assessments conducted under this paragraph (1), including the Secretary's finding under paragraph (2), and the Secretary's recommendations for legislative and administrative actions.

(B) UPDATES.—The Secretary shall update the report, including the Secretary's finding under paragraph (2), annually for 2 years and transmit the updated reports to the President and Congress.

(c) GRANTS FOR EMERGENCY PREPAREDNESS AND RESPONSE TRAINING OF FRONTLINE TRANSIT EMPLOYEES.—

(1) IN GENERAL.—The Secretary may make grants to eligible transportation agencies for—

(A) the training of frontline transit employees in emergency preparedness and response activities; and

(B) the acquisition of equipment and technologies, approved by the Secretary, to assist in carrying out such training and activities.

(2) TRAINING ACTIVITIES.—Training activities under paragraph (1)(A) may include the teaching of best practice methods, planning, testing, drills, and the development of agency and regional emergency preparedness and response programs.

(3) APPLICATIONS.—To be eligible for a grant under this subsection, an eligible transportation agency shall submit to the Secretary an application at the time and containing the information that the Secretary requires by regulation.

(4) TERMS AND CONDITIONS.—A grant to an eligible transportation agency in a fiscal year under this subsection shall be subject to the following terms and conditions:

(A) EMERGENCY MANAGEMENT COMMITTEE.—The agency shall certify that the agency will establish a committee on emergency preparedness and response training consisting of at least one frontline transit employee representative and at least one management employee representative. The committee shall be composed of an equal number of frontline transit employee representatives and management employee representatives. Committee positions shall not be vacant for any period in the fiscal year of more than 30 days.

(B) REPORT.—The agency shall agree to submit to the Secretary before the last day of the fiscal year a report on the use of the grant, including a statement of the number of frontline transit employees receiving training under the grant.

(5) ALLOCATION OF GRANT AMOUNTS.—The Secretary shall allocate amounts made available for grants under this subsection in a fiscal year among eligible transportation agencies based on the needs of the agencies for emergency preparedness and response training and equipment. Not less than 10 percent of such amounts shall be allocated to eligible transportation agencies in non-urban areas.

(6) FEDERAL SHARE.—The Federal share of the cost of activities funded using amounts from a grant under this subsection may not exceed 90 percent.

(7) REGULATIONS.—Not later than 6 months after the date of enactment of this Act, the Secretary shall issue final regulations to carry out this subsection.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $8,000,000 per fiscal year for each of fiscal years 2004, 2005, and 2006. Such amounts shall remain available until expended.

H.R. 1559

OFFERED BY: MS. MILLENDER-MCDONALD

AMENDMENT NO. 4: Page ___, after line ___, insert the following:

SEC. ___. (a) FRONTLINE TRANSIT EMPLOYEE DEFINED.—In this section, the term ''frontline transit employee'' means an employee of a mass transportation agency who is a bus driver, transit operator, transit maintenance employee, or community representative or is otherwise employed in a position with direct interaction with the public.

(b) PUBLIC TRANSPORTATION SYSTEMS VULNERABILITY ASSESSMENTS.—

(1) ASSESSMENT.—The Secretary of Homeland Security, in consultation with the heads of other appropriate Federal departments and agencies, shall—

(A) conduct a review of all government assessments conducted after September 11, 2001, of terrorist-related threats to all forms of public transportation, including public gathering areas related to public transportation; and

(B) as necessary, conduct additional assessments of vulnerabilities associated with any public transportation system.

(2) ADEQUACY OF TRAINING.—In conducting the review and assessments under paragraph (1), the Secretary shall determine the percentage of frontline transit employees who have received training in emergency preparedness and response activities.

(3) REPORTS.—

(A) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall transmit to the President and Congress a report on the results of the review and assessments conducted under this paragraph (1), including the Secretary's finding under paragraph (2), and the Secretary's recommendations for legislative and administrative actions.

(B) UPDATES.—The Secretary shall update the report, including the Secretary's finding under paragraph (2), annually for 2 years and transmit the updated reports to the President and Congress.

H.R. 1559

OFFERED BY: MR. EMANUEL

AMENDMENT NO. 5: At the end of the bill (before the short title), insert the following:

TITLE ___

FINANCIAL ASSISTANCE

SEC. ___. (a) PAYMENTS TO STATE AND LOCAL GOVERNMENTS.—The Secretary of the Treasury shall, in accordance with the provisions in this title, make payments to States and local governments to coordinate budget related actions by such governments with Federal Government efforts to stimulate economic recovery.

(b) APPROPRIATION.—There is appropriated to the Secretary of the Treasury $1,700,000,000 for fiscal year 2003 for payments under this title.

ALLOCATION

SEC. ___. The Secretary of the Treasury shall establish a formula, within 30 days after the date of the enactment of this Act, for determining the allocation of payments under this title. The formula shall give priority weight to the following factors:

(1) The unemployment rate in relation to the national average unemployment rate.

(2) The duration of the unemployment rate above such average.

(3) Median income.

(4) Population.

USE OF FUNDS BY STATE AND LOCAL GOVERNMENTS

SEC. ___. (a) IN GENERAL.—Funds received under this title may be used only for priority expenditures. For purposes of this title, the term ''priority expenditures'' means only—

(1) ordinary and necessary maintenance and operating expenses for—

(A) primary, secondary, or higher education including school building renovation;

(B) public safety;

(C) public health, including hospitals and public health laboratories;

(D) social services for the poor or aged;

(E) roads, transportation and water infrastructure; and

(F) housing; and

(2) ordinary and necessary capital expenditures authorized by law.

(b) CERTIFICATIONS BY STATE AND LOCAL GOVERNMENTS.—The Secretary of the Treasury may accept a certification by the chief executive officer of a State or local government that the State or local government has used the funds received by it under this title only for priority expenditures, unless the Secretary determines that such certification is not sufficiently reliable to enable the Secretary to carry out this title. The Secretary shall prescribe by rule the time and manner in which the certification must be filed.

EMERGENCY DESINGATION

SEC. ___. The entire amount provided by this title is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985.

H.R. 1559

OFFERED BY: MR. EMANUEL

AMENDMENT NO. 6: At the end of the bill (before the short title), insert the following:

TITLE ___

EXECUTIVE OFFICE OF THE PRESIDENT

UNANTICIPATED NEEDS

EMERGENCY RESPONSE FUND

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to detect, prepare for, prevent, protect against, or respond to a potential terrorist attack, $8,000,000,000, to remain available until December 31, 2003: *Provided*, That such funds may be transferred to any authorized Federal Government activity for such purposes: *Provided further*, That the Director of the Office of Management and Budget shall notify the Committees on Appropriations at least 15 days prior to transfer of any amount of such funds.

H.R. 1559

OFFERED BY: MS. WATERS

AMENDMENT NO. 7: At the end of the bill (before the short title), insert the following:

REQUIREMENT THAT UNITED STATES URGE THE INTER-AMERICAN DEVELOPMENT BANK TO RESUME LENDING TO HAITI

SEC. ___. The Secretary of the Treasury shall direct the United States Executive Director at the Inter-American Development Bank to use the voice, vote, and influence of the United States to urge the Inter-American Development Bank to immediately resume lending to Haiti, and disburse all loans to Haiti that have been approved by the Inter-American Development Bank.

H.R. 1559

OFFERED BY: MS. WATERS

AMENDMENT NO: 8: At the end of the bill (before the short title), insert the following:

SEC.___. (a) LIMITING CONFLICTS OF INTEREST.—If an officer described in subsection (b) was, at any time during the covered period, a member of the board of directors of a company or a senior management official of a company, such officer may not—

(1) be present at, or participate in any way in, any negotiation of a contract for the procurement of goods or services by the Federal Government with such company or any exercise of authority in connection with an existing contract with such company (other than to delegate authority to another officer); and

(2) otherwise directly or indirectly communicate with such company, or any officer or employee of such company, during the period any such negotiation is in progress or the exercise of authority is being considered.

(b) DESIGNATED OFFICERS.—The following officers are described in this subsection for purposes of subsection (a): the President, the Vice President, the Secretary of State, the Secretary of Defense, the Attorney General, the Secretary of Homeland Security, the Secretary of Commerce, the Assistant to the President for National Security Affairs, the Senior Advisor to the President, the Director of Central Intelligence, the Director of the Federal Bureau of Investigation, the Deputy Secretary of Defense, and the Administrator of the United States Agency for International Development.

(c) COVERED PERIOD.—For purposes of subsection (a), the term ''covered period'' means the 4-year period preceding the beginning of a negotiation of a contract or the exercise of authority in connection with an existing contract.

H.R. 1559

OFFERED BY: MS. WATERS

AMENDMENT NO. 9: At the end of title ___, insert the following new item:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT FUND

For an additional amount for the ''Community Development Fund'' for assistance to States and units of general local government for carrying out a variety of development and renewal projects, $5,000,000,000, to remain available until expended: *Provided*, That such funds may be used only for urban and rural development and renewal projects that are designed to provide resources to urban and rural communities, to create jobs and economic opportunities, and to facilitate community growth, including projects for housing rehabilitation and construction, construction and development of health clinics, water projects, and transportation systems, acquisition and demolition of dilapidated buildings, and urban reconstruction and environmental cleanup: *Provided further*, That in administering such funds, the Secretary of Housing and Urban Development may waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of such funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a finding that such waiver is required to facilitate the use of such funds: *Provided further*, That the Secretary may request the head of any appropriate agency to administer the use of the funds for any project, in lieu of or in conjunction with the Secretary, if the Secretary determines that such agency has more appropriate experience and expertise with respect to such project: *Provided further*, That such funds shall not adversely affect the amount of any formula assistance received by any State or unit general local government or any categorical application for other Federal assistance: *Provided further*, That the Secretary shall publish in the Federal Register any waiver of any statute or regulation that the Secretary administers pursuant to title I of the Housing and Community Development Act of 1974, as amended, no later than 5 days before the effective date of such waiver: *Provided further*, That the Secretary shall notify the Committees on Appropriations on the proposed allocation of any funds and any related waivers pursuant to this section no later than 5 days before such allocation: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

H.R. 1559

OFFERED BY: MR. RODRIGUEZ

AMENDMENT NO. 10: At the end of the bill, before the short title, insert the following:

SEC. ___. The amounts otherwise provided by this Act are revised by reducing the amount made available in chapter 4 of title I for ''Iraq Relief and Reconstruction Fund'' by, and appropriating under the heading ''DEPARTMENT OF VETERANS AFFAIRS'' an additional amount for ''Veterans Health Administration—Medical Care'' of, $90,000,000, of which, in the case of the amount appropriated for ''Veterans Health Administration—Medical Care'', $70,000,000 is for additional health care preparedness, as authorized by law, and $20,000,000 is for implementation of section 7325 of title 38, United States Code (relating to the establishment of medical emergency preparedness centers in the Department of Veterans Affairs).

H.R. 1559

OFFERED BY: MR. NETHERCUTT

AMENDMENT NO. 11: At the end of the bill (before the short title), insert the following:

SEC. ____. None of the funds made available in this Act for reconstruction efforts in Iraq may be used to procure goods or services from any corporation or other business entity organized under the laws of France, Germany, the Russian Federation, the People's Republic of China, or Syria.

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 108th CONGRESS, FIRST SESSION

Vol. 149 WASHINGTON, WEDNESDAY, APRIL 2, 2003 No. 53

Senate

The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. STEVENS).

The PRESIDENT pro tempore. Today's prayer will be offered by our guest Chaplain, Monsignor Robert Fuhrman, the Church of St. Gabriel, in Saddle River, NJ.

PRAYER

The guest Chaplain offered the following prayer:

Glory and praise to You, Lord God of heaven and earth. You give us life that we may know, love, and serve You here and now. We are to find and to show goodness and truth in this often troubled but beautiful world.

You are the maker and lover of peace. Protect us from all anxiety. Keep us and our military safe from the weapons and the hatred of others in this time of war. Help our wounds continue to heal, that the United States of America may lead the world with new freedom through this new millennium, which has begun with such strife.

The eyes of many are on bombs dropping on a city far away. But because we are human, our vision is often clouded. Help us also to see the explosive power of Your divine blessings in our lives, so that we may respond with lives of service and love.

Father, may these Senators and all who work for peace, security, and the common good find satisfaction in their work for the progress of peoples. There is urgency in our prayers these days, Lord. Show us the way to the fullness of life. Teach us again. Amen.

PLEDGE OF ALLEGIANCE

The Honorable LINDSAY GRAHAM, a Senator from the State of South Carolina, 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.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDING OFFICER (Mr. GRAHAM of South Carolina). The majority leader is recognized.

SCHEDULE

Mr. FRIST. Mr. President, for the information of all Senators, the Senate will be in a period of morning business until 11 a.m. to allow Members to continue to make statements supporting our troops who are participating in Operations Enduring Freedom and Iraqi Freedom.

At 11 a.m., the Senate will begin consideration of the supplemental appropriations bill. Amendments are anticipated to that measure. I take this opportunity to encourage Members to notify the managers as early as possible today if they intend to offer any amendments. Our goal will be to complete the supplemental by tomorrow sometime. I would love the opportunity to finish it today, but I think realistically we should have as our goal to complete it tomorrow at some point. In order to do that, it will be critical for our colleagues to bring to the managers any amendments they may wish to offer.

At 2 p.m. today, the Senate will conduct the fourth cloture vote in relation to the Miguel Estrada nomination. Following that cloture vote, the Senate will resume consideration of the supplemental appropriations bill. The Senate will complete action on the supplemental this week. Therefore, I inform all Senators to expect rollcall votes throughout the day.

SUPPORTING OUR TROOPS

Mr. FRIST. Mr. President, I take a couple of moments to comment on the actions in support of our troops in Iraq. First, our condolences, as always, go out to the families of those who have lost loved ones. Being from Tennessee, I particularly express my sympathies to the family of Marine LCpl Patrick Nixon from Gallatin, TN, who was killed while attempting to secure a critical bridge across the Euphrates River in Nasiriyah.

I also offer our prayers and condolences for those who have lost loved ones, and also offer prayers to those in the field fighting for us.

I commend the tremendous performance of our Armed Forces and continue to be amazed by their degree of professionalism, their boldness, and the courage they represent each and every day. There will be tough days ahead, as we all know, but we all feel the steady progress being made.

I take a moment to commend the Navy SEALs and Army rangers who rescued PFC Jessica Lynch from a hospital in Nasiriyah where she was being held. Most people had the opportunity to see the very dramatic footage a few hours ago of her being rescued by those special forces. We join with her family and friends in Palestine, WV, in celebrating her recovery. This is one more example of the outstanding flexibility, training, and performance of America's military men and women.

I should mention, because it relates to a trip I took this weekend in visiting the base at the 101st Airborne in Tennessee, I had the opportunity to visit with Major General Petraeus's wife, Holly Petraeus, whom I first met 11 years ago when they previously had been stationed at Fort Campbell. I got to know her at that point in time and saw her when General Petraeus and I had the opportunity to start the Army 10-miler together a few months ago. I say ''start'' because I am a slow runner; when we started the race, he took out ahead of me after the first 20 yards.

General Petraeus now is on the front page of the Washington Post. The opening paragraph:

U.S. Army troops seized the southern edge of this key Euphrates River city today as Iraqi militia fighters appeared to retreat in the face of overwhelming firepower. . . .

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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Shortly before 2 p.m., Maj. Gen. David H. Petraeus, commander of the 101st Airborne, drove in an armed convoy up a rocky escarpment into Najaf, urged on by clapping Iraqis who gestured impatiently for the Americans to press deeper into the city center.

It gives me a great deal of pride for the 101st Airborne to be able to hear these real-life stories of the bravery and boldness of General Petraeus. I was with Holly Petraeus this past Sunday at the 101st Airborne. She hosted Karen, my wife, and me to lunch and attending a church service. She is doing a tremendous job of keeping up the spirit of all the families there and has become a real focal point for the community efforts in Hawesville, KY, Clarksville, TN, and on the base to support our troops. We have a lot to be proud of, with tough days ahead.

Meanwhile, the Senate will be addressing the supplemental emergency spending in order to support our troops, as well as the underlying budget, which I hope to complete—which we will complete by April 11.

I yield the floor.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to exceed beyond the hour of 11 a.m., with the time to be equally divided between the Senator from Texas, Mrs. HUTCHISON, and the Democratic leader or his designee, the Senator from Nevada.

HONORING OUR ARMED FORCES

Mr. ENSIGN. Mr. President, I rise today to pay tribute to the troops. I am totally amazed when I watch the television reports at the bravery displayed by those who are serving our Nation in harm's way.

There is a saying from the Scriptures that:

A man can have no greater love than to lay down his life for his friends.

The motto of my home State of Nevada is: All for our country. Nevada has a long and proud history of patriotism and contributing to this Nation's defense in times of peace and in times of conflict. Many brave Nevadans have proudly donned the uniform of our armed services. Unfortunately, some of our finest have lost their lives in service to our Nation.

Nevada has lost several servicemen during the ongoing war on terrorism, and last week we learned of our first casualty in Operation Iraqi Freedom. LT Fred Pokorney was killed during a cowardly ambush on our marines near An Nasiriyah, Iraq. His death has brought the reality of war to families across Nevada. His life and dedication have touched and inspired me.

I wish I had known Fred when he played for the Tonopah High School basketball and football teams. I only had the opportunity to learn about this gentle giant, for that is what he was, since he made the ultimate sacrifice for me, my family, for all Nevadans, and all Americans.

It should not come as a surprise, but when I learn about these brave men and women who risk their lives and sacrifice so much to defend our freedom, I am awed by the caliber of their character, integrity, and dedication. Fred Pokorney is the perfect example.

Nothing was handed to Fred. He overcame challenges that would have been an excuse for others to quit. He was incredibly well liked for his positive attitude and competitive spirit. He joined the Marines right out of high school and graduated with a degree in military science from Oregon State University, also my alma mater. He loved being a marine.

A tremendous void is being felt by those who knew Fred best. Just as it is inspiring to hear about the character of men and women who serve in our military, it is heartening to speak to those left behind and hear the pride they somehow find the strength to share. When I spoke to Fred's wife—she goes by Chelle—it was obvious her husband is a hero to her as he is to us all. She is comforted by the knowledge that she knew what it was to have peace and love.

Now she is charged with raising their 2½ year old daughter Taylor—and passing Fred's legacy on to her, and Fred's love for country on to us all.

On the telephone last week, Chelle read me the last letter Fred wrote to her and to his daughter Taylor. I would have brought those letters to the floor but, frankly, I could not have read those letters without breaking down because of the emotions that were communicated from one of our soldiers on the battlefield to his family.

Chelle told me Fred's death, though, gave her hope. She feels a responsibility to take Fred's pride, strength, and deep patriotism, and instill it in other Americans. So long as freedom thrives and she can help other Marine families heal, Chelle knows Fred's death will not have been in vain.

What Chelle does not realize is that she, too, is a hero. The families who support our military wait anxiously for word from their loved ones and continue the motions of life while their loved ones are away. They are heroes also. Without their strength and support, our troops could not be the best in the world. I stand here today, grateful for the bravery of Fred Pokorney and inspired by the courage of Chelle Pokorney and others like them.

For Taylor, I pray she grows up to know that her father's death on the battlefield of freedom was not in vain. I pray when she is older, Taylor will know the gratitude of this Nation for her father's sacrifice, and for her sacrifice.

God bless LT Fred Pokorney and God bless his family.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, while I know there are some who may have different views about what is happening in Iraq and our country's role in it, I think there is really no disagreement in our country about what our sons and daughters do for America when they are sent to fight for freedom. There should be no disagreement about our support for the troops that are in harm's way halfway across the world.

My colleague from Nevada and others have spoken eloquently about the commitment these young men and women have made to their country. They leave home, they leave the comforts of their community, they leave their family, and they march in the face of danger.

This morning I went to Bethesda Naval Hospital to visit a young man whom I had appointed to the Naval Academy some 12 years ago. His name is Jason Frei from Hazen, ND. A wonderful young man, he has kept in touch with me each year since he graduated from the Naval Academy, sending me Christmas cards, telling me how he is doing and what he is doing.

He left his wife and two children to go to Iraq with his Marine unit. Jason was wounded last week and is now back at Bethesda Naval Hospital. He has lost a part of his arm. His eardrum was punctured. He was injured by a rocket-propelled grenade when it hit his vehicle.

He is a remarkable man. This morning he was very positive. He was in good spirits and he told me about the men and women with whom he served. This morning in the hospital he was most concerned about his unit, which is still in Iraq—how they were doing, what they were doing. He is, I think, symbolic of those brave men and women who always answer the call for our country.

This is a young man from a small town in North Dakota, but he could be a young man or woman from a town anywhere in America who, when his country needs him, answers the call.

In North Dakota, we have the highest percentage of callups in the Guard and Reserve of any State in the Nation. More than one-third of our National Guard and Reserve have been called to active duty.

A young woman on my staff in Bismarck has been called to active duty with the National Guard, a young lieutenant. They go and serve because they are called to serve our country.

I recall one day at a veterans' hospital in Fargo, ND, pinning the medals on the pajama tops of a Native American named Edmund Young Eagle who served during World War II. He had never gotten his medals. His sisters asked if I could help get the medals for him, whom I didn't know just a week from death. He had lung cancer. We got his medals and on a Sunday morning

we went to the VA hospital, and his sisters came and the doctors and nurses came in the room, and I pinned the medals he won during World War II on his pajama tops.

This very sick man, with lung cancer, who had answered the call from his Indian reservation to go to Africa and Europe and fight for this country, came back from the war and lived a life that was pretty spartan. He didn't ever have very much. But this man, with the medals now pinned on his pajama tops, told me it was one of the proudest days of his life because he had served his country and his country was saying to him: Thank you.

There are so many young men and women today who are serving their country. This Congress and the American people need to say to them, in every way, every day: Thank you.

An author once wrote:

When the night is full of knives, the lightning is seen, and the drums are heard, the patriots always step forward, ready to fight and die if necessary to preserve freedom.

This country should have enormous gratitude for having such men and women, such patriots who always step forward. One of those patriots is Jason Frei, who, I am proud to say this morning, is doing well at the Bethesda Naval Hospital and who, we hope, will be released in a matter of days but who, again, worries a great deal about the troops with whom he served. He cares a great deal about this country and about their fate.

Let us all hope very much that this war is over soon, that its result is decisive, that Saddam Hussein is replaced, that the people of Iraq are no longer the victims of his tyranny, and that our sons and daughters come back to our country and return to their loved ones.

When they do, let America again say thank you, thank you for serving this great country.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. DORGAN. Mr. President, I make a point of order a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HUTCHISON. Mr. President, I rise today to talk about joy and also apprehension. In Palestine, WV, they are celebrating the rescue yesterday of PFC Jessica Lynch from an Iraqi hospital. I am sure most people who watch C–SPAN have also seen the incredible pictures of that operation, seeing our Navy SEALs, our Army special forces, our Marines teaming up to go in and take a hospital because they had information that some of our prisoners of war might be there. It was a great act of courage on their part.

We are all celebrating the return of Jessica Lynch. In her Army hometown of El Paso, TX, they are celebrating. Her rescue has given hope and comfort to the families of the other missing or captured members of Fort Bliss's 507th Maintenance Company that they, too, might be returned to their homes and families.

Retired MSgt Claude Johnson, father of prisoner of war SP Shoshana Johnson, was thrilled to learn PFC Jessica Lynch had been found. I quote:

I am very, very, very glad that Jessica has been returned and that she is safe. As I have said previously, it is not just about Shoshana. It's about all the prisoners who are over there, and I hope and pray that each and every one of them can come home safe, just like Jessica did. The rescue of Lynch gives everybody hope that the rest of [those missing or captured] will be returned.

I talked to Mr. Johnson early on after Shoshana was taken captive and was shown on Iraqi television. She is a former Army personnel person. I was able to share with him the great attention that all of us are giving to all of those prisoners of war and missing in action. I told him that everything would be done to find them and to rescue them if possible. We hope this is the first of good news. But we also know that our forces are doing everything possible to determine if there are others there and also to try to get them home if they are.

We commend the brave marines and special ops forces and the SEALs who were involved in this dramatic rescue. As details come out, I know we will be even more proud of what they have achieved. Now we hope that in the days ahead there will be other good news for those families of soldiers from Fort Bliss and Fort Hood; that they, too, will be reunited with their families.

All of America is riveted on that wonderful story, but we also know there is more news to come, and we will wait anxiously to hear about others.

I also want to take time to discuss personal stories we get from the field because the press over there is seeing the individual sacrifices our young men and women in the military are making that show so much about our values. I want to share one of those vignettes. Then I want to ask my friend and colleague from Idaho to also do the same because he, too, has troops from Idaho in the field.

This morning I start by talking about CPT Chris Carter. This comes from Chris Tomlinson, the Associated Press, from Hindiyah, Iraq. I want to show this picture because it illustrates exactly what these forces are doing. This is a story that goes with this picture. You see in this picture a woman in a black veil sitting on a bridge. Here are the American troops who are trying to take this bridge.

''We've got to get her off that bridge,'' he said.

Capt. Chris Carter winced at the risks his men would have to take. Engaged in a raid on this Euphrates River town, they were battling for a bridge when, through the smoke, they saw the elderly woman. She had tried to race across the bridge when the U.S. soldiers arrived, but was caught in crossfire.

At first they thought she was dead, like the man sprawled in the dust nearby. But during breaks in the gunfire that whizzed over her head, she sat up and waved for help.

Carter, a 32-year old Army Ranger, ordered his Bradley Fighting Vehicle to move forward while he and two other men ran behind it. They took cover behind the bridges' iron beams. Carter tossed a smoke grenade for more cover and approached the woman, who was crying and pointing at a wound on her hip.

She wore a black abayah, a robe common among older women in the countryside. Blood soaked through the fabric onto the pavement around her.

Medics put the woman on a stretcher and into an ambulance; Carter stood by, providing cover with his M–16 automatic rifle. Then she was gone, and the battle raged on for the town of 80,000 about 50 mile south of Baghdad.

By the end of the day, the Army unit would fight street to street, capture or kill scores of Iraqui soldiers, blow up a Baath Party headquarters and destroy heaps of ammunition and mortars. No US. soldiers were killed, but from the beginning officers in the 4th Battalion, 64th Armor Regiment described the mission as ''hairy.''

''Yeah, hold a strategic bridge with one infantry company that has only two platoons—a hell of a mission,'' Lt. Col. Philip DeCamp, the battalion commander, said with a smile.

I yield to my colleague from Utah.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAPO. Mr. President, I appreciate the opportunity to address the Senate today with my colleague from Texas and others who have joined us and will in the future to take the time set aside by our leadership to talk about our troops and to give them the thanks of a grateful Nation as they fight in Iraq to protect our freedom.

Today I want to begin by sharing another vignette, this one is from the Army Times written by Robert Hodierne and Jane McHugh. It is about a heroic act that occurred in Iraq during some of the early days of the fighting. This is a picture with the wrong name on it. I will explain. When it was first reported, it said ''Joseph DeWitt.'' But after further evaluation—this picture made it on the front page of a number of newspapers around the country, and people started checking into it.

It was actually Joseph P. Dwyer, age 26, who is still in the field in Iraq. A few days ago, when this report I will discuss was written, he was still 80 miles outside of Baghdad with his division, the 3rd Infantry. What we see is obvious. It is one of our soldiers carrying a young Iraqi boy to safety. But there is a story behind this picture that illustrates the bravery and commitment of our troops in Iraq, not just to cause a regime change and to overthrow Saddam Hussein and restore peace and freedom in Iraq and peace and freedom in the world, but also to do so in a way that causes the least amount of collateral damage.

I will stop before I go into this vignette to make a point. There are

many nations in the world that, when war begins, would not pay attention to the collateral damage, the injuries of innocent civilians. Saddam Hussein, as we know, has killed tens of thousands of innocent people just for the accomplishment of an objective of war.

But our Nation, as we conduct this battle, is conducting it in a way that literally puts our men and women in the military at greater risk because of the decision to try to reduce the risk presented by the war to those who are innocent. I think it is important for us to note that our men and women in the armed services are incurring this greater risk because of our commitment and theirs to make sure that we do not injure one unnecessary person as we conduct this war.

You can see here a young grimy soldier in full battle gear. You can see the level of concern on his face as he carries this wounded young Iraqi boy to safety. What is the story behind this picture? As I have indicated, Joseph Dwyer is 26, and he is still with the 3rd Infantry Division in Iraq. Until just a few days ago, he didn't really have a clue how famous he was. His name was misidentified in the first prints of the picture. By the time he was identified, his picture was one that people around the world had seen. When he was told about it, his reaction was that he laughed out loud. For a few moments, he could not stop laughing. He said afterward that he was both amused and embarrassed at the notoriety he had achieved. ''Really, I was just one of a group of guys. I wasn't standing out more than anyone else,'' he said during this telephone conversation during some rare down time.

Dwyer has lived for the past 6 years in Wagram, NC, where his parents moved after his father retired as a New York transit policeman. This young man's family has been in law enforcement. His father is a retired policeman. He grew up in Mt. Sinai on New York's Long Island. His three older brothers are New York City policemen. If you think about that and remember 9/11, he had three brothers who were New York City policemen when he found out the news about what was happening on 9/11. None of his brothers was lost on 9/11, but one of them lost a partner on 9/11. That is how close the casualties came to his personal family.

He said: ''I mean everybody lost someone, a lot of good people.'' He said he was sure for a long time that he had lost someone too. He believed one of his brothers had probably been killed. He said: ''I thought he was gone.'' But when he talked to his brother on the night of September 11 and learned he was safe, Dwyer said: ''I knew I had to do something.'' So 2 days later he enlisted in the Army and became a medic. He said: ''It was just what I could do at the time.''

People from across America jumped in and did what they could after 9/11. This young man joined the Army to help protect and defend the United States interests and is now doing that in Iraq. On Tuesday morning, when the now-famous image of Dwyer was taken, his unit, the 3rd Squadron of the 7th Cavalry Regiment, had been ambushed repeatedly the night before as they worked their way along the north side of the Euphrates River. Just as the Sun was rising, they were ambushed again by Iraqi troops firing from tree lines on both sides of the road. The Americans fired back with everything they had and called in airstrikes to help them. In the middle of this firefight, an Iraqi family was caught in the crossfire. When the fighting stopped, the father of the family came running out screaming that his family needed help. Dwyer says: ''It came over that there was a family that had some injuries. We went down there. It was kind of hectic at first. . . . We didn't know what was going on. Who was friendly and who wasn't.''

Here is an example of how our troops are putting themselves in harm's way because of their interest in making sure that we reduce the casualties to innocent people.

''We didn't want to get too close to the village, knowing that there could be possible enemy there,'' he went on. ''We saw him with the child. He came running out to where we had the hospital set up.''

Then he and some other soldiers, guns at the ready, bolted from their cover to help. Dwyer reached the father and grabbed his son from him, cradling the young boy in a protective embrace as he raced back to safer ground. That is when Army Times photographer Warren Zinn snapped this picture.

The boy, who is about 4 years old, ''grabbed right onto me, that was the weird thing,'' Dwyer said. ''The kid was doing all right. I could feel him breathing real hard, and I was just carrying him and he didn't cry one bit and you know he was a cute little kid. He was scared, though, you could tell. You know, for the father to trust us to take his child over and know that we would take care of him, maybe it's just me being optimistic, but I think it was a good feeling knowing he trusted us to take his child. It was a little kid. I have little nieces and nephews back home. . . . It was just a kid, it wasn't an enemy. This is what I signed up to do, to help people.''

That day was the first time Dwyer treated any wounded. The little boy had a broken left leg, but Dwyer says he is going to make a quick recovery. Though gratifying as the encounter may have been, it left him with lingering concerns. He wishes he could talk to the family.

''I wonder how they felt about us,'' he said. ''I mean, if I was in their position and this was going on, I'd be mad at me, you know, for being here. I don't know. I wouldn't mind being able to talk to him, that's for sure.''

Dwyer nevertheless is glad to be in Iraq. ''I know that people are going to be better for it. The whole world will be. I hope being here is positive because we are a caring group of people out here. If they find out, that would be great. Maybe they'd stop shooting.''

Mr. President, here we have one more specific example of an act of bravery, heroism, which is happening time and time again in Iraq. As we see the scenes on TV of the bombs exploding and the troops moving, we think about our troops being engaged in battle, but we don't think about the fact that, as they are engaged in battle, they are also doing everything they can to help those who are innocent, who didn't start or cause this war, to be protected from harm's way.

I conclude my remarks by again expressing on my behalf, and I believe on behalf of the entire Senate and the Congress, and, frankly, the United States people, our thanks to our men and women in the armed services for the service they are giving.

I spoke in the Chamber a few days ago about an Idahoan who has given the extreme sacrifice. He lost his life in this battle. We will have, unfortunately, more stories like that. As a nation, we give our thoughts and our prayers and our grateful thanks to the men and women in our Armed Forces who are putting their lives on the line for our freedom.

Mr. President, I yield the remainder of my time to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, I thank the Senator from Idaho for sharing that story with us. It reminds us of what is being done that we might not see over here, but it is those one-on-one things that that Iraqi father is going to remember.

I want to do another story from the field. This one is written by Julian Barnes of U.S. News and World Report. He is with the 101st Airmobile Division Apache Pilots. Here we have the picture of an Apache helicopter firing an antimissile flare. This was taken April 7. The story:

Chief Warrant Officer Ted Hazen has been flying attack helicopters for years. Last week, he finally flew one into combat. ''It was everything I expected,'' he says, ''and not anything like I expected.'' It was the first deep-strike attack by the 101st Airborne Division, and Hazen was at the controls of the command chopper, helping direct the fleet of Apache Longbows into battle some 50 miles south of Baghdad. In front of him, the other pilots locked on the Republican Guard tanks and armored vehicles and let loose their hellfire missiles. ''I saw that first shot go out and bang, hit,'' he says. ''Then there was a hellacious secondary explosion. Flames went 100 feet into the air.''

After engaging the first tank, the Apaches' fuel began running low. A squadron of British Harrier jets continued the attack as the Apaches turned south, back to base. But heading home is almost as tough as attacking. Powerful tailwinds can cause blinding brownouts. The first two of the 101st's Apaches crashed while trying to land. Hazen is philosophical. After all, it's tricky business trying to land a big chopper totally blind. How tricky? ''The best thing to say,'' Hazen mused, ''is open your garage door,

turn your lights off, line yourself up, go 20 miles per hour and hit your brakes and see if you stop in time.''

That sort of thing brings it home.

I wish to read an article about the 173rd Airborne Brigade. This is a picture of the paratroopers who took the airfield in northern Iraq. A U.S. soldier stands guard next to his colleagues digging in near the Harir airstrip. They are excavating earth into trucks northeast of Arbil in northern Iraq. Harir airfield is in Kurdish-controlled northern Iraq where U.S. soldiers from the 173rd Airborne unit parachuted into position.

The article is by Bay Fang, U.S. News & World Report. He is with the 173rd Airborne Brigade:

The man is covered in mud. ''I landed in a puddle,'' he says sheepishly. ''It was a great landing, other than where I landed.'' He and the other members of the 173rd Airborne Brigade dropped into northern Iraq the night before, but they still have not had a chance to clean up. They are fanned out across the airstrip here, dun-colored figures dotting the lush green fields, diggings foxholes, setting up their guns.

Another paratrooper checks a jeep-mounted machine gun and gestures at the fields and mountains shrouded in mist. ''I have total sympathy for the men in Vietnam, walking through the rice paddies,'' he says. ''I don't see how they did it. This isn't half as bad. And it's tough, this terrain out here.''

Up the road, a special forces officer haggles over a truckload of wood his men need for heat. They chose to send the troops in by parachute rather than plane, he says, for reasons of both efficiency and psychological impact. ''It sends a dramatic message to the whole region that U.S. forces are here,'' he says. ''I think we can say that the northern front is already underway.''

The north has indeed begun to move. Late that afternoon, I hear that Iraqi forces have pulled back from the ridge overlooking Chamchamal, the frontline town where I have been staying, to positions just outside Kirkuk. Kurdish fighters, known as peshmerga—

Described as ''those who face death''—

and curious townspeople have rushed up the mountainside. Some are here to inspect the area inhabited by their enemy for the past 12 years. Some have come to loot. But most are simply tourists, hoping to visit places once forbidden to them.

Arivan Ahmed stands on the remains of a hilltop bunker. He used to pass through this place every day on his smuggling run from Kirkuk to Chamchamal and bribe the soldiers at what was called the Challenger checkpoint. ''They sometimes took my shoes from me, so I would have to go back barefoot to Chamchamal,'' he says. That was before the American bombing started and all traffic stopped. ''I used to be very afraid every time I came through here. Now I am just happy to stand here on this ground.'' He holds a rusty hammerhead in his fist that he scrounged from the rubble, and says that is enough of a memento for him.

The road is now open 12 miles deep into what was Iraqi territory. All along it, I see scenes of defiance and celebration. A man drives a bulldozer into a cement plaque in the middle of the road. It bears pictures of Saddam Hussein—wearing a western-style suit on one side, and Kurdish dress on the other. It takes him 15 minutes to topple the plaque, and he wipes the sweat off his forehead with a laugh. ''It is very strong—he spent all of Iraq's money on plaques like these!'' he says. I just wish I could go to Baghdad and do the same to the man himself.''

The peshmerga express the same impatience with beginning the drive down south. But their commanders, sensitive about being seen to cooperate with America, make sure we understand that their forces will not move in unilaterally. It is not the peshmerga taking the newly vacated regions, they say, it is the people themselves. ''These areas we are moving into, they belong to us,'' says Gen. Rostam Hamid Rahim, the top peshmerga commander from Kirkuk. ''The citizens have moved back to the liberated area, and we are just protecting them.''

At the end of the newly opened road, Kirkuk shimmers like a mirage on the horizon, still about 12 miles away. ''It is the Jerusalem of Kurdistan, and we would like to be free,'' says the mayor of Chamchamal, walking briskly toward it as the sun sets. He and everyone else here want to return soon, fighting their way through if necessary. But they have a new phrase for their suppressed hopes: Instead of inshallah, meaning ''God willing,'' it is Insha-Bush.''

This is the picture taken that first day after the paratroopers landed in the north of Iraq.

I will show a few more pictures because I do believe that pictures say a thousand words. A lot of people have seen the pictures from the field of our troops in combat doing everyday activities. I want to show some pictures about what life is like over there for our soldiers.

Here our soldiers are sleeping next to their tanks on a highway that they have taken. They just laid down on the cement, covered their heads, and are taking what I am sure is a long hoped for respite right in the middle of the day because they have been moving at night. They are taking the rest when they can get it. We see a couple of soldiers just cannot sleep. They are awake and talking. But some of them are sleeping with their rifles on and their boots on the ground.

This is another picture showing soldiers sleeping. This was during that sandstorm that many of us saw. These soldiers are wrapped up, trying to protect their faces, their noses from inhaling that dust and sand. We see one soldier sleeping sitting up with a rifle on his lap, and we see another soldier laying down also with a face mask on trying to protect from that dust. Clearly, they are so tired that they will sleep anywhere.

These are troops digging trenches, trying to set up for potential warfare. They, too, are trying to rest before the battle that might ensue. We see them sleeping in their trenches, standing in their trenches that they just worked so hard to dig. We see the trucks that are lined up to protect them in case there is an enemy out there.

That is a fitting end to showing what our troops are enduring every day as they are on the front lines fighting for every one of us, fighting for our way of life, fighting for our right to speak on the Senate floor, the right to be in the Galleries listening, the right to watch C-SPAN2 cover the Senate every day. They are fighting for the right of each of us to kiss our babies in the morning as we go off to our jobs or as we give them the chance to play with some of their friends. Every one of the activities we are doing every day is being protected by those men and women in the field as we speak today.

We are starting the Senate every morning with 1 hour of tribute to our troops, talking about something that has happened that shows American values shining through to the people of the world. We are doing this to honor our troops, to let their families know we will not forget them for 1 minute, and that we appreciate what they are doing every single minute of the day.

We will do this every day our troops are in the field in Iraq, until this war is over.

I yield the floor.

Mr. BYRD. Mr. President, I want to speak briefly about the miraculous rescue of a young West Virginian. Today, a community in West Virginia is celebrating amazing news. For many days, the people of the small town of Palestine—very appropriate—in Wirt County, WV, have been gripped with concern for PFC Jessica Lynch. She is part of the Army's 507th Maintenance Company convoy that was ambushed near the southern Iraqi town of Nasiriyah on March 23. Since that day, no word had been heard from PFC Jessica Lynch. The Army did not know where she was. The Defense Department did not know where she was. Her family did not know where she was. Her family could only be told that she was missing.

For each painstaking hour, over each nerve-racking day, the family and friends of Jessica Lynch awaited word. They held on to each other, they prayed together, they grasped for hope, and they held on to faith.

Then last night, in the afternoon late, the telephone rang. Good news. Amazing news. A miracle had happened: PFC Jessica Lynch has been found in a hospital in Iraq. She was rescued in a daring effort by the brave Army Rangers and Navy SEALS. Today, she is safe—safe once again.

Her State of West Virginia is relieved. Her community is exuberant. Her family is overjoyed. I spoke with Jessica Lynch's father last evening and shared with him our thoughts. The news of Jessica's rescue spread through the county and throughout the State like wildfire. Wirt County has fewer than 6,000 residents, and it appeared as though every one of those people were out honking horns and hugging neighbors last night. Jessica Lynch's parents and siblings were not alone. Jessica has become a part of everyone's family.

As a nation, while we celebrate this rescue, we remain steadfast in our concern for the other members of the armed services who are listed as missing or captured. We look forward to

one day celebrating their safe rescue and return.

We also pray for those families whose loved ones will not be coming home. When we say we pray for them, that is what we mean. Jessica Lynch was found and is safe today. She was preserved. She lived because of the prayers that went up to Heaven from the people of the community and from people all over the Nation.

Hundreds of people gathered yesterday for the funeral service of West Hamlim, WV, native Therrel Shane Childers, a U.S. marine who became the first American combat casualty in the war in Iraq. The Chaplain at the service yesterday noted that First Lieutenant Childers ''emanated a courageous sense about him, that nothing scared him.''

We must continue to wrap our arms around the hundreds of thousands of families of those men and women engaged in military action. Each day, each hour they struggle with worry and concern. They do not struggle alone. To those families, know that the Nation is with you at each step and at every turn. May God have mercy on your loved ones and may He bring them safely home.

I yield the floor.

Mr. INHOFE. Mr. President, today I want to recognize Oklahoma's first loss in the fight for our country's security and our country's freedom and future.

LCpl Thomas ''Tommy'' Alan Blair from Broken Arrow, OK, was killed in the line of duty on or about March 23. Lance Corporal Blair was described as a born leader, an enthusiastic student, and a confident young man who loved Oklahoma and his country.

I remember him well when I went out and talked to him and some of the others before their deployment. All of them were enthusiastic, all of them were courageous, but all of them knew they were risking their lives.

He was killed when an enemy rocket-propelled grenade hit and destroyed his amphibious assault vehicle as it was traveling near Nasiriyah, Iraq.

This battle was described as the sharpest battle in the war to date, and Lance Corporal Blair paid the ultimate price—his life. Let me say again, he gave his life. Why would a person pay this price? Why would a person risk facing this fear and die in combat? Lance Corporal Blair fought and died because he was an American, he was a marine, and he knew what freedom really means—the freedom most Iraqis have never known, and a freedom most Americans take for granted.

He fought for Americans who have already forgotten our freedoms were attacked on 9/11. He fought for the pundits who think this war is about oil. He fought for the protesters who have always had the freedom to express their opinions but never considered what it requires to protect and secure these freedoms for the future.

Expressing your opinion in Iraq may cost your tongue being cut out of your mouth, it may cost your wife being raped in front of your children, or your family may just disappear. If you are lucky, it may only cost a bullet in your head without the suffering.

How could such a place void of these fundamental freedoms exist on God's green Earth? This place does exist. It is Iraq under the rule of Saddam Hussein.

Does the average American consider life without these freedoms? Does the average American consider the life of an Iraqi? Does the average American know the bravery Lance Corporal Blair felt in the last seconds of his life? I would say not.

Lance Corporal Blair considered these freedoms and he considered them important enough to join the Marine Corps, serve his country, and eventually sacrifice his life. He gave his life for the continued freedom and security of the American people. He gave his life for the new freedom the Iraqi people will enjoy.

I do remember talking to his group. Many of the people at that time were saying: Why are we so concerned about Iraq? Why not go after Osama bin Laden or some of the other areas? They forget what we are going through now is not a war, it is a battle in Iraq. The war was declared by the President of the United States at 8:30 in the evening on September 11, that fateful day. This is the No. 1 terrorist out there, by any measure. How many people has he tortured? How many people has he murdered? He is the premier terrorist of our time and has to be eradicated.

I ask us and all Americans to think about the freedoms we take for granted, to think about the fear the Iraqi people feel every day, and think about the sacrifice LCpl Thomas Blair and his fellow countrymen have made to ensure we will always enjoy these fundamental freedoms.

Our thoughts and prayers are with his family as they deal with the tragic loss of their son, LCpl Thomas Alan Blair.

Mr. ROCKEFELLER. Madam President, last night, an extraordinary event happened in Iraq: The extraction and rescue of PFC Jessica Lynch of West Virginia who comes from the small town of Palestine in Wirt County with a population of about 5,800. She was in a hospital in Nasiriyah, with others, where she had been held captive.

Through superb coordination of the Navy SEALs, Marines, and Army Rangers, U.S. forces went in, created diversions, rescued her, and brought her to safety. She is now on a C–17 on her way to Ramstein Air Force Base where she will receive treatment. She has many broken bones and other injuries, but none of them are life threatening.

She was part of the Army's 507th Ordnance Maintenance Company and was moving with the 3rd Infantry Division north toward Baghdad. It was that classic case where the group made a right turn instead of going straight ahead, and they were captured. Not all of her fellow soldiers were so lucky, but she is known to be in very good spirits. I have seen pictures of her, as I think we all have, and I have spoken with her parents to express my thoughts of her being rescued.

I have to say that in a time of great stress, worry, and loss in this country, there do come high points and this is one of them. This private is 19 years old. She wants to be a teacher. She was rescued by people who showed the most extraordinary skill and heroism.

What is interesting is her desire to be a teacher. Even when she went overseas, she told a kindergarten class in her hometown of Palestine, WV, that she wanted to have a pen pal relationship with them from the field. By having this communication, she believed they could get a better sense of what war was like rather than just watching TV, reading the newspapers, or listening to the radio.

As my senior colleague, Senator BYRD, knows well, Palestine is a very friendly, very proud place where people struggle hard in a rural county to give the best possible life for their daughters and sons. I think Jessica Lynch has already started her role as a teacher. She has taught all of us. The Nation took her to heart because of the innocence and the beauty of her young face. The Nation prayed over her, worried over her, as we all did. She was rescued. She was delivered back to us, so to speak. So I think her career, in being inspiring to all of us, has already begun as a teacher. She has taught us enormously. Then again, so did those who rescued her teach us, because they took extraordinary skill and courage and used the proper techniques. They were under fire and brought her home safely to an ambulance.

There are still others who are missing, of course, and we worry about them. I know she does, even as she hurts with her wounds. For now, for this moment, and in West Virginia for a long time to come, we can rejoice about this extraordinary miracle of Jessica Lynch. She would like to know and surely can know that all Members of the Senate join their colleagues in other bodies of Government, and Americans in general, in offering our warmest congratulations to her as a person, to her family, and to her neighbors who, in fact, became her family and always had been her family.

Jessica Lynch's story has lifted our hearts, and I think her rescue is a cause for rejoicing throughout our land.

I yield the floor.

Mr. LAUTENBERG. Mr. President, I rise today to speak about a brave New Jersey resident, 31 year old Sgt. James Riley, one of the prisoners of war now being held in Iraq. On behalf of the Senate, I would like to express my support for his family and for the families of the other American POWs being held in Iraq.

On March 23, 12 members of the 507th Maintenance Co, part of the 111th Air

Defense Artillery Brigade stationed in Fort Bliss, Texas, took a wrong turn near An Nasiriyah, a key battle ground city on the Euphrates River in southern Iraq. Iraqi forces ambushed their unit. Five soldiers, including Riley, were taken prisoner of war. The remainder were most likely killed, although their deaths have not been confirmed. Subsequently, Iraqi state-run television aired a gruesome videotape of interviews with Sgt. Riley and the other POWs, and displayed chilling shots of four murdered American servicemen and women. This videotape was then broadcast by television networks all over the world, including the influential Qatar-based Al Jazeera.

Sgt. Riley's family, including his parents Athol and Jane Riley, are waiting anxiously for information on their son's condition. The Rileys have experienced a tremendous loss this week; their daughter, age 29, died last Friday after suffering from a rare neurological illness that had left her in a coma since late January. My heart goes out to the Rileys and their friends and family during this painful time.

James Riley moved to New Jersey from New Zealand when he was 10 years old. He attended West Field Friends Grade School and he graduated from the Pennsauken High School in 1990. According to his parents, he had always dreamed of serving in the Army and he enlisted immediately after he graduated from high school.

I am confident that our superior military will find and rescue the American POWs. In the meantime, I pledge my support for all service men and women serving in the Persian Gulf and for their anxious families at home.

I ask unanimous consent to have printed in the RECORD a moving story about James Riley printed in the New York Times on April 2, 2003. This story illuminates the quiet courage displayed by the Rileys as they wait for news of their son, as well as the communal support extended to them by their neighbors.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Apr. 2, 2003]

A.P.O.W. BRINGS WAR CLOSE TO HOME

(By Matthew Purdy)

PENNSAUKEN, N.J.—In the 10 days since he was taken prisoner in Iraq, Sgt. James Riley has become something of a symbol in this working-class town where he grew up—a homegrown argument for or against the war, depending upon who is talking.

Joseph McCollum, a maintenance worker who lives next to the Rileys, said that when he heard the news, ''I said 'Maybe we should go over there and drop the bomb and suffer the consequences.' ''

''Since 9/11, I think we needed the war,'' Mr. McCollum said. ''This makes me feel like we really have to get them.''

Around the corner, Charlene Walls, a school aide, said the capture of Sergeant Riley, 31, perfectly illustrated why she opposed invading Iraq: ''It's just people losing people.''

''We've already lost too many people for something no one can tell you why we're in there,'' Ms. Walls said.

If people are being made to think twice by the war's unexpected difficulties, they seem to be coming down even more firmly where they were already standing.

Antiwar protests are growing in vigor, while polls show the country supports the war as much as ever. Everyone is rallying around the flag, or a banner.

When Sergeant Riley's maintenance company was ambushed outside Nasiriya, yellow ribbons blossomed amid the red, white and blue in this South Jersey town. Even the giant water tower that rises behind the houses has a yellow bow on it.

There's also a big yellow bow outside the local tavern Bryson's Pub. Inside, Tom McVeigh, a landscaper, said that Sergeant Riley's capture only brought home the cost of the war in people and world opinion. ''We look like a bully,'' he said.

But few people in the neighborhood appear to question the war.

Ed Russell, who works in finance for I.B.M., trusts what the Bush administration says about Saddam Hussein. ''I don't think it's in the nature of the American people to go out and start a war,'' he said. ''They must have critical evidence that something bad was about to happen and they needed to stop this guy.''

Mr. Russell said he hardly knew the Rileys, but Pat Dimter, who grew up down the street from James Riley, sees her friend's capture as more justification to fight. The United States treated the Iraqis ''like they're our own people,'' she said. ''And it's not fair what they're doing to us with 9/11 and how they're treating our P.O.W.'s.''

Greg Sassone, an eighth grader, was walking through the neighborhood park on Monday when he picked up a piece of yellow ribbon from the ground and tied it to a tree. One of Sergeant Riley's sisters was his baby sitter, and the ordeal has hit too close to home.

Greg's father is in the Air Force Reserves. ''If my dad gets called, he could get captured,'' he said. And his 20-year-old brother could get called if there were a draft, he said. ''My mom says she would move him to Canada.''

At school, students fear another terrorist attack, Greg said. That's why, despite Sergeant Riley's capture, he supports the war against Saddam. ''We have to get rid of him before it's too late,'' he said.

It's hard to find someone without an angle on Sergeant Riley's capture.

Monday night, at the close of a stirring vigil detected to Sergeant Riley, the Rev. Guenther Fritsch pulled out a Bible to show what the enemy ''is all about.'' He read a passage about Ishmael, from whom Arabs are said to be descended: ''He will be a wild donkey of a man; his hand will be against everyone.''

The only people who seemed to find no larger significance in Sergeant Riley's capture were his parents.

Athol Riley, a building inspector, was calm and simple when he addressed the crowd. He said that in addition to his son's being captured, a daughter had died on Friday after a long illness. Mr. Riley thanked the township that employs him, the publishing company where his wife works, the store where his surviving daughter works, and the family that runs the McDonald's where his deceased daughter had worked. ''I would like to thank everyone for the show of support,'' he said.

Afterward, mobbed by television cameras and reporters, he was asked how he felt about the course of the war. Mr. Riley expressed no thoughts about Saddam Hussein or George Bush.

A stout man in a dark coat, Mr. Riley obliged the cameras only when he was asked if he had a message for his son. A sad smile on his face, Mr. Riley had no angle, only words from the heart: ''Hang in there, and hurry home.''

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, in the absence of the arrival of the chairman of the Appropriations Committee, I ask unanimous consent to speak for up to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. First, I thank the distinguished Senator from Texas for her comments and recognition of the valor of our troops. There was very good news yesterday concerning the rescue of a female soldier. There was great pursuit by her fellow comrades to bring her back. I think it is very important, as the war proceeds, to put the Iraqis on special notice that war crimes will be prosecuted and that when the war ends, it will not be over for those who have violated the requirements of the Hague and Geneva Conventions.

Last Saturday, when four U.S. soldiers were murdered with a car bomb by an Iraqi soldier masquerading as a civilian, that constituted a war crime. Then Tariq Aziz, the Deputy Prime Minister, appeared on international television boasting about the incident and saying there would be many more who would come forward, with reports of some 4,000 volunteers willing to engage in such suicide bombing. It is important to put Tariq Aziz on notice that such conduct is a violation of international law, and it will be prosecuted. Similarly, it is important to put Iraqi Vice President Taha Yasin Ramadan on notice that this is a violation of international law.

Today in the Hague the former President of Yugoslavia, Slobodan Milosevic, is on trial. In an international jail, the former leader of Rwanda is serving a life sentence for violation of international law. On Monday, I filed a resolution at the first available date to put the Iraqi leaders, as well as the Iraqi followers, on notice they will be liable for prosecution as war criminals. It is not a defense for the followers to say they have been operating under orders.

I see the distinguished President pro tempore, the chairman of the Appropriations Committee, is in the Chamber.

I yield the floor.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

SUPPLEMENTAL APPROPRIATIONS ACT TO SUPPORT DEPARTMENT OF DEFENSE OPERATIONS IN IRAQ FOR FISCAL YEAR 2003

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 762, which the clerk will report by title.

The assistant legislative clerk read as follows:

A bill (S. 762) making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes.

Mr. STEVENS. 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. STEVENS. Mr. 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 Alaska.

Mr. STEVENS. Mr. President, before we start this supplemental, these are difficult times so I will take this opportunity to recognize all of those in uniform who are serving our country both at home and abroad during these wars, the war against terrorism, the war in Afghanistan, and the war in Iraq. I especially want to ask the Senate to keep in mind those who have given their lives in the defense of our country and in our opposition to these terrible scourges that beset us now.

We do have a war going on, and the President, as our Commander in Chief, has asked for our help to provide vitally needed funds in the most expeditious manner possible. I have spoken to each of the Joint Chiefs of Staff and they tell me that their money will start running out. For most of them, that will start in May. For the Navy, it will start in June. In any event, the only way to ensure these funds will be available and get to the services in time to meet their needs is to send this bill to the President before we leave Washington for the usual Easter recess. If we do not have it done before then, I am going to do my best to insist we stay here and forego the recess until we get this bill done. I believe that will not be necessary, and so far I have seen good bipartisan support to meet the objective of getting this bill to the President so that funds will be available to our troops. I hope that attitude will continue on the floor.

The House Appropriations Committee completed its work on the version of this bill yesterday. They will begin consideration on the floor very soon. We all know that they act first on a bill of this type so we will have to wait. It is my hope I can ask the Senate to get this bill to third reading by no later than tomorrow evening so it will be ready and our staffs can work over this next weekend to get ready for a conference. I will propose that the Senate actually take this bill to the point where it is actually sent to conference as soon as the House has passed its bill so we can go to conference early next week. It is my sincere hope the Senate and the House will act together to get this bill, as I said, to the President as quickly as possible.

The President of the United States asked for $74.7 billion in new budget authority in the supplemental request he sent to us. The bill before us provides $76.7 billion in new authority. It also contains an aviation relief portion that will provide both new budget authority and other benefits. The budget authority is $2.025 billion, and other benefits are $1.475 billion. The total for this bill, including the airline relief portion, in both new budget authority and other benefits then totals $78.7 billion.

This supplemental responds to the immediate needs of the troops in the field, provides important international assistance to our allies, and tries to deal with the most vital homeland security and defense needs facing our Nation.

We fully funded the President's request of $62.6 billion for defense efforts in prosecuting the war with Iraq. These funds will be used to conduct military operations in Iraq, support our coalition partners, and replenish crucial munition and other vital military procurement funds that have already been consumed in getting our troops to the war zones. The President's request included $30.3 billion for costs that were already committed or incurred. The sealift, the airlift, and equipping our combat forces has come at great expense.

Last week in our hearing with Secretary of Defense Rumsfeld, Senator BYRD and others raised concerns with respect to the Department's request that these funds be appropriated to what we call the Defense Emergency Response Fund.

We will hear the acronym DERF on the floor. That means Defense Emergency Response Fund. In developing the bill before the Senate, Senator BYRD, Senator INOUYE, and I have tried to strike a proper balance between congressional oversight and providing the Department with the necessary flexibility to prosecute the ongoing war in Iraq. Senator BYRD, I am sure, will speak for himself with regard to the flexibility in this bill. There is some flexibility for the President.

In this bill we provided $11 billion to the Defense Department in the Defense Emergency Response Fund. It can be spent in response to the Commander in Chief's directions. It is an account to give them the enhanced flexibility they need to manage the conduct of the war. The House has provided a larger amount. I am sure we will meet in conference to decide what is the proper amount of flexibility necessary for the present Department of Defense.

We also are proposing that the great majority of the defense funds, totaling nearly $51.5 billion, be appropriated into specific accounts for the services so that wherever possible they meet the needs directly. We have provided $35 billion for operation and maintenance activities; $13.7 billion for military personnel to maintain critical operation capability and readiness; and $3.7 billion to replenish munitions expended in combat operations.

We have also included $500 million for the Defense Health Program to provide adequate care for both Active and military Reserve personnel and their families.

There is another $550 million for fuel costs and $489 million for the Department's efforts to combat the oil well fires started by the Iraqi forces so far.

This bill appropriates $1.7 billion to cover costs associated with classified activities undertaken in Iraq and in the global war on terrorism.

We have also responded to the President's full request for $7.8 billion for international relief and recovery efforts in Iraq, international support for allies in the region, and other critical needs to continue the fight on global terrorism. The committee's recommendation includes $2.4 billion for the Iraqi relief and reconstruction fund. That is over $2 billion for the Foreign Military Financing Program, which we call FMF. The bill also provides up to $9 billion in loan guarantees to Israel, $300 million in assistance to Egypt, and $1 billion in assistance for Turkey. It includes the request for $150 million for the U.S. emergency fund for complex foreign crises, a new account that enables a quick response to unforeseen global challenges.

Finally, the bill reimburses fiscal year 2003 foreign assistance accounts that Congress authorized the President to borrow from to pre-position humanitarian assistance for Iraq.

The bill also reflects the commitment of Congress to address homeland defense requirements by providing $4.6 billion, roughly $400 million above the President's request, for key homeland security requirements.

We have provided the President's request of $2 billion for the Office of Domestic Preparedness to assist State and local governments in federally coordinated terrorism readiness and other security enhancements during this time of heightened threats.

The committee recommendation also included $1.1 billion for the Department of Homeland Security for counterterrorist activities. Secretary Ridge has given the flexibility in this account to allocate funds both within and outside the Department of Homeland Security for terrorism preparedness and response.

The bill also includes $580 million for the Coast Guard operations to enhance the protection of our ports and borders and in support of the Department of Defense activities in Operation Iraqi Freedom and Operation Liberty Shield. We have also supported the recommendation of $34 million to provide compensation to individuals who have sustained injuries due to our smallpox vaccination program.

As I mentioned earlier, the bill includes a package of targeted relief to address the dire situation facing the aviation industry.

I highlight the main provision in that package and I will speak at greater length later. In this bill is a total of

$2.9 billion in relief for air carriers, the airlines. Specifically, the bill suspends the fee that both passengers and carriers pay for the 6 months of the balance of this current fiscal year. It will suspend this fee that is currently charged on the ticket taxes, but it is actually currently being borne by the industry because the cost of flying is so low due to competitive factors of the economy. It also provides $1 billion to reimburse the carriers for the costs incurred with the new security mandates of the Transportation Security Administration imposed following the terrorist attacks on September 11. These were unfunded mandates, and in this bill we fund those that have been completed since September 11 until the end of this fiscal year.

The bill extends for 1 year the war risk provisions included in our bill in previous years. Specifically, we passed last November a bill to establish the Department of Homeland Security or specific insurance provisions for war risk in that bill. The result of this provision in this bill is we anticipate will save the airlines about $800 million.

The package also includes $375 million to address security-related costs at our airports. I congratulate my colleague from Washington for bringing up this issue. Those are also unfunded mandates. They were funds expended by the airports to meet the requirements of the Transportation Security Administration, and the funds in this bill should reimburse airports for security readiness operating expenses and provide additional funding for the modification of airports necessary to the installation of bomb detection equipment for the balance of the fiscal year.

Finally, this bill also extends unemployment benefits for an additional 26 weeks for qualifying aviation workers who have lost their jobs because of the downturn in the economy that affected the airlines.

I see my friend is here. I don't want to speak too long, but I believe this bill is very important. There is no question we need the funds to sustain our vital military operations around the world. There are really three wars still going on: The war against terrorism, the war in Afghanistan, and the war in Iraq. This is a very serious problem for those overseas and for those who manage our Department of Defense. I think the worry over where funds are coming from to meet the increasing demands in the three different wars is pressing upon our military commanders and civilians in charge of the Department of Defense.

It is my hope the Senate will be considerate in the number of amendments that are offered and the issues before the Senate.

I thank the former chairman from West Virginia, Senator BYRD, for the insight and advice he has given to me. I do not represent that this bill reflects entirely his point of view, but he has been a partner, once again, in working with me as I tried to work with him. I do think he has been very instrumental in seeing to it that this bill is before the Senate at this time.

I have stated to others, and I say it again publicly, one of the reasons I am trying to get through this bill tomorrow night is I hope to be with my good friend from Hawaii when he receives the recognition he deserves in his home State on Saturday.

I recommend the bill to the full Senate. I urge Senators to come forward and identify their amendments so we can see what we can work out, if there are subjects that can be worked out. I admit readily there may be some items we have not addressed in this bill so far. I would very much like to do that.

I do hope as the Senate proceeds with this bill, we keep in mind the fact that within instantaneous communication, I am informed that some of the forces that are overseas in both Afghanistan and in the Iraqi war watch us almost as much as we watch them. This is one bill they are going to watch. They are very astute young people. They understand this country. They understand the risks they are taking. They understand in particular they want this country's economy to be healthy when they come back.

We must keep in mind what we are doing, continuing the expenditures that are extraordinary expenses brought upon this country by the events of September 11. During this period, I will recite some of those amounts that we put forward already.

There has been a tremendous strain on our economy because of these three different types of wars, but they are wars that I personally believe we must fight. We must provide those who are fighting those wars everything they need to be successful and to be safe.

I recommend this bill to the full Senate and hope we will finish it by tomorrow night.

I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I consider it an honor, I consider it a great honor to be able to work with the very distinguished Senator from Alaska, the senior Senator, the President pro tempore of the Senate, in bringing this bill to its present status.

I laud the distinguished chairman of the committee for his extraordinary knowledge of the subject matter here that we are going to discuss. He has been on the Appropriations Subcommittee on Defense for a long time, where he has worked arm in arm and hand in hand with our very distinguished senior Senator from Hawaii, DANNY INOUYE, who is my hero. Together, these men have brought their wisdom, their dedication, their knowledge to great usefulness, and I thank Senator STEVENS for his work. He also is a hero of mine. I am proud to serve with him.

The Senator has stated that we are fighting three wars: the war in Afghanistan, the war on terrorism here at home, and the war in Iraq. I support the appropriations that we are going to recommend for all three wars. I do not support the policy that brought us where we are today in Iraq. I have no hesitancy in saying that. I can defend that position any time, anywhere. I am sure not everybody will agree with me, but I have reasons for my position. So, although I do not support the policy that puts our men and women in Iraq, I do support the appropriations for those, for the support of and the safety of those men and women in Iraq, and I do so wholeheartedly.

In a short time I will speak of one young West Virginian by the name of Jessica Lynch. I will have more to say about her shortly.

The Senate Appropriations Committee, under the very able leadership of the chairman, the distinguished President pro tempore of the Senate, Mr. STEVENS, has unanimously reported the fiscal year 2003 supplemental appropriations bill. The Senate committee-reported bill totals $78,736,600,000 in benefits and appropriations; $4,011,600,000 more than the President's request. In that proposal, the President sought an unprecedented level of flexibility in the use of these funds. I was astounded at the request that the President put forth with respect to these ''flexibilities.'' While I understand the unique circumstance in which the Nation finds itself, the situation is not unprecedented—not unprecedented. We have been at war before many times.

I served in this Senate and in the House in several of these wars, so we have been at war before. This isn't something new, the matter of being at war. But these ''flexibilities,'' so-called, have startled me, in a way. But I am not so startled either, keeping in mind the whole of our experience with this administration. Yes, we have been at war before, but the Nation never wandered—never sought to wander away from the Constitution, never sought to impinge upon the congressional power of the purse as we have seen in this instance.

In World War II, for example, Congress passed eight supplemental bills to respond to the needs of our Armed Forces. This is what I said the other day during the appropriations hearing, the Appropriations Committee hearing on this bill, when Secretary of Defense Rumsfeld was before the committee. I said: Why all these flexibilities?

I called them ''flexibilities'' because the Secretary of Defense, in his opening statement, used the word ''flexibility'' seven times.

I said: We fought previous wars. Why do we need these ''flexibilities'' now? I said: Congress can pass additional supplementals. That has been done before.

In World War II, for example, Congress passed eight supplemental bills to respond to the needs of our Armed Forces and there is little reason, in my

view, why this war in Iraq should require more flexibility for the administration than was granted during World War II to administrations.

This Republic rests on a system of checks and balances: three branches, two legislative Houses, and separate powers—shared powers, mixed powers. Our system reflects the hundreds of years of history behind it.

I said hundreds—yes. Yes, Mr. President, you didn't hear me wrongly. Our system reflects the hundreds of years behind it, going back to the Revolutionary War; going back to colonial days; going back to the history of the Englishmen who fought and bled and gave their lives in the struggle against tyranny, in the struggle against a monarchy that sought to gather all power unto itself.

The roots of our Constitution go back even to the Magna Carta, 1215. This is not a Constitution that came about just in 1787. Its roots go back 1000 years—and the blood of Englishmen is on it, as is the blood of our forefathers here in this, our country.

In our Madisonian system, divided power may not be as expedient as some would like. That is stating it well: not as expedient as some would like. I say it again. I will state it more loudly: In our Madisonian system, divided power may not be as expedient—hear me now down at the White House—may not be as expedient as some would like, but it guarantees the American people's liberties. Quite simply, our representative form of democracy depends upon power divided and power shared.

The Constitution grants to the Congress the authority to appropriate funds and the solemn responsibility to exercise that authority wisely. And for us to agree to the many sweeping grants of new, so-called ''flexible'' authority sought by this administration would be to abdicate—to abdicate—that heavy constitutional responsibility. We have a duty to the American people to exercise the authorities granted to Congress in our Constitution, and we have a duty to those Framers, those men who wrote the Constitution, to keep faith with them and to honor and respect and uphold and support and defend that Constitution against all enemies foreign and domestic.

In the case of this bill, and for the many years ahead, it will take maximum effort to preserve the prerogatives of the legislative branch. I hope my colleagues will understand that. I hope they will hear that. And the RECORD will be there for those of our future colleagues to read.

Let me say that again. I say it to my colleagues. I hope my colleagues will remember: In the case of this bill, and for the many years ahead, it will take maximum effort on the part of our colleagues today, and those who will serve in this Chamber in the future, to preserve the prerogatives of the legislative branch.

Now, when it comes to the executive branch, we will always find those in the executive branch who will uphold, who will extol, and who will seek to add to the powers of the executive branch. The same can be said for the judicial branch. The judicial branch will always speak out for the protection of the constitutional authorities given to it.

But what about the legislative branch? This is the one branch in the three in which we will find increasingly—I might say, based on my 50 years in Congress—we will find increasingly those in the legislative branch who are always ready to stand up for the executive branch for whatever power grabs it may have in mind, and they will seek to defend that executive branch and to push its desires. I am sorry to say, it is usually about half of the legislative branch that is willing to do that, depending on what party is in power and what party controls the two Houses of the legislative branch. And I regret this.

As I look back over my 50 years here, I have seen great, great changes in the way the Members of the legislative branch view their role under the Constitution. Sometimes I wonder if they have read the Constitution lately. I am sorry to say I don't think our Constitution means a great deal to some of those who have served in this branch. They seem to think this is a monarchy and that we have a king. I look at the future with grave concerns, as I think about the changes I have seen sweep over this branch of Government.

Twenty-four hours a day, 365 days every 3 years, 366 days the 4th year, out there always is the executive branch. And it is awake. It seeks power. It seeks to aggrandize the authorities to itself. It is always awake. It is never sleeping.

Members of the legislative branch are here, they recess, they go to the four points of the compass. They are not always here. They are not always alert to the protection of the authorities of this branch of Government. And at this time, and under this administration, I have to say, I have seen more of that than ever before.

Members must understand their institutional role. Citizens must understand their Constitution and value the congressional role in protecting their freedoms. This is another thing that gives me concern—sorrow in many ways. All too few citizens think about the role they play and the responsibilities that are theirs under the Constitution.

Leaders in the Congress itself must guard its prerogatives. I have been a leader in this body. I have been majority leader. I have been minority leader. I have been President pro tempore and chairman of the Appropriations Committee. And I have never lost sight of the fact I must help to guard the prerogatives, the authorities, the powers that are enumerated in the Constitution, the powers that devolve upon this body, its duties, its responsibilities.

So leaders in the Congress itself must guard its prerogatives and resist succumbing to expediency, to political expediency, and to partisanship.

While I fully support the funding in this legislation for the men and the women engaged in battle in Iraq, I do not support additional grants of authority to this administration, or to any other administration, that would infringe upon the congressional power of the purse. That is the greatest power. The power of the purse is the greatest power in existence under this constitutional system.

As Cicero, that great Roman Senator, said: ''There is no fortress so strong that money cannot take it.'' ''There is no fortress so strong that money cannot take it''—the power of the purse.

Senator STEVENS and I, together with the subcommittee chairmen and ranking members, have worked, in most cases, to improve the President's supplemental budget request.

We have eliminated or significantly reduced most of the sweeping grants of new authority requested by this administration while still providing very limited flexibility where appropriate.

More specifically, for defense the bill includes $62.6 billion, the full amount of the budget request, to cover the costs related to military operations against Iraq and to sustain the continuing global war on terrorism. The budget request proposes that $59,863,200,000 of the amount for national defense would be included in the unallocated Defense Emergency Response Fund. The Defense Appropriations Subcommittee, the full Appropriations Committee, and the Congress rejected this type of transfer account in the fiscal year 2002 supplemental, rejected it in the fiscal year 2003 Defense appropriations bill, and rejected it in the defense chapter of the fiscal year 2003 omnibus appropriations bill.

In this supplemental, the amount allocated to the Defense Emergency Response Fund has been reduced from the request of approximately $59.9 billion to $11,019,000,000. The remainder of the funds, some $49 billion, have been allocated to the specific appropriations accounts. This is an improvement over the budget request, but I call the attention of my colleagues to the fact that on an annualized basis, it amounts to a blank check for more than $20 billion—on an annual basis. Because the taxpayer has a right to know how this $11 billion will be used, this so-called flexibility gives me great concern. I hope we will get away from these DERFs. I am concerned about them.

The administration's supplemental request sought $1.4 billion for the Department of Defense to allow the Secretary of Defense to allocate funds to reimburse and otherwise pay nations that have provided support primarily for the global war on terrorism. Most of the funding is anticipated to be for Pakistan. In the past, the Senate Appropriations Committee has taken a position that such reimbursement could take place only in response to

vouchers presented to the Department of Defense for reimbursement for activities conducted on behalf of the global war on terrorism. This supplemental bill again includes this provision. In addition, we require 15-day advance notification prior to obligation.

The President sought $150 million to be paid at the discretion of the Secretary of Defense to indigenous forces abroad. We have one Secretary of State; we don't need two. A similar proposal was rejected by Congress last year. It has been rejected again in this legislation.

The administration wanted to increase the Department of Defense reprogramming authority from an annual amount of $2 billion to 2.5 percent of its total budget, a staggering sum which would exceed $9 billion. I expressed opposition to this large new grant of authority to the Department of Defense. I expressed my appreciation and compliments to the chairman, Senator STEVENS, for the fact that he has brought us a bill that reins in the administration, tightens up the limitation so that rather than provide an unprecedented $9 billion transfer authority, the legislation before us includes a $3.5 billion transfer authority.

The administration also sought authority to expend any funds from the defense cooperation account that may be received from other countries for the prosecution of the war against Iraq or the reconstruction of Iraq without first having these funds appropriated by Congress. The administration wanted to get away from that. They wanted a free hand with no strings attached.

During the first gulf war, Congress appropriated those funds after they were received. Let me repeat that. During the first gulf war, Congress appropriated those funds after they were received. The legislation before us takes the same approach and preserves the prerogatives of the Congress and of the people. No new authority is granted. Any funds collected from foreign countries for reconstruction of Iraq or for any other purposes will remain in the Treasury under this bill, unless appropriated by law. That is the way it should be.

The administration requested similar extraordinary grants of authority for the Secretary of Homeland Security, for the Attorney General, and for the Office of the President. More specifically, the Secretary of Homeland Security would receive $1.5 billion for a new counterterrorism fund for transfer to any Department of Homeland Security agency. The Attorney General would receive $500 million for transfer to any Justice Department organization for terrorism-related activities. The President would receive $2,443,300,000 for Iraq reconstruction and relief, without even as much as a reporting requirement. So they not only want no strings attached, they don't want to have to make any report—an absolutely free hand in expending the taxpayers' money.

We must all remember, we are having to borrow all this money. The taxpayers are going to have to pay interest on all this money. When our soldiers and sailors and airmen and marines get home, they are going to be paying interest on the money that has been borrowed to send them across the ocean. Each proposal, if the administration had its way, would leave the Congress out of the decisionmaking process in the allocation of the funds—no details, no explanation.

In the case of the Iraq reconstruction funds, the President proposes to spend the money ''notwithstanding any other provision of law.''

With regard to the funds to be provided to the President for the reconstruction of Iraq, the supplemental before the Senate stipulates that funds may not be transferred to the Department of Defense, and that all funds available under this appropriation shall be subject to the regular prior notification procedures of at least 5 days in advance of the obligation of the funds. The funds will be used for feeding and food distribution, water and sanitation infrastructure, electricity, transportation, telecommunications, and other such humanitarian activities.

With regard to the $500 million for the Attorney General, the legislation has been improved to require that these funds be subject to the regular reprogramming process. Likewise, the funds provided to the Secretary of Homeland Security also require prior approval notification of the committee under the usual reprogramming procedures, which are long-established and long-respected by the Congress and the executive branch.

Overall, the President requested over $9 billion for aid to foreign countries and for the State Department. Yet his request for homeland security programs is only $3.8 billion, $3.8 billion for homeland security he requested; while, on the other hand, he requested over $9 billion for aid to foreign countries and for the State Department. The Secretary of Homeland Security has said that another terrorist attack in America is inevitable. He has said attacks, such as the attacks of September 11, are long-term threats that will not go away. If there is one lesson we should learn from 9/11, it is that terrorist attacks on our Nation can no longer be viewed as distant threats from across the oceans. The enemy may attack our troops or citizens overseas or it may attack civilians here at home. So we must provide all of the necessary resources to support our troops overseas. But we must also provide significant homeland security resources now to meet the real needs that have been overwhelmingly authorized by Congress and signed into law by the President for port security, airport security, border security, and nuclear security.

When it comes to funding homeland security initiatives, partisan politics has no place. Protecting a vulnerable nation is a duty that we all must shoulder together. Congress knows the needs at the local level, and Congress has tried time and time again to address those needs. The administration's request takes a step in the right direction, but at this time, when the Nation is acutely aware of the increased threat of terror attacks at home, one step is not enough. We must do more to address the critical vulnerabilities all across the country. We live under an orange alert, a heightened concern for terrorist attack. The American people are nervous about safety at home. I know I am nervous about safety here at home. That apprehension ripples through our economy. We read about it every day in the Wall Street Journal, the New York Times, the Washington Post. We should all have an interest in doing what we can to secure obvious vulnerabilities and allay citizen concerns.

To that end, I hope to work on a bipartisan effort, as this bill moves forward, to responsibly invest in first responders, in protections at our airports and seaports, and in other areas to better ensure the safety of Americans at home.

Let me again congratulate the chairman of the committee, the distinguished President pro tempore, and let me thank all the members of the Appropriations Committee, especially the ranking member of the Defense Subcommittee, Mr. INOUYE, for their cooperation in bringing this bipartisan legislation to the floor of the Senate. I expect its speedy passage, and I hope for its speedy passage. I join with the chairman in hoping to complete this bill in the Senate by tomorrow evening, or sometime tomorrow.

I congratulate the excellent staff we have for their hard work, especially Jim Morhard, the newly appointed staff director for the majority. Let me also thank my own two excellent staff persons, Terry Sauvain, and Charles Kieffer, for their dedication, hard work, and the long hours.

For certain, this legislation is not perfect and it is susceptible to improvement. I expect and hope to assist in such improvement over the next few days as the Senate proceeds to work its will on this important legislation, as it goes to and returns from conference. I thank all Senators.

The PRESIDING OFFICER (Ms. MURKOWSKI). The Senator from Alaska.

AMENDMENT NO. 435

Mr. STEVENS. Madam President, I want the Senate to be on notice—this is an issue we have to face. I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 435.

SEC. Section 3101 of title 31, United States Code, is amended by adding at the end the following new subsection:

''(d) The National Debt Ceiling of the United States shall be increased by the total amount of funds appropriated by Act of Congress for the Department of Defense, Department of Homeland Security or any other Agency of government to prosecute the war against terrorism, the war in Afghanistan, the war in Iraq, since September 11, 2001.

AMENDMENT NO. 436

Mr. STEVENS. Madam President, I ask unanimous consent that the amendment be temporarily set aside. I will discuss it soon. I have another amendment at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for himself and Mr. INOUYE, proposes an amendment numbered 436.

At the end of chapter 3 of title I, add the following:

SEC. ____. (a) INCREASE IN IMMINENT DANGER SPECIAL PAY.—Section 310(a) of title 37, United States Code, is amended by striking ''$150'' and inserting ''$225''.

(b) INCREASE IN FAMILY SEPARATION ALLOWANCE.—Section 427(a)(1) of title 37, United States Code, is amended by striking ''$100'' and inserting ''$200''.

(c) EXPIRATION.—(1) The amendments made by subsections (a) and (b) shall expire on September 30, 2003.

(2) Effective on September 30, 2003, sections 310(a) of title 37, United States Code, and 427(a)(1) of title 37, United States Code, as in effect on the day before the date of the enactment of this Act are hereby revived.

MODIFICATION TO AMENDMENT NO. 436

Mr. STEVENS. Madam President, there is a typing error in the first line of amendment No. 436. It should be ''chapter 3,'' and it appears ''chapter 2.'' I ask that the typing error be amended.

The PRESIDING OFFICER. The amendment is so modified.

Mr. STEVENS. Madam President, I raise this subject of combat pay, or pay for imminent danger. Having received such combat pay in World War II, I have been interested in this issue. During the gulf war in 1991, when combat pay was $110 a month, we raised that to $150 a month. Right after that war, the imminent danger pay was made permanent at $150. It has gone up 40 percent since 1991. We suggest it go up 50 percent to $225 a month. With regard to family separation and allowance, it is currently $100. We recommend it go up 100 percent to $200.

That is an expensive proposition. The cost of this for the balance of the year is $375 million, and the cost for a full year will be $650 million. This is a reachback amendment. It covers everyone from the time they were exposed to imminent danger. For family separation, it is the same, from the time they were separated.

I know there is a controversy, and I have had a little discussion with the Senator from Illinois. As I told the Senator, there are probably—I believe this is the case—more families in Alaska connected with the military than any other State in the Union, as the current occupant of the chair knows.

On the other hand, the moneys we have to have for modernization, for munitions, and for many other items come out of the same account. This is the operations and maintenance account. This bill already contains a massive amount, $30.3 billion, to replace in that account what has already been spent in mobilizing the military, including, by the way, the amount that has been spent so far for paying imminent danger pay at the rate of $150 a month. It is an issue we should address, but we ought to keep in mind that what is going to happen after this war is this will become permanent. It is a new base and it is a staggering increase in cost for personnel. I fully support it. As a matter of fact, I wish I could say we have nothing but billionaires in this country, and we could pay these people what they really deserve for being overseas, what their families really deserve when one or both parents are overseas.

As a practical matter, there has to be a reasonable balance in what we are doing. This subject can be reviewed by the Armed Services Committee later. We have the 2004 bill coming, and we can have this discussion again. I believe we ought to take this action and be as reasonable as possible in doing it.

I know there is a difference of opinion. I hope the Senate will agree to this amendment.

I ask unanimous consent that Senator WARNER be added as an original cosponsor to this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Madam President, I ask the distinguished Senator of the Armed Services Committee to review it. I raised this at one of the first hearings we had before the Appropriations Committee. I raised the question of what to do about imminent danger special pay. The Department has not given us a recommendation yet. I think they have other things in mind right now, but we have in mind the families in particular.

I spent some time with families in Alaska this last weekend, an enormous number of military families. Not one of them raised the question of imminent danger pay. Not one of them raised the question of their family separation pay. I was with literally 200 or 300 members of the armed services over the weekend at a special recognition in Fairbanks, AK, for the members who serve in the armed services.

I think this is the right thing to do, and I think this is the right time to do it, but I hope the Senate will do it right and not just have a figure that is pulled out of the air. These are figures that represent an increase, again, of 50 percent for imminent danger pay and a 100-percent increase for the family allowances on a monthly basis. I think that is very reasonable under the circumstances.

If there are additional amounts that should be provided, I welcome the Department of Defense so informing me. I do believe the Senate ought to agree with it without debate. As I said, if the Armed Services Committee and our Appropriations Committee believe more is needed as we go on, if this war goes on, God forbid, into fiscal year 2004, then we should address it.

Again, I say, in all sincerity, we are doing a lot of things for our military families, and I think they are all wonderful. When I was overseas, I did not talk to my family for over 18 months. Now a military person can call his or her family every day, thanks to Senator MCCAIN. They have absolute assurance of instant communication whenever they can get to a phone.

I remember seeing one young man who was wounded, and the embedded journalist had a satellite phone. He asked: Would you like to call home and tell them you are all right? And we all watched him call his family. That is the wonder of technology.

These are the realities of money, and our job is to manage the money of the United States. The first amendment I put in was to raise the debt ceiling of the United States because of what we have had to do since September 11. I want people to think about—and Senators should think about—the hundreds of billions of dollars of taxpayer money we have spent so far because of September 11.

Let's stay reasonable as we continue to increase that spending. We have to pass that amendment. We are going to have to raise the debt ceiling of the United States. Other people want to pick a figure out of the air. I say let's raise it by the amount of what we have already authorized to be spent in these three wars and homeland security. That seems to me to be reasonable. I will debate that one later, but right now I think this is a reasonable request in the Senate: Increase the imminent danger pay by 50 percent, increase the overseas allowance for families and the family separation allowance by 100 percent. I hope the Senate will support this move. It is a reasonable thing to do.

I call on the Department of Defense to come up with some basic studies as to what is necessary. It may be that portions of that family separation allowance should be bifurcated. These are all volunteers now. In the past, we went to war with draftees. Most of us did not have families. During World War II, it was a rare thing to meet somebody who was a married person. Now, practically all of them are married. As a matter of fact, in some instances, such as the families I visited over the weekend, I remember distinctly talking to three different couples who are both in the armed services. When they go overseas, they get two family separation allowances, and necessarily so. This may not be enough in some of these circumstances, but I think it is the duty of the Department of Defense to come up with a recommendation for a permanent solution to this problem. There is no question that the $150 we had in place has not been adjusted now since 1997, and it

should be. This is the time to adjust it. I think this is a reasonable adjustment, 50 percent for the imminent danger pay, $100 for the family separation allowance.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

AMENDMENT NO. 437 TO AMENDMENT NO. 436

Mr. DURBIN. Madam President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN] proposes an amendment numbered 437 to amendment No. 436.

Mr. DURBIN. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the amendment strike all after the first word and insert the following:

(a) INCREASE IN IMMINENT DANGER SPECIAL PAY.—Section 310(a) of title 37, United States Code, is amended by striking ''$150'' and inserting ''$250''.

(b) INCREASE IN FAMILY SEPARATION ALLOWANCE.—Section 427(a)(1) of title 37, United States Code, is amended by striking ''$100'' and inserting ''$250''.

(c) EXPIRATION.—(1) The amendments made by subsections (a) and (b) shall expire on September 30, 2003.

(2) Effective on September 30, 2003, sections 310(a) of title 37, United States Code, and 427(a)(1) of title 37, United States Code, as in effect on the day before the date of the enactment of this Act are hereby revived.

Mr. DURBIN. Madam President, as copies of the amendment are being made, I say to my colleagues that my amendment raises the combat pay, imminent danger pay for the soldiers, sailors, airmen, marines, and coastguardsmen presently in combat from the figure of $225 a month suggested by Senator STEVENS to $250 a month, and the family separation allowance from $200 a month to $250 a month.

I have spoken to my colleagues, whom I respect very much and whom I acknowledge to be certainly doing the very best they can with an extraordinary bill at an extraordinary time, and urge them to consider this new figure. I have not pursued my original request, which was $500 a month for both, nor a modification of it of $400 a month. I have come down to what I consider to be a reasonable increase in light of the reality of the circumstances.

I do not know that any person in the Senate will stand before us and argue that he is going to find complaints from military families about this family separation allowance or even about combat pay. Thank God we have the very best people in America serving in our military. Their families are at home keeping the families together, praying for their safe return. They are not importuning and begging this Congress for more money. That has not happened. God bless them for not putting pressure on us to deal with that. But let us accept the reality of our responsibility. We have a responsibility not just to pass resolutions in support of the troops. We have a responsibility beyond the kind words which we offer in debate in this Senate. We have a specific responsibility to these men and women in uniform and their families.

Look at what they are facing. They are facing the separation of families, which undoubtedly has to be traumatic and difficult. They are trying to raise their children in a circumstance that may be more challenging than ever because of the need for child care costs, which certainly are extraordinarily large even under the best circumstances. They are dealing sometimes with activated reservists and guardsmen who have left a good paying job and are now on military pay, taking a substantial economic cut. That is why I have started this debate. That is why I offered the amendment on the budget resolution. And that is why I bring this issue up today.

I hope when my colleagues consider what I am offering today, they will remember the vote we cast last week. Last week, I asked my colleagues, with the support of Senator WARNER, Senator CHAMBLISS, and Senator LANDRIEU, to entertain an increase in combat pay and an increase in family separation allowance. I asked that $2 billion be set aside for that purpose in the budget resolution, and the record vote in this Senate was 100 to 0. That is a rare unanimous vote of the Senate in support of something that everyone agreed needed to be done.

Now let's look at what I am offering today. The cost of $250 a month in combat pay and the cost of $250 a month in family separation allowance comes to barely $500 million for the remainder of this year. That shows that I am really coming with a request that is a little more than one-fourth of what the Senate approved by a 100-to-0 vote last week.

So why would we stand here and say unanimously, by a 100-to-0 vote, that we are willing to spend four times as much in support of military personnel and now a week later, when the bill comes before us, we are saying, no, we will not?

I say to my friend from Alaska, I thank him for acknowledging the need for an increase but I want him to seriously consider the second-degree amendment which I have offered. This amendment does not reach my original goal of $500 or a compromise of $400 a month but comes to $250 a month, which we are offering the families of servicemen who are struggling with childcare costs, additional medical expenses, the need to deal with additional family pressures. That is not too much for us to give. The current reimbursement of $100 is inadequate. Going to $250 is not extravagant at all. It is important that we do it.

For combat pay, let me quickly add, there is no amount of money we could pay our men and women in uniform that would compensate them for putting their lives on the line for our country, but I hope what we do today will be an important message and symbol to them that we not only stand with them when it comes to holding our flag and saying kind words on the Senate floor but we stand with them when it comes to combat pay and imminent danger pay.

When we look at the images of men and women on the television risking their lives, the prisoners of war, and all the horrors they face, $250 a month in combat pay seems like something this Senate should approve without controversy, and $250 a month for their family back home should not be controversial. It is, in fact, an effort to accept the reality of family obligations.

Senator DANNY INOUYE, one of my heroes in the Senate, last year gave a speech which I recall today as we stand and talk about this issue. He reminded us that back in World War II, when he served with such great distinction, over 80 percent of the men and women in uniform were not married, they were single. Today, we know that 60 percent of those serving in the Iraqi war, Afghanistan, and in combat zones have families back home. The face of the military has changed. Where family separation allowance used to apply to a very small group for very limited expenses, families today have additional expenses.

A year or two ago, I had a detailee in my office from the U.S. Army, MAJ Pat Sargeant, who works with medical evacuation now and is currently serving our country with his wife. He recently sent an e-mail to my office. He noted an article in the Army Times, which said: ''Legislators set out to boost war pays.''

The article stated I had sponsored an amendment to include an increase in monthly imminent danger pay from $150 to $250 and family separation allowance from $100 to $250.

Pat Sargeant—wherever you are—sent me the greatest note and said: You cannot believe what it did to morale for us to hear that the Members of Congress were going to try to help our families and try to help the individuals involved.

Let's stand together today on a bipartisan basis for all the States, as we did last week; 100 to 0 should be the vote in favor of $250 a month for combat pay, $250 a month for family separation allowance. That is a reasonable amount. It is not an exorbitant amount.

Some have argued that is just for the remainder of this fiscal year; we may have to face this expense in the future. I say, so be it. So be it. If we are going to activate guardsmen and reservists, if we are going to ask the men and women in uniform in this country to risk their lives, the first obligation we have is to them and their families before we discuss the myriad of other issues that will come before the Senate.

In this supplemental appropriations bill, there is a substantial amount of money to pursue this war in Iraq. I believe it will receive a unanimous vote in the Senate. There is also $9 billion in this bill for foreign aid, which I will support.

Put in perspective what we are asking for: $500 million first and foremost to the men and women in uniform and to their families. That is not an unreasonable request in a bill that may total $80 billion; $500 million for the men and women in uniform so that $250 a month in combat pay will be there for them, $250 a month will be there to help their families get through this very difficult time.

I hope the Senators who have considered this issue will consider my second-degree amendment in friendly terms and accept it so we can vote for this on a bipartisan basis. The Senate should stand together. I urge my colleagues to accept the amendment.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Madam President, I must state my surprise at the distinguished chairman having offered an amendment that would provide for an open-ended increase in the national debt. I didn't even know this was going to happen. No one spoke to me about this. Yet this is open ended.

I had hoped to finish this bill tomorrow night, by tomorrow night. I don't think that I would ever offer an amendment of this nature without consulting with my colleague.

Mr. STEVENS. Will the Senator yield?

Mr. BYRD. I yield.

Mr. STEVENS. I am sorry. It is my memory we discussed that ceiling problem and the Senator said he did not want to take it up.

Mr. BYRD. I don't have that memory.

Mr. STEVENS. We don't have the same memory, as a practical matter.

I understand the Senator's position. I did introduce it and set it aside because I wanted people to understand I believe it is my duty to see to it that this subject is addressed during the consideration of this bill. I am informed we will reach this problem sometime in June, July, or August, unless we do lift the debt ceiling. I do not think we can go through this period of war and have that hanging out there and be a subject that might constrain defense spending.

What I have done is introduced an amendment to this bill that says we will increase the debt ceiling by the amount we have spent since September 11 to meet the interests of our Department of Defense, homeland security, and reaction to September 11. If the Senator says that is open ended, I don't think it is open ended. I can figure it out fast and we will be glad to put the number in there if that will satisfy the Senator's objection. I do think it will be an interesting debate. We, undoubtedly, will have to raise the question, but based on our long friendship, I sincerely apologize if my memory is incorrect.

Mr. BYRD. Madam President, ours has been a long friendship. It is going to continue. But I expect to be a partner in this fight. I expect to be told at least by the chairman that he anticipates calling up an amendment of this nature.

A point of order would lie against this amendment. That would have been the very reaction I would have had if he had mentioned such an amendment to me. I would say a point of order might lie against it.

Mr. STEVENS. Unless it is perfected as the Senator suggests in terms of a problem with regard to the money.

Mr. BYRD. That constitutes legislation on an appropriations bill.

Mr. STEVENS. The whole bill is legislation.

Mr. BYRD. Well, I know.

I hope in the future I will not be taken by this kind of surprise.

Mr. STEVENS. I repeat my apology. My memory is we discussed whether we should address it, the debt ceiling.

Mr. BYRD. When did we discuss it; I ask where did we discuss it?

Mr. STEVENS. In my office, sir.

I apologize. I have addressed this with several other Senators. I apologize and I have taken it upon myself to say it is my error, but the amendment is there and it is my duty to raise the subject of the debt ceiling.

Mr. BYRD. Well, that is quite all right, but I would at least like to know in advance that it is being done, that is No. 1.

No. 2, this is an open-ended increase in the debt ceiling.

Mr. STEVENS. Will the Senator yield?

Mr. BYRD. I yield.

Mr. STEVENS. That is the reason I introduced it and had it set aside so we could address the question of whether we should make it a closed subject. We can calculate that amount right now. But it may be changed before this bill is over. The bill keeps going up. It is already up more than the President asked for, and I believe it to be another $5 or $6 billion before we get the bill to conference.

In any event, the problem is, what are we going to do? Do we proceed with the three wars we have going up on, and then, my God, we may not be able to do that because if we do that we will exceed the debt ceiling.

The President has the power—under food and forage—to start spending money. We have a program for other purposes, for the conduct of these three wars. I take the position he should not be constrained at all by a debt ceiling. It is my duty to raise that debt ceiling.

Again, I apologize to my friend. I would like to address, when the Senator is finished, Senator DURBIN's comment about the pending amendment. This is not the pending amendment.

Mr. BYRD. Madam 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. REID. 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. REID. Madam President, I have spoken to the manager of the bill and the ranking member, Senator BYRD, and I am going to speak on an amendment I will offer at some subsequent time. Senator STEVENS has indicated the amendment that is the first one that was offered here today will not be discussed until after we have the cloture vote on the Estrada nomination. That will be at around 2 o'clock. After that time, we will again discuss that, if necessary.

Madam President, as I indicated, at some subsequent time, I will offer an amendment. The Democratic leader has indicated he wants just a few amendments offered. He has gone over the amendments he feels would be appropriate, and this is one of them.

So I would just simply say, if you watch television—as we all do every night—you see the explosions going off in Baghdad and other places in Iraq. Lights coming up, flashes—they go away very quickly. These violent occurrences we see on television are tiny, little babies compared to what this amendment is all about.

A nuclear explosion makes everything that has happened in Iraq appear as if it is nothing. For everything that has happened in Iraq to this point, one nuclear explosion would be far more devastating than everything that has taken place throughout the country of Iraq these past 2 weeks.

We have some knowledge in Nevada of the violence of a nuclear explosion. For those who have been to the Nevada test site, as you drive through the very remote area, you see holes in the ground that are bigger than the United States Capitol, where a nuclear explosion has taken place—bigger than the United States Capitol.

You see where they have done aboveground tests. They still have the remnants of a small town that was destroyed. There are parts of it left, but not much.

And then throughout the desert, where you do not see the large holes bigger than the United States Capitol, there are almost 1,000 indentations in the land where shafts have been sunk and these nuclear devices set off far in the ground, thousands of feet into the ground—not hundreds, thousands of feet in the ground—but yet the ground settles. And as you drive through it, it is like the landscape of the moon.

And then, things you cannot see are the tunnels. There are tunnels all over those mountains in the Nevada test site, where scores of nuclear explosions have been set off. We cannot see the devastation that takes place inside the earth, but it has taken place.

We were concerned here in the Capitol when Senator DASCHLE's office was anthraxed. Somebody sent him some poisonous material, and it took millions of dollars to clean up the building the anthrax was in, the Hart Office Building—millions of dollars. It took several months to clean that up.

We hear so much about dirty bombs. The explosion in most dirty bombs would not be real big. It would be plenty big, but not as big as what I have described at the Nevada test site. But one dirty bomb would so contaminate a building, a neighborhood, a community, that it would be basically useless for scores of years.

The amendment I am going to offer provides $400 million to the Department of Energy to safeguard nuclear weapons and nuclear material in the United States and throughout the world.

I want to make sure that Members in the Senate understand what I am doing, what this amendment is attempting to do. The amendment provides $300 million for the Nuclear Nonproliferation Program and $100 million in additional funding to the Department of Energy to fund enhanced safeguards and security programs at the Nation's nuclear weapons laboratories and plants, at environmental management cleanup sites throughout the Nation, and at DOE Office of Science laboratories. All of these sites are home to nuclear material which needs to be protected.

There are large amounts of money in the supplemental appropriations package for the Department of Homeland Security. And I supported that. It is for first responder training and chem-bio detection and related activities. It is a good thing. There will be efforts made to increase that.

However, most of our Nation's nonproliferation activities and nuclear detection activities are not housed within the Department of Homeland Security. These activities are funded under the National Nuclear Security Administration, a semiautonomous organization within the Department of Energy. The administration request for nonproliferation and nuclear security was zero—nothing.

The broad authority to transfer funds to meet homeland security needs would placate me a little bit if it were not for the fact that the transfer authority is only available within the Department of Homeland Security, and the Department of Homeland Security is not in a position to transfer funds to the National Nuclear Security Administration for nuclear nonproliferation or security activities.

This is really a big concern. The GAO issued a Weapons of Mass Destruction report last week concerning the faltering cooperation the United States is receiving from Russia in terms of securing fissile nuclear material, and other weapons of mass destruction, in the former Soviet Republics. After years of effort, the United States is still struggling to get access to most locations where nuclear material is stored. The ramifications of this report should frighten everyone. More importantly, it is time for Congress to get moving on doing something about this problem.

We have not even talked much about it, let alone done anything about it. It is incumbent upon this and all future administrations to get the material secured as quickly as possible just as it is critical to ensure that we do a better job protecting nuclear material in the country. However, since September 11, it has been like pulling teeth, for lack of a better description, to get this administration to request supplemental funding to better secure nuclear material at our weapons labs and plants, DOE sites, and other laboratories run by the Department of Energy.

The administration has paid little heed to calls from within the Department to do a better job of transporting this stuff safely. Last year, the Department requested hundreds of millions of dollars but OMB simply wouldn't approve anything other than $26 million. In response, Congress appropriated $300 million in contingent emergency funding. The President refused to release this.

These moneys go to making a safer world. The reason we are doing this is to try to make sure that homeland security really means something and we have a program to do something about nuclear materials.

The neglect we have shown as a country is frightening. I am grateful to my colleagues and good friends, Senators DOMENICI and STEVENS, for adding almost $100 million to this supplemental for many activities about which I have spoken. They also added $54 million in additional safeguards for Army Corps of Engineers and Bureau of Reclamation facilities. That was important. My amendment seeks to build on that base. This amendment pays for everything in the underlying amendment Senator DOMENICI worked to put in this and then funds many additional activities that are crucial to our Nation's efforts to keep nuclear materials safe and secure.

The $400 million in this amendment is spread out as follows: The largest proportion of this money goes to nuclear detectors at mega-seaports around the world, not here in the United States necessarily. The global shipping system can deliver a containerized weapon of mass destruction more accurately than a missile from the Soviet Union, according to the Department of Energy. This isn't something I am making up. Vessels move 90 percent of our warfare fighting material and the bulk of goods our Nation purchases from abroad. Current U.S.-based systems for protecting radioactive weapons are not oriented toward when a port itself is a target of a weapon of mass destruction.

The Department of Energy has performed an analysis of shipping in the United States and has identified 60 foreign mega-seaports overseas where goods/containers from many nations first go before they are shipped to the United States. DOE indicates that, for example, about 10 percent of all containers shipping to the United States go through Hong Kong and about 6 percent go through Shanghai and Singapore.

DOE has developed nuclear detectors that can be given to port authorities in such mega-seaports in conjunction with U.S. Customs which provide portwide alert of nuclear material. Detecting and impounding illicit nuclear material before it is even sent to the United States provides the best protection we can get.

We have the technology; it is just expensive. This amendment would pay for our going to Shanghai, to Singapore, to Hong Kong, these mega-ports where we get so much of our material, and determine if any of those shipments are nuclear in nature before they get here.

DOE is in the process of deploying the first radiological detection system to a foreign mega-seaport, but it has no funds appropriated in the 2003 fiscal year or even budgeted for 2004 to do this. They are in the process of deploying, but you can't deploy if you have no money. This additional $135 million would provide protection for nine mega-seaports. It would not get all of them, but it would get the big ones. This would be for a total of 10—the 1 they are trying to work out and the 9. This additional money would allow screening of approximately half of all containerized shipping entering the United States. Right now, we basically check none of it. This amendment would allow us to check 50 percent of it. This is something that is vitally important.

I talked about dirty bombs; radiological dispersal devices is the technical name. On March 11, Secretary Abraham addressed an International Atomic Energy Agency meeting, which he initiated to discuss the menace of radiological dispersal devices, with over 600 people from 100 nations in attendance. It was our meeting, the United States of America. The use of radioactive sources for peaceful purposes is widespread. They have many beneficial industrial, agricultural, research, and medical applications, but terrorists also may seek such devices for their radiological content to construct dirty bombs and cause panic and economic disruption by spreading radioactive material over a wide area and detonating high explosives. I repeat, what happened in the Hart Building with anthrax is nothing compared to any dirty bomb.

The Secretary said at that international gathering:

"It is our critically important job to deny terrorists the radioactive sources they need to construct such weapons. The threat requires a determined and comprehensive international response. Our governments must act, individually and collectively, to

identify all the high-risk radioactive sources that are being used and have been abandoned.'' The Secretary told the conference ''We are ready to assist other interested countries to speed the needed improvements, and we want to begin immediately.''

I am sure his heart was in the right place, but he had no ability to deliver on the statement he made to this conference.

He went on to say:

We are prepared to work with other countries to locate, consolidate, secure, and dispose of high risk radiological sources by developing a system of national regional repositories to consolidate and securely store these sources.

The administration has never requested a penny for this purpose. It seems now that this supplemental appropriations bill is where we should make the Secretary's offer of assistance to the international community credible.

This bill calls for $20 million for nonproliferation assistance to nations other than the former Soviet Union. The Materials, Protection, Controls, and Accounting Agency nuclear nonproliferation programs to date have only targeted nations of the former Soviet Union. There is no money to do anything about it, to assist countries all over the world, especially in Southeast Asia—no money. Obviously, the point is made there.

We have $20 million in this bill for funds that are needed to develop the analytical capability to determine the nature and origin of a stolen nuclear weapon or captured improvised nuclear device or what happened and who did it in the event of nuclear detonation on U.S. soil.

We need research and development. If a nuclear device is found, we need to be able to determine what kind of a device it is, how it will detonate, how to defuse it. We have $20 million, a relatively small amount, the Department needs to improve material and radiochemical analysis methods, the sampling and modeling of nuclear explosion debris, and the implications of nuclear weapons design.

Our weapons labs around this country have the best scientists in the world. I have been to the weapons labs: Livermore, Sandia, Los Alamos. They have the best and the brightest. But they can't do anything to help us unless they have money to do the research. That is what this will do.

In this amendment, we have $15 million for nuclear nonproliferation verification, $12 million for nonproliferation assistance to Russian strategic rocket forces. What is this amount? Certain elements of the Russian military prefer to deal with our Department of Energy rather than the Department of Defense. For example, all work by the United States to secure Russian Navy warheads has been done by DOE. The fiscal year 2004 budget proposes for the first time for DOE to assist the Russian strategic rocket force ICBMs to secure its weapons. It contains funds to secure 2 of the first 10 most viable sites. Additional funds in the supplemental would start the program much earlier and increase the number of sites to be protected.

I have worked with Senator DOMENICI for many years, as the ranking member and chairman—going back and forth—of the Energy and Water Subcommittee on Appropriations. We have the responsibility to take care of our nuclear weapons. Large amounts of money are appropriated every year. We in the United States appropriate large sums of money to make sure our nuclear stockpile is safe and reliable. A nuclear stockpile is not like storing a car. It is not like storing canned goods. These weapons have elements that go bad, and you need to constantly review, examine these weapons to find if they are safe and reliable. The Russians know this. But they have not had the resources to help. It is in our best interest to work with them, with Nunn-Lugar and other such methods, to try to help them make their stockpile safe and reliable. Here is $12 million for additional funds that, as I have indicated, would help the ICBMs in Russia be safe and reliable.

When the war with Iraq ends and we find weapons of mass destruction in with nuclear material, we need to make sure we will have some way of disposing of them. We have provided in this bill for that. We want to make sure there is money for nuclear material detection regarding materials and devices.

Funds are also needed to help develop advanced materials that will enable the fielding of room-temperature, high-resolution, hand-held and portable radiation detection and identification equipment. Our labs can do that with the scientific community, many of which are in the private sector.

We have another problem. We need to be able to detect any nuclear explosion from proliferant countries that have very low yield. We don't have the equipment to do that. We need $10 million to do that. What we have in this amendment is a number of efforts to simply make our country safer, to make homeland security apply also to things nuclear.

I am going to offer this amendment when we get the parliamentary problem worked out. The threat of loose nukes worldwide scares me as much as anything that I am afraid of. We have to do something about it. We have not talked about it. It is like the perennial ostrich sticking his head underground so he cannot see what is going on. I see what is going on, and the Senate must see what is going on. This bill, which is extremely important—as important as anything we do for homeland security—contains $400 million, directed totally to things nuclear.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HAGEL). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

MIGUEL A. ESTRADA, OF VIRGINIA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE DISTRICT OF COLUMBIA CIRCUIT

The PRESIDING OFFICER. Under the previous order, the hour of 1:30 p.m. having arrived, the Senate will now go into executive session and resume consideration of Executive Calendar No. 21, which the clerk will report.

The legislative clerk read the nomination of Miguel A. Estrada, of Virginia, to be United States Circuit Judge for the District of Columbia Circuit.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I understand the distinguished chairman is on his way over. As we have evenly divided time and time is running, I will begin and will yield when he arrives.

We have another in a series of cloture votes on this divisive nomination today. Actually, nothing has changed significantly since the leadership forced the three previous cloture votes.

I did read in the New York Times over the weekend that Mr. Estrada spoke about the memos he wrote as being perhaps somewhat divisive. Maybe that is why the White House does not want us to see them. The only reason we are having these problems is the administration has refused to bring forward the writings on which one could form an idea whether he should have a lifetime appointment to the second highest court in the country.

The White House has had access to all these writings and they eagerly committed the political capital to go forward. But they don't want us to see them. The administration remains insistent that the Senate rubberstamp nominees without fulfilling the Senate's constitutional advise and consent role in this most important process.

Everyone has known for a long time how to solve the impasse in the Miguel Estrada nomination. The Democratic leader's letter pointed the way back in early February. Some say that the administration is proceeding this way because they do not care whether he goes through or not. They think somehow it is a political issue. That is the problem if this administration continues in its efforts to politicize the Federal courts.

There has been too much politicizing. The Federal courts are not a branch that belongs to either the Republican or Democratic party. They are not a branch of whoever is in the White House or in control of the Congress. They are the one independent branch of Government. They are supposed to be above politics, outside of politics, and

yet in this case the White House could easily move forward with this nomination but is choosing to keep it in limbo. Unfortunately, too many Members are willing to dance to that tune.

Remember, it says advise and consent not advise and rubberstamp. The administration and Mr. Estrada do not want to show Members his writings. This is part of the work and experience that made the White House such an eager supporter of him. The American people and their representative ought to know how he thinks and have the best basis to predict how he would act as a judge, whether as an ideologue or as an impartial judge.

Past administrations—and I have been here with President Ford, President Carter, President Reagan, former President Bush, and President Clinton—they have all shown similar type writings to the Senate. We had nominations of Robert Bork, William Rehnquist, Brad Reynold, Ben Civiletti, and others. Even this administration did so for a nominee to the Environmental Protection Agency.

We have had senior members in the Republican Party say they wish the White House would show some cooperation, as past White Houses have, to get forward on this. Instead, we continue being blocked by the administration's position when we should be going forward.

Mr. DURBIN. Will the Senator yield?

Mr. LEAHY. Of course.

Mr. DURBIN. I thank the Senator for his service as ranking Democrat on the Senate Judiciary Committee. I would like to put the Senator from Vermont on the spot with a question.

If the White House will allow these writings that are in controversy here by Miguel Estrada to be released to the Congress for review, and if we are then given a chance to review them, to bring Mr. Estrada for a hearing, if necessary, so we can ask questions, some of which he has not answered completely before, at that point would the Senator from Vermont personally urge the Democrats in committee to allow this process to move forward in an orderly fashion to consideration in committee, to a vote in the committee, and to a vote on the floor?

Mr. LEAHY. I say to my friend from Illinois, of course I would. I have said this right along. I may or may not vote for Mr. Estrada based on what is in the writings, but I will never give a blank check to any President—I have not—Democrat or Republican. I want to know what is in there. After all, there have been statements by this person's supervisor that he did not fairly state the law in the course of his work. We should have the basis to determine the quality of his work.

As the Senator from Illinois knows, when I was chairman of the committee, in 17 months we certainly moved far more of President Bush's nominees than the Republicans did when they were in the chair the previous 17 months for President Clinton. I believe that we actually moved more than the previous 30-month period under them. I did not allow the secret holds they had used extensively to block President Clinton's nominees. At times, they actually required 100 Senators to be for somebody before they would go through it.

A former Republican leader accepted part of the blame for how the Senate came to this, and I appreciate him doing that. He acknowledged you filibuster a lot of different ways. The Republican majority often defeated nominees by making sure they were never given a hearing or a vote. I don't believe in that.

If a nominee will go through the normal process, if the White House will stop playing games, if they will stop stonewalling, I am perfectly willing to go forward.

Mr. DURBIN. I might say to the Senator from Vermont, if he will yield further, in my experience in trial practice before I was elected to Congress, one's curiosity was always raised when the party on the other side refused to disclose a document. You had to go to court and have a decision made by the judge in discovery as to whether they would be required to produce the document. You naturally believed, if they were holding back a document, then certainly it might be a document that would compromise their position or jeopardize their position.

I would like to ask the Senator from Vermont, is it not a fact now that because of this long delay and because of this intransigence by the White House to release these documents, there is more and more curiosity as to what is contained in them? Here we have a nominee who, despite an excellent academic resume, really has little to show in terms of legal writings or things that give us an insight into why he should be selected for a lifetime appointment to the DC Circuit Court.

I ask the Senator from Vermont, isn't it fairly obvious at this point that, if the White House will release these documents and start the orderly process, then we can have a final disposition of Mr. Estrada, just as soon as they respond?

Mr. LEAHY. I would think so, I say to my friend from Illinois. Again, the point is the White House has had access to these papers. Surely they did a thorough review of this nomination. Surely someone in the administration must know what these documents contain if they are refusing to provide them and Republican Senators are asserting that they are ''privileged''. I would hope that no one, and certainly no one with legal training, would assert a privilege without knowing whether it applies. My recollection is that the administration took several weeks to respond to our request for the documents. Surely they were not simply ignoring our request for those weeks. I would have assumed they were using that time to review the documents and determine what could be produced immediately and what might require further discussion. They want to put this young man, at 41 years old, on the second highest court in the land. But they don't want us to know about his legal work and judgment when he was working for the government. They are saying: We'll nominate; you rubberstamp. I am saying it is advice and consent. That has worked in the Constitution for all the history of this country and will continue to work.

We had an example of internal Justice Department documents that were the work on another of the President's controversial nominees that have previously been produced to the Senate. At least the papers came forth. We find that she, working for a previous Republican administration, had strongly organized, in fact, went out of her way to help support a tax exemption for a college that discriminated against African Americans, discriminated against Catholics, discriminated against Mormons, took the most radical position, but was a darling of the Republican Party. Her nomination to a major court of appeals position by this administration is now pending. But at least we knew of her work and at least she could be questioned on it.

I would say to my friend from Illinois that we began this because we were waiting for the distinguished chairman. He is here. I suggest I reserve the remainder of my time and yield to the distinguished chairman as I had agreed when we called off the quorum at the request of the Republican side.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. How much time remains on both sides?

The PRESIDING OFFICER. The Senator from Utah has 15 minutes remaining. The other side has 6 minutes 30 seconds remaining.

Mr. HATCH. Mr. President, this is the first true filibuster in history of a circuit court of appeals nominee—the first one in history. It just has never happened before, no matter how controversial the nominee—and this one certainly is not controversial. They just haven't found anything to criticize him with, and that is the problem.

The distinguished Senator from Vermont says he is not going to rubberstamp anybody. Don't anybody worry about that. The Democrats have not rubberstamped one of these judicial nominations of President Bush so far. In fact, they voted against a high percentage of President Bush's nominees.

Frankly—ask all those who have gone through this process—it is an arduous, difficult, and in many ways a demeaning process as a result of the way my colleagues on the other side seem to be attacking these nominees.

The White House has been accused of political games in putting Miguel Estrada up, and in not allowing fishing expeditions into the most sensitive documents in the Justice Department. Those documents are the appeal, certiorari, and amicus recommendations

made by people such as Mr. Estrada while they are there.

Seven living former Solicitors General have all said there is no way that any administration should give those documents to the Senate. I might add, four of those are Democrats, three of whom were Democratic Solicitors General with whom Miguel Estrada worked and for whom they had great affection. Seth Waxman, who is a great lawyer here in this town and a partisan Democrat, basically said Estrada has every qualification a person should have for the bench and basically said he did a good job while at the Department.

I heard the distinguished Senator from Illinois say he has little to show in legal writings. What about the 15 briefs he has written for the U.S. Supreme Court? That is a lot of legal writings, more than almost any nominee we have had here in the history of my 27 years on the Judiciary Committee. What about all the appeal briefs he has written and the reply briefs he has written, not only on the Supreme Court but in the circuit courts of appeals? They have access to every one of those. What about all the written questions they have given him? Only two asked for them after the hearing, and then we agreed to provide him to answer more written questions, and only one or two have asked further written questions.

There is no desire on the part of my Democratic colleagues to learn more about Miguel Estrada. There is a desire to find something they can hang their hat on to stop him because he is on the fast track to the Supreme Court, they believe. The best way they can show President Bush they are not going to have a conservative Hispanic on the court is by attacking Miguel Estrada, and that is what is behind this matter.

Today we are debating a historic fourth cloture vote on the nomination of Miguel Estrada. No other Executive Calendar nominee, judicial or nonjudicial, has ever been subjected to four cloture votes in this body.

Let me state that a clear majority of this body supports this nomination, as has been determined by the past three cloture votes. So it is regrettable that a minority of Senators have followed their script of obstructionism to prevent the Senate from concluding this debate on this nomination and allowing the Senate to proceed to a final vote. However, it is not surprising they have stalled this nomination. In September of last year, a Democratic staffer on the Judiciary Committee is quoted in The Nation magazine as saying:

> Estrada is 40, and if he makes it to the circuit then he will be Bush's first Supreme Court nominee. He could be on the Supreme Court for 30 years and do a lot of damage. We have to stop him now.

That, by the way, is a Democratic staffer on the Senate side.

Mr. LEAHY. Will the Senator yield? Do you have the name?

Mr. HATCH. I am not going to name names on the floor.

Mr. LEAHY. Is this one of those unnamed sources?

Mr. HATCH. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. HATCH. It appears the real reason for the filibuster—I suggest to the distinguished Senator, just read The Nation magazine and you can find out for yourself. Why should I provide information to you anymore?

It appears that the real reason for this filibuster is the threat of a Justice Estrada on the Supreme Court. Of course, I take issue with the assertion that Mr. Estrada would do any so-called damage on any court. In fact, I am confident that he would be a fair and unbiased judge who would follow the law. He would not be an activist, which is probably what this staffer meant when he said that Mr. Estrada would do a lot of damage. But I find it ironic that this staffer knew enough about Miguel Estrada last September to proclaim that he must be stopped at all costs, when some of my Democratic friends insist on continuing this filibuster because they allegedly do not know enough about his views. Read the Nation magazine. I think the real reason for this filibuster lies in the rest of the staffer's quote: That Mr. Estrada is a Supreme Court caliber attorney whose ascension to the Federal bench must be stopped now.

This unparalleled filibuster is one of many weapons of obstruction designed to prevent the President from having his nominees fairly considered and voted upon by the Senate. This is according to a partisan game plan, developed and coordinated as early as April 2001, when, according to the New York Times, Senate Democrats met in a private retreat to forge a unified party strategy to combat the White House on judicial nominees. I would like them to deny this. I would like them to tell me The New York Times misquoted and didn't tell the truth here. They can't deny it. As one participant in the meeting stated, according to that press account, it was ''important for the Senate to change the ground rules'' on judicial nominations.

One of the three noted liberals who coached Senate Democrats on changing the ground rules on judicial nominations was University of Chicago law professor Cass Sunstein. Just the other day I came across a Yale Law Review article that Professor Sunstein co-authored in 1992 entitled The Senate, the Constitution, and the Confirmation Process. This article advocates a confirmation process in which the Senate plays a more aggressive and high-profile role. I found surprisingly familiar many of the principles he propounds in that article because I have heard a number of my Democratic colleagues also arguing for their adoption time and again in the Judiciary Committee and on the Senate floor.

For example, Professor Sunstein says:

> [T]he criticisms of the current process are telling. Supporters of the administration object that members of the Senate, and private groups generally critical of the Administration, expend enormous energy not in disinterested inquiry but in trying to 'catch' the nominee: to find some statement in her record that reveals a belief so extreme as to be 'out of the mainstream.'

When I read this statement, I thought it sounded familiar, so I took a look at the remarks of my colleague from New York Senator SCHUMER, when he chaired a hearing in June 2001 at which he argued that a judicial nominee's ideology should play a role in the confirmation process.

Sure enough, here is what my good friend said:

> [T]his unwillingness to openly examine ideology has sometimes led Senators who oppose a nominee to seek out non-ideological disqualifying factors, like small financial improprieties from long ago, to justify their opposition. This, in turn, has led to an escalating war of ''gotcha'' politics that, in my judgment, has warped the Senate's confirmation process and harmed the Senate's reputation.

Professor Sunstein also argues that:

> [t]he senate should place the burden of proof—with respect to character, excellence, and point of view—on the nominee.

He continues:

> In exercising its consent power, the Senate is entitled to reject nominees simply because they have not established that they have the requisite qualities, even if there is considerable uncertainly on that point.

Well, as we all know, after Senator SCHUMER's hearing on ideology in the confirmation process, he held a second hearing arguing Professor Sunstein's precise point: That the burden of proving worthiness for confirmation should be on the nominee. In fact, this is one of the factors sustaining this filibuster: The ill-formed perception that Miguel Estrada has not proven that he deserves to be confirmed to the DC Circuit.

Back to Professor Sunstein. He also says:

> The President, his opponents say, chooses 'stealth' nominees whom he has reason to believe are deeply conservative, but whose views the Senate will not be able to uncover.

This, of course, is precisely how Senator SCHUMER characterized Mr. Estrada in The Nation magazine last fall. He said:

> Estrada is like a Stealth missile—with a nose cone—coming out of the right wing's deepest silo.

I have heard a number of my other Democratic colleagues join in the chorus of labeling Mr. Estrada a stealth nominee.

Mr. President, I think I have made my point. This 1992 article written by Cass Sunstein provided the basis for the model that some of my Democratic colleagues are using to stall up or down votes on President Bush's judicial nominees, including Miguel Estrada. This filibuster is part of a coordinated attack designed to deny President Bush's circuit nominees a seat on the Federal bench.

Don't get me wrong—Professor Sunstein is an unabashedly liberal law professor, and as such it can be argued that he has carte blanche, or even an obligation, to push the far-left envelope, which he regularly does. But this does not mean that my Democratic colleagues have an obligation to blindly follow him into the far-left. Some of them have refused to do so, and I commend them for that.

For the others, I will repeat my sentiments which I stated here on the Senate floor just a few weeks ago. This historic cloture vote represents another opportunity for my Democratic colleagues to reverse course. This is the time to end their dangerous obstructionist tactics and grant Mr. Estrada the up or down vote any judicial nominee deserves. They are free to vote against confirming him if they truly believe that he has not answered their questions, or that his record is incomplete without examining the Solicitor General memoranda. But they should not continue to obstruct the will of the majority of this body that desires to give this nominee a vote.

Mr. President, how much time remains on my side?

The PRESIDING OFFICER. The Senator from Utah has 6 minutes 10 seconds.

Mr. HATCH. Mr. President, I reserve the remainder of my time.

Mr. LEAHY. To date, there have been at least 77 editorials and op-eds in support of the position of Democratic Senators on the nominations of Mr. Miguel Estrada's nomination to the Court of the Appeals for D.C. Circuit. On March 6, 2003, I placed in the CONGRESSIONAL RECORD excerpts of the editorials and op-eds that had been published by that date, because Republicans had been asserting that there were only a handful of editorials or op-eds in support of our concerns. Here are some excerpts from 24 additional editorials and op-eds expressing concerns about Mr. Estrada's nomination, bringing the total to at least 77. This controversial nomination continues to divide, rather than to unite, the American people.

I ask unanimous consent to print in the RECORD excerpts of 24 recent editorials or op-eds, in addition to those printed last month.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 13, 2003]

HOLD FIRM ON ESTRADA

[Supporters] argued that handing over Mr. Estrada's memorandums would be a violation of privacy, although other nominees, including Chief Justice William Rehnquist and Judge Robert Bork, did so in their own confirmation hearings. Supporters have also contended, shamefully, that opposition to Mr. Estrada is anti-Latino, even though his nomination is opposed by the Congressional Hispanic Caucus, the Mexican American Legal Defense and Educational Fund and other leading Latino groups. Now Republicans are attacking Democratic senators for using a filibuster. The criticism rings hollow, given that some Republicans making it, including the majority leader, Bill Frist, voted to filibuster when President Clinton nominated Richard Paez, a Mexican-American, to an appeals court. Rather than demonizing Democratic senators, the White House should look for common ground. In the case of Mr. Estrada, it should respect the Senate's role in the process by making his full record available. And going forward, it should choose judicial nominees from the ideological mainstream, who do not prompt the sort of bitter partisan divisions that Mr. Estrada has.

[From the Connecticut Law Tribune, Mar. 24, 2003]

NOMINATION BATTLES

Because federal judgeships are for life, what is at stake is what the law of the land will be for the next two or three decades. That's why the continuing Senate filibuster transcends Estrada. Its aim is to use what little Democratic power is left to force the White House and Senate Republicans to the table to hammer out a more bipartisan, more balanced approach to judge-picking.

[From the Daily News, Mar. 31, 2003]

THE QUOTABLE LINCOLN

By President Lincoln's reasoning, Mr. Estrada is not qualified for the court appointment if his opinions are unknown publicly. The full quotation comes to light as the Senate Republicans vow to keep bringing up the Estrada nomination against the opposition of all but a handful of the Democrats. The Republicans, including both Maine senators, have been unable to muster more than 55 of the necessary 60 votes to break the filibuster.

[From the Times Union, Mar. 20, 2003]

ESTRADA SHOULD ANSWER QUESTIONS IN PUBLIC

Since Mr. Estrada doesn't have experience to bolster his candidacy, he must provide convincing evidence of his ability to perform. If he is qualified to serve, he should step up to the plate and tell us, in a public hearing. If not, he should step aside and let the Senate get on with its business.

[From the Orlando Sentinel Tribune, Mar. 23, 2003]

WILL ESTRADA PROTECT THE RIGHTS OF LATINOS?

At his hearing before the Senate, Estrada failed to answer senator's questions, and he hid his views from the Senate and the public. Because of his limited record, it was important for Estrada to be forthcoming and give senators the opportunity to find out more about the kind of judge he would be; yet he chose to remain silent. . . . The little we do know about his record is very troubling. . . . Defeating his nomination would not send the message to Latinos that "only a certain kind of Latino need apply." On the contrary, it would send the message that everyone in America is judged by the same standard. If you cannot be fair and protect the basic constitutional rights of the common person, you do not deserve to serve in a judicial appointment, no matter what your race or ethnicity is.

[From the Connecticut Law Tribune, Mar. 24, 2003]

NOMINATIONS BATTLES

Miguel Estrada is being treated the same way Republicans treated Democratic nominees for years, Hispanic or otherwise. The battle is intense because the stakes are high. At issue is the American principle of checks and balances, and more. Republicans already control the White House and Congress and are now aiming for the third branch of government. Not only will Bush likely get the chance to push the divided Supreme Court rightward with an appointment or two. He already is reshaping the appeals courts one level below the Supreme Court. Because federal judgeships are for life, what is at stake is what the law of the land will be for the next two or three decades. That's why the continuing Senate filibuster transcends Estrada. Its aim is to use what little Democratic power is left to force the White House and Senate Republicans to the table to hammer out a more bipartisan, more balanced approach to judge-picking.

[From the Troy Record Editorial, Mar. 10, 2003]

SENATE JUDGMENT WISE IN ESTRADA NOMINATION

In reality, a Court of Appeals judgeship is a lifetime appointment. This means that the 39-year-old Estrada could be making decisions from the bench for 30 or 40 years. . . . Democrats on the Committee want to get a feel for how Estrada will rule when the rubber meets the road, and that is certainly fair. Is it out of the question for Estrada to let the committee know the name of a judge he admires? Why wouldn't he name a Supreme Court decision he disagrees with, or approves of? These are not unreasonable questions. . . . The Senate is right not to simply rubber stamp his nomination.

[From the American Prospect, Mar. 17, 2003]

RULE BREAKER: WHEN IT COMES TO HELEN THOMAS, MIGUEL ESTRADA AND ACTS OF WAR, GEORGE W. BUSH ISN'T BIG ON CONVENTION

Then there's the tussle over judicial nominee Miguel Estrada. Bush doesn't like the fact that Democratic senators are filibustering Estrada's nomination. So he suggested changing the rules to "ensure timely up-or-down votes on judicial nominations both now and in the future, no matter who is the president or what party controls the Senate." According to the Senate's Web site, filibusters have been around since the early days of Congress and have been popular since the 1850s. It's hard to remember the last time a president suggested that the Senate change one of its oldest traditions. There have been plenty of presidents who haven't liked congressional rules, but that doesn't mean they've suggested changing them just to accomplish one goal.

[From the Times Herald-Record, Mar. 9, 2003]

HOW TO END THE FILIBUSTER

That's not nearly as bad as the charge by some Republicans that Democrats are opposing Estrada because he's Hispanic and, as a result, Democrats are preventing a group of people from achieving a milestone. Do these people ever listen to themselves? For a host of reasons, including support of immigration and education reform, pro-union and pro-labor policies and a philosphy that embraces affirmative action, the Democratic Party has enjoyed the support of a majority of the nation's growing Hispanic community for some time. In fact, many Hispanic groups oppose Estrada's nomination because they do not think he understands or is sensitive to issues and aspirations that are important to Hispanics in America. . . . It would have been nice, then, had Clinton been able to secure a floor vote for other highly qualified Harvard Law School graduates whose nominations languished and eventually died in the Senate Judiciary Committee, which was controlled by Republicans. . . . The Senate

should not rubber stamp a president who wants to tilt the court heavily to one side.

[From the Dayton Daily News, Mar. 14, 2003]

THERE'S EASY FIX FOR JUDGE HOLDUPS

President Bush has called on the Senate to permanently ban any filibustering over judicial nominations. . . . A president genuinely interested in a judiciary that works won't map a strategy that allows presidents to push through any nominee at will. Doing so allows for, even invites, an ideological judiciary prone to extremes. It undermines merit appointments in favor of lifetime appointments handed out like so many political plums.

[From the Sarasota Herald-Tribune, Mar. 16, 2003]

POWER, NOT ETHNICITY, AT ISSUE

The Republican strategy is to win his approval by charging that opponents are motivated by prejudice. . . . It is also a totally despicable tactic, designed to avoid discussion of the reason most Democrats oppose Estrada. This reason has nothing to do with Estrada's ethnicity or legal ability, but rather the drive by Bush and like-minded Republicans to pack the federal courts from top to bottom with radical rightists. Not, mind you, conservatives interested in preserving our institutions and values but radical activists who want to uproot many of the laws and court decisions of the last 50 years. Estrada would be such a judge. . . Senators who try to keep that from happening deserve the thanks of the American people, not the calumny heaped on them by a president who last week showed his lack of understanding of the roles of the separate branches of government by pressuring the Senate to change its rules for debate and allow a one-vote majority to ramrod presidential appointments through the Senate.''

[From the Copley News Service, Mar. 20, 2003]

WISE WORDS FOR THE SENATE

Republicans like to blame Democratic stalling for judicial vacancies. But that starts the book in the middle. The early chapters, which the GOP ignores, deal with Republican inaction on Clinton's nominees.

[From the Capital Times, Mar. 11, 2003]

BLOCKING A BAD CHOICE

The White House has stonewalled the request for the papers and has refused to allow Estrada to participate in a public hearing where he could be asked further questions. Those hardball tactics have upset even moderate and conservative members who might be inclined to support Estrada. Daschle and the Democrats are right on this one. Unless Estrada and the White House are willing to cooperate with the confirmation process, the Senate need not consider this nomination.

[From the Reno Gazette Journal, Mar. 11, 2003]

YOUR TURN: JUDICIAL CANDIDATE SHOULD ANSWER QUESTIONS

When asked his views on civil rights, women's rights, environmental protections, workers' rights, Mr. Estrada said he had no views. When asked which Supreme Court justice he would emulate, Mr. Estrada said he couldn't answer. The service promoting Mr. Estrada—the White House—surely asked these questions before nominating him. To be sure, they got the answers . . . . Other nominees have asked similar questions. They are provided the same type of documents. . . . Would you hire him for the job? Would you hire him if you couldn't fire him? Of course not.

[From the Orlando Sentinel, Mar. 16, 2003]

SENATE NEEDS MORE INFORMATION ON ESTRADA

[T]he issue we are debating, the relative roles of the executive and legislative, is not a trivial issue. It goes to the heart, as John Adams said, of the stability of government, because it goes to the independence of the judiciary. . . . I believe we are being called to resist an effort to inappropriately utilize executive power and to exclude the legislative role in the appointment of federal judges.

[From the San Antonio Express, Mar. 13, 2003]

AN OK FOR ESTRADA WON'T HELP NATION

We should expect more than a federal judicial nominee, and we should not set a precedent that would allow future presidents and nominees to act without regard for the Senate's role in a system of checks and balances.

[From the Chattanooga Times/Chattanooga Free Press, Mar. 12, 2003]

THE CASE AGAINST ESTRADA

Senate Democrats are hanging tough against President Bush's nomination of Miguel Estrada for a federal appellate judgeship. Wish them well. They are doing righteous work. The Constitution obliges the Senate to advise and consent on judicial appointments. This is the advise part and, no, this meltdown does not have anything to do with who is pro- or anti-Hispanic, as Republicans are charging in a campaign that is cynical even by Washington standards. There is a very serious issue at the core of this dispute—nothing less than the fundamental nature of the federal judiciary—and the attempt to defame opposition to Estrada as anti-Hispanic prejudice is absurd on its face.

[From the Sarasota Herald-Tribune, Mar. 16, 2003]

POWER, NOT ETHNICITY, AT ISSUE

The Republican strategy is to win his approval by charging that opponents are motivated by prejudice. This is a powerful weapon in states with heavy Mexican or Cuban populations. It is also a totally despicable tactic, designed to avoid discussion of the reason most Democrats oppose Estrada. This reason has nothing to do with Estrada's ethnicity or legal ability, but rather the drive by Bush and like-minded Republicans to pack the federal courts from top to bottom with radical rightists. Not, mind you, conservatives interested in preserving our institutions and values but radical activists who want to uproot many of the laws and court decisions of the last 50 years. Estrada would be such a judge. At least that is a fair assumption based on the record of the Senate committee hearing on his confirmation. He wasn't willing to offer his views on many of the most pertinent and controversial constitutional questions of concern to courts, Congress and the public. He declined to make available memoranda he wrote for the office of solicitor general when he worked there. The solicitor general has provided such documents in other confirmation hearings, including those of Rehnquist, Bork and Esterbrook.

[From the New Republic, Apr. 7, 2003]

PRIVATE OPINION

One reason Senate Democrats haven't been swayed by these arguments is that they're really not true: Democratic researchers have unearthed records from at least five judicial-confirmation hearings in which government legal memoranda were delivered to the Senate. Their favorite example is the Justice Department's release of memos during Robert Bork's 1987 confirmation battle, written by a lawyer in the solicitor general's office who held precisely the same job as Estrada.

[From the Chicago Sun Times, Mar. 14, 2003]

IF ESTRADA THINKS THAT BEING LATINO IS ENOUGH TO GET HIM CONFIRMED, HE'S IN FOR A RUDE AWAKENING

Bush obviously wants to score political points with Latino voters . . . Latinos deserve and demand better. Estrada may be well-qualified, but so are other Latinos whose legal writings are not being guarded as if they were state secrets. Bush may be able to get Congress to pass a bill without allowing it to be read first, but the Senate should not abdicate its constitutional obligation to give its advice and consent on these lifetime appointees. Bush's political stock is sinking, and Latino political stock is rising. The way I see it, Bush needs us more than we need him. So Bush should nominate someone most Latinos can live with, be proud of and support, or no one at all. Time is on our side. Bush doesn't get it: Not just any Latino judge will do.

[From the Copley News Service, Mar. 6, 2003]

THE DECISION OF A LIFETIME

Miguel Estrada, along with the White House and Republican Senate leadership, would do well to take notice. They complain that the Democrats seek too much information as their price for putting Estrada's nomination to a vote. . . . Under White House coaching, perhaps, Estrada proved strangely tight-lipped. Inasmuch as he has not served a previous judgeship, there was no ''paper trail'' by which to gauge the man's legal philosophy.

[From the Houston Chronicle, Mar. 16, 2003]

OH, NO, IDEOLOGICAL JUDGES; SAY IT ISN'T SO

Estrada is bright and far right. Just how far right is a question that the Bush administration doesn't want to answer. The White House is refusing to let senators see memos Estrada wrote while working in the solicitor general's office and that would shed plenty of light on the issue. Instead, Republicans are offering a second Estrada appearance before the Judiciary Committee. Judging by Estrada's lock-jawed performance last September, it would be a gigantic waste of time (which, of course, the White House knows). There is a common theme in Estrada's and Owen's attempts to get on the circuit court bench. It involves, to put it mildly, evasion and equivocation.

[From the Ventura County Star, Mar. 16, 2003]

WHAT DO WE KNOW ABOUT JUDICIAL NOMINEE?

Judges are supposed to be able to look at attorney's arguments with impartiality and determine which side has a stronger case within the letter and spirit of the law. To be effective and just, the judiciary must be neither liberal nor conservative. The judiciary must be independent, concerned only with the integrity of law. That's a high ideal and, of course, nearly impossible to reach, but it's what we should be reaching for. The fact is we have no idea if Mr. Estrada is capable of impartiality, and he's not willing to discuss it.

[From the Houston Chronicle, Mar. 7, 2003]

YAKETY, YAK—KEEP TALKING SENATORS

So undemocratic, wail the Republicans desperate to get on with a vote on the nomination of Miguel Estrada to the U.S. Circuit Court of Appeals for the District of Columbia before anyone can find out how right-wing the former Justice Department official

might actually be. Some of these Republicans are the same people—and are certainly of the same party—who over the years have attempted to talk to death many bills and nominations.

Additionally, here is an excerpt of an additional news article that is noteworthy for its assessment of the refusal of the White House to release the documents requested, despite the precedent and despite the interest of some Republican Senators in doing so:

[From the Weekly Standard, Mar. 17, 2003]

FILIBUSTER SI, ESTRADA NO!

The White House refused . . . access to Estrada's working papers. Period. This adamantine posture, in the eyes of some in Senate GOP leadership circles, handcuffed Frist. ''There's some frustration,'' said a top GOP leadership aide. ''From the very beginning we told them that was the only way out and a face-saver for everyone. But it came down to the fact that no one on the White House or Justice team wanted to walk into the Oval Office and say to the president, ''You might have to give up these memos.'' The administration's position on the memos reflects its deeply held ethic of aggressively defending executive branch prerogatives. Though the White House has never characterized the Estrada matter as one of executive privilege ... it falls into the broad category of executive branch muscularity. And while most Republicans generally support this posture, some Bush allies on and off Capitol Hill have come to question the administration's fastidiousness in the Estrada fight.

In addition, there have been dozens and dozens and dozens of letters to the editor published in opposition to editorials supporting the Republican position on this nomination. Here is just one sample of those many letters from citizens across the country:

[From the Washington Post, Mar. 20, 2003]

BEHIND THE ESTRADA FILIBUSTER

The depth of Mr. Estrada's sentiments on issues facing the federal courts seems to be known only to the far-right members of the legal community who support him and to the Bush administration. The question is whether the Senate, which has an equal say in whether Mr. Estrada will sit on the U.S. Court of Appeals for the D.C. Circuit, has an equal right to the information, including Justice Department memorandums, that is available to the administration. It is far from extortionate that senators not be forced to vote without the information the administration holds.

The PRESIDING OFFICER. Who yields time?

The Senator from Vermont.

Mr. LEAHY. Mr. President, I try to keep a straight face when I hear my good friend, the distinguished Senator from Utah, speaking, but it is hard. He has been able to master the ability to look stern and self-righteous, as he has throughout a recitation of the revisionist history here.

The question of precedent? The Republicans joined the filibusters of Stephen Breyer to the First Circuit, Judge Rosemary Barkett to the Eleventh Circuit, Judge H. Lee Sarokin to the Third Circuit, Judge Richard Paez to the Ninth Circuit, and Judge Marsha Berzon to the Ninth Circuit. We had to have cloture votes on all but one of these and on several others.

But as the former Republican leader admitted—and I commend him for this—they did not have to go to filibusters on most of these because they never brought them up at all. They never had a hearing on them. They never had a vote on them in committee or anywhere else. In effect, they had a filibuster of one. If any one Republican Senator objected to any one of President Clinton's nominees, or just a few, the caucus would make the determination they would never get a hearing. The distinguished chairman at that time would not give them a hearing. They would not get a vote. It was only if the caucus decided that they would be allowed to go forward would they even get a vote.

So it begs credulity to hear this kind of sophistry on the Senate floor and the nature of a ''filibuster'' being constantly redefined. They would not allow them to come to a vote at all.

During the 17 months when we controlled the Senate Judiciary Committee, we confirmed 100 of President Bush's nominees. We had hearings on 103. We voted down 2. We confirmed 100. There was no similar period of time when President Clinton was in office and the Republicans were in control that they passed anywhere near as many judges for President Clinton.

I wonder if I could have order just for the sake of precedent.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Vermont.

Mr. LEAHY. We moved them through. And we got rid of the anonymous holds. We got rid of the secret holds. I will explain in greater detail.

Mr. President, the Republican leadership in the Senate has chosen today for another in a series of cloture votes on this divisive nomination. Nothing has significantly changed since it forced the three previous cloture votes. The administration's obstinacy continues to impede progress to resolve this matter. The administration remains intent on packing the Federal circuit courts and on insisting that the Senate rubber stamp its nominees without fulfilling the Senate's constitutional advise and consent role in this most important process. The White House could have long ago helped solve the impasse on the Estrada nomination by honoring the Senate's role in the appointment process and providing the Senate with access to Mr. Estrada's legal work. Past administrations have provided such legal memoranda in connection with the nominations of Robert Bork, William Rehnquist, Brad Reynolds, Stephen Trott and Ben Civiletti, and even this administration did so with a nominee to the Environmental Protection Agency. In my statement in connection with the last cloture vote I outlined additional precedent for sharing the requested materials with the Senate as did Senator KENNEDY.

We have the statement of Attorney General Robert H. Jackson, who later became one of our finest Supreme Court Justices, when he wrote an Attorney General Opinion in 1941 acknowledging that among the occasions when exceptions should be made and Executive department files would be produced to the Congress would be confirmations. As Attorney General Jackson noted:

Of course, where the public interest has seemed to justify it, information as to particular situations has been supplied to congressional committees by me and by former Attorneys General. For example, I have taken the position that committees called upon to pass on the confirmation of persons recommended for appointment by the Attorney General would be afforded confidential access to any information that we have—because no candidate's name is submitted without his knowledge and the Department does not intend to submit the name of any person whose entire history will not stand light.

I mentioned the additional example of similar materials that were provided to Congress in 1982 by the Reagan administration when the Senate Finance Committee held a hearing to consider legislation to deny federal tax-exempt status to private schools practicing racial discrimination. A number of Justice Department memoranda, as well as communications between high-level officials, were turned over by the Reagan administration to the Senate Finance Committee in connection with the hearing, just months after the documents were first written. The issues at that hearing reveal that some of the documents turned over were much more sensitive than those requested of Mr. Estrada, but they were still provided to Congress by the Reagan administration.

The documents turned over to the Senate included:

Letters from Representative TRENT LOTT to Secretary Regan, IRS Commissioner Egger, and Solicitor General Lee, urging change in the administration's position on Bob Jones; memorandum from Associate Deputy Attorney General Bruce Fein to Deputy Attorney General Edward Schmults, advising Schmults on private schools; memorandum from Carolyn Kuhl, Special Assistant to the Attorney General, to Ken Starr, noting Reagan/Bush campaign statements on private schools; memorandum from Peter Wallison, Treasury General Counsel, to Secretary Regan briefing him on meeting with Representative LOTT; memorandum from Treasury General Counsel Wallison to Deputy Secretary McNamar and Secretary Regan on Government's position in Bob Jones case; memorandum from Civil Rights Division Head, William Bradford Reynolds, to Attorney General Smith justifying changes in administration's position on Bob Jones; memorandum from Treasury Assistant Secretary for Public Affairs, Ann McLaughlin, to Deputy Secretary McNamar on ''press strategy'' for releasing Bob Jones decision; memorandum from IRS Chief Counsel Gideon to Treasury Deputy General Counsel Government's statement in

Bob Jones; letter from IRS Chief Counsel Gideon to Civil Rights Division Head Reynolds on formulation of Government's statement in Bob Jones; and memorandum from Assistant Attorney General Theodore Olson, Office of Legal Counsel, to Attorney General Smith and Deputy Attorney General Schmults responding to the analysis in Reynolds' memo on Bob Jones.

In 1982, the Republican administration at that time released to the Senate documents that included internal memoranda among high-level Justice Department officials, inter-agency communications, and documents relating to the government's position in an important Supreme Court case. They also included letters to the Solicitor General.

Moreover, the Reagan administration turned over these documents within months after being written, and no harm was done to the workings of the Justice Department or the administration. The Bush administration is claiming that it is unprecedented to turn over such documents—and that the release of documents written by Mr. Estrada 6 to 10 years earlier would irreparably harm the government. I urge the administration and Republican Senators to consider this additional precedent.

I also noted how in 2001, this White House agreed to give access to memoranda written by Jeffrey Holmstead, nominated to be an Assistant Administrator of the Environmental Protection Agency. The Senate Committee on Environment and Public Works requested memoranda from Holmstead's years of service in the White House counsel's office under former President Bush. In particular, the Committee was interested in materials related to Holmstead's handling of an amendment to the Clean Air Act and other environmental issues. In the summer of 2001, the Bush administration resolved an impasse with the Committee over the nomination by permitting Committee staffers to review memoranda that Holmstead wrote while in the White House counsel's office. In sum, the administration allowed access to documents from the White House counsel's office—a more sensitive post than the one Mr. Estrada held when he was in the Department of Justice.

So, despite this administration's continued insistence on confidentiality, it has turned over, allowed access or worked to reach an accommodation on access to documents similar to those requested in connection with the Estrada nomination in other cases and for other committees. In the matter of the Estrada nomination, the question before the Senate concerns a lifetime appointment to the second-highest court in the land.

The former Republican leader accepted ''part of the blame'' for how the Senate has come to consider judicial nominations. I appreciate that because it is one of the few times a Republican Senator has accepted responsibility for what happened during the years in which the Republican majority in the Senate blocked and delayed so many of President Clinton's judicial nominees. The Senator from Mississippi also acknowledged that ''you filibuster a lot of different ways.'' I thank the Senator from Mississippi for trying to be constructive and for suggesting that ''something can be worked out'' on the request for Mr. Estrada's work papers from the Department of Justice.

A recent edition of The Weekly Standard, a report suggests that other Senate Republicans, ''several veteran GOP Senate staffers'' and ''a top GOP leadership aide'' asked the White House to show some flexibility and to share the legal memoranda with the Senate to resolve this matter, but they were rebuffed. It is regrettable that the White House will not listen to reason from Senate Democrats or Senate Republicans. If they had, there would be no need for this cloture vote. The White House is less interested in making progress on the Estrada nomination than in trying to score political points and to divide the Hispanic community.

The real ''double standard'' here is that the President selected Mr. Estrada based in large part on his work for four and a half years in the Solicitor General's Office as well as for his ideological views, but the Administration says that the Senate may not examine his written work from the office that would shed the most light on his views. The White House says that the Senate should not consider the very ideology the White House took into account in selecting a 41-year-old for a lifetime seat on the country's second-highest court. Another double standard at work here is that this is a nominee who is well known for having very passionate views about judicial decisions and legal policy and is well known for being outspoken, and yet he has refused to share his views with the very people charged with evaluating his nomination. It seems to be a perversion of the constitutional process to require the Senate to stumble in the dark about his views, when he shares his views quite freely with others and when this Administration has selected him for the privilege of this high office, and for life, based on those views.

Just this past weekend, a story in The New York Times reported that during his nomination hearing which I scheduled and Senator SCHUMER chaired last September, ''Mr. Estrada took what is often called 'the judicial fifth,' declining to answer many questions by saying that he could not comment on issues that might come before him should he be confirmed.'' The report correctly continued: ''It is a common approach for judicial nominees, but Mr. Estrada was more reticent than most.'' The report also notes that: ''Mr. Estrada gave a hint that what the memorandums might disclose was his impatient manner when he told the committee he might have harshly dismissed some arguments by junior lawyers.'' Our review of the requested documents would end the mystery and speculation.

One of the most disconcerting aspects of the manner in which the Senate is approaching these divisive judicial nominations is what appears to be the Republican majority's willingness to sacrifice the constitutional authority of the Senate as a check on the power of the President in the area of lifetime appointments to our federal courts. It should concern all of us and the American people that the Republican majority's efforts to re-write Senate history in order to rubber stamp this White House's federal judicial nominees will cause long-term damage to this institution, to our courts, to our constitutional form of government, to the rights and protections of the American people and to generations to come.

Republicans are now willing to breach the 24-year-old rule of the Judiciary Committee that had always protected the right of the minority to debate a matter. Republicans have now established a double standard with respect to the opposition of home-state Senators. If the opposition to a judicial nominee is that of a Republican home State Senator to a nominee of a Democratic President, it is honored and no hearing may go forward. But if the opposition is to a judicial nominee of a Republican President by a Democratic home State Senator, well that is too bad and the Republican majority does not choose to defer or care or honor that objection.

The White House is using ideology to select its judicial nominees but is trying to prevent the Senate from knowing the ideology of these nominees when it evaluates them. It was not so long ago when then-Senator Ashcroft was chairing a series of Judiciary Committee hearings at which Edwin Meese III testified:

> I think that very extensive investigations of each nominee—and I don't worry about the delay that this might cause because, remember, those judges are going to be on the bench for their professional lifetime, so they have got plenty of time ahead once they are confirmed, and there is very little opportunity to pull them out of those benches once they have been confirmed—I think a careful investigation of the background of each judge, including their writings, if they have previously been judges or in public positions, the actions that they have taken, the decisions that they have written, so that we can to the extent possible eliminate people who would turn out to be activist judges from being confirmed.

Timothy E. Flanigan, an official from the administration of the President's father, and who more recently served as Deputy White House Counsel, helping the current President select his judicial nominees, testified strongly in favor of ''the need for the Judiciary Committee and the full Senate to be extraordinarily diligent in examining the judicial philosophy of potential nominees.'' He continued:

In evaluating judicial nominees, the Senate has often been stymied by its inability to obtain evidence of a nominee's judicial philosophy. In the absence of such evidence, the Senate has often confirmed a nominee on the theory that it could find no fault with the nominee.

I would reverse the presumption and place the burden squarely on the shoulders of the judicial nominee to prove that he or she has a well-thought-out judicial philosophy, one that recognizes the limited role for Federal judges. Such a burden is appropriately borne by one seeking life tenure to wield the awesome judicial power of the United States.

Now that the occupant of the White House no longer is a popularly-elected Democrat but a Republican, these principles seem no longer to have any support within the White House or the Senate Republican majority. Fortunately, our constitutional principles and our Senate traditions, practices and governing rules do not change with the political party that occupies the White House or with a shift in majority in the Senate.

The White House, in conjunction with the new Republican majority in the Senate, is purposeful in choosing these battles over judicial nominations. Dividing rather than uniting has become their modus operandi. The decision by the Republican Senate majority to focus on controversial nominations says much about their mistaken priorities. The Republican majority sets the agenda and they schedule the debate, just as they have again here today.

I have served in the Senate for 29 years, and until recently I have never seen such stridency on the part of an administration or such willingness on the part of a Senate majority to cast aside tradition and upset the balances embedded in our Constitution, in order to expand presidential power. What I find unprecedented are the excesses that the Republican majority and this White House are willing to indulge to override the constitutional division of power over appointments and longstanding Senate practices and history. It strikes me that some Republicans seem to think that they are writing on a blank slate and that they have been given a blank check to pack the courts.

They show a disturbing penchant for reading the Constitution to suit their purposes of the moment rather than as it has functioned for more than 200 years to protect all Americans through its checks and balances.

The Democratic Leader pointed the way out of this impasse again in his letter to the President on February 11. It is regrettable that the President did not respond to that reasonable effort to resolve this matter. Indeed, the letter he sent last week to Senator FRIST was not a response to Senator DASCHLE's reasonable and realistic approach, but a further effort to minimize the Senate's role in this process by proposing radical changes in Senate rules and practices to the great benefit of this Administration.

A distinguished senior Republican Senator saw the reasonableness of the suggestions that the Democratic leader and assistant leader have consistently made during this debate when he agreed on February 14 that they pointed the way out of the impasse. Regrettably, his efforts and judgment were also rejected by the administration.

The Supreme Court, in an opinion authored last year by none other than Justice Scalia, one of this President's judicial role models, instructs that judicial ethics do not prevent candidates for judicial office or judicial nominees from sharing their judicial philosophy and views.

With respect to ''precedent,'' Republicans not only joined in the filibuster of the nomination of Abe Fortas to be Chief Justice of the United States Supreme Court, they joined in the filibuster of Stephen Breyer to the First Circuit, Judge Rosemary Barkett to the Eleventh Circuit, Judge H. Lee Sarokin to the Third Circuit, and Judge Richard Paez and Judge Marsha Berzon to the Ninth Circuit. The truth is that filibusters on nominations and legislative matters and extended debate on judicial nominations, including circuit court nominations, have become more and more common through Republicans' own actions.

Of course, when they are in the majority Republicans have more successfully defeated nominees by refusing to proceed on them and have not publicly explained their actions, preferring to act in secret under the cloak of anonymity. From 1995 through 2001, when Republicans previously controlled the Senate majority, Republican efforts to defeat President Clinton's judicial nominees most often took place through inaction and anonymous holds for which no Republican Senator could be held accountable. In effect, these were anonymous ''filibusters.''

Republicans held up almost 80 judicial nominees who were not acted upon during the Congress in which President Clinton first nominated them, and they eventually defeated more than 50 judicial nominees without a recorded Senate vote of any kind, just by refusing to proceed with hearings and committee votes.

Beyond judicial nominees, Republicans also filibustered the nomination of executive branch nominees. They successfully filibustered the nomination of Dr. Henry Foster to become Surgeon General of the United States in spite of two cloture votes in 1995. Dr. David Satcher's subsequent nomination to be Surgeon General also required cloture but he was successfully confirmed.

Other executive branch nominees who were filibustered by Republicans include Walter Dellinger's nomination to be Assistant Attorney General, and two cloture petitions were required to be filed and both were rejected by Republicans. In this case we were able finally to obtain a confirmation vote after an elaborate effort, and Mr. Dellinger was confirmed to that position with 34 votes against him. He was never confirmed to his position as Solicitor General because Republicans had made clear their opposition to him. In addition, in 1993, Republicans objected to a number of State Department nominations and even the nomination of Janet Napolitano to serve as the U.S. Attorney for Arizona, resulting in cloture petitions.

In 1994, Republicans successfully filibustered the nomination of Sam Brown to be an Ambassador. After three cloture petitions were filed, his nomination was returned to President Clinton without Senate action. Also in 1994, two cloture petitions were required to get a vote on the nomination of Derek Shearer to be an Ambassador. And it likewise took two cloture petitions to get a vote on the nomination of Ricki Tigert to chair the FDIC. So when Republican Senators now talk about the Senate Executive Calendar and presidential nominees, they must be reminded that they recently filibustered many, many qualified nominees.

Nonetheless, in spite of all the intransigence of the White House and all of the doublespeak by some of our colleagues on the other side of the aisle, I can report that the Senate has moved forward to confirm 115 of President Bush's judicial nominations since July 2001. That total includes 15 judges confirmed so far this year, including two controversial nominees to the circuit courts.

Those observing these matters might contrast this progress with the start of the 106th Congress in which the Republican majority in the Senate was delaying consideration of President Clinton's judicial nominees. In 1999, the first hearing on a judicial nominee was not until mid-June. The Senate did not reach 15 confirmations until September of that year. Accordingly, the facts show that Democratic Senators are being extraordinarily cooperative with a Senate majority and a White House that refuses to cooperate with us. We have made progress in spite of that lack of comity and cooperation.

We worked hard to reduce federal judicial vacancies to the lowest level it has been in more than seven years. That is an extremely low vacancy number based on recent history and well below the 67 vacancies that Senator HATCH termed ''full employment'' on the federal bench during the Clinton administration.

It is unfortunate that the White House and some Republicans have insisted on this confrontation rather than working with us to provide the needed information so that we could proceed to an up-or-down vote. Some on the Republican side seem to prefer political game playing, seeking to pack our courts with ideologues and leveling baseless charges of bigotry, rather than to work with us to resolve the impasse over this nomination by providing information and proceeding to a fair vote.

I was disappointed that Senator BENNETT's straightforward colloquy with

Senator REID and me on February 14, which pointed to a solution, was never allowed by hard-liners on the other side to yield results. I am disappointed that all my efforts and those of Senator DASCHLE and Senator REID have been rejected by the White House. The letter that Senator DASCHLE sent to the President on February 11 pointed the way to resolving this matter reasonably and fairly. Republicans would apparently rather engage in politics.

Republican talking points will undoubtedly claim that this is ''unprecedented''. They will ignore their own recent filibusters against President Clinton's executive and judicial nominees in so doing. The only thing unprecedented about this matter is that the administration and Republican leadership have shown no willingness to be reasonable and accommodate Democratic Senators' request for information traditionally shared with the Senate by past administrations. That this is the fourth cloture vote on this matter is an indictment of Republican intransigence on this matter, nothing more. What is unprecedented is that there has been no effort on the Republican side to work this matter out as these matters have always been worked out in the past. What is unprecedented is the Republican insistence to schedule cloture vote after cloture vote without first resolving the underlying problem caused by the administration's inflexibility.

I urge the White House and Senate Republicans to end the political warfare and join with us in good faith to make sure the information that is needed to review this nomination is provided so that the Senate may conclude its consideration of this nomination. I urge the White House, as I have for more than two years, to work with us and, quoting from a recent column by Thomas Mann of The Brookings Institute, to submit ''a more balanced ticket of judicial nominees and engag[e] in genuine negotiations and compromise with both parties in Congress.''

The President promised to be a uniter not a divider, but he has continued to send us judicial nominees that divide our nation and, in this case, he has even managed to divide Hispanics across the country. The nomination and confirmation process begins with the President, and I urge him to work with us to find a way forward to unite, instead of divide, the nation on these issues.

Mr. President, does the Senator from Massachusetts wish the remainder of my time?

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I thank my friend from Vermont for making very plain for the record and to the American people exactly what has happened over the last period of time. As he has pointed out, there have been more than 100 judges who have been recommended by President Bush, many of them pro-life, which have been favorably considered by this body.

It was not the Members on this side who have changed the rules. The fact is, it has been this administration's attempt to shape the Federal judiciary. And as the constitutional debates showed so clearly, there was to be a balance.

Initially, during the Constitutional Convention, the Senate of the United States was to be the sole namer of Federal judges. It was only at the end that that was to be a shared responsibility.

There are some who just want us to rubberstamp whatever the President recommends. We do not believe that is what our Founding Fathers intended us to do, as bearing responsibility for the Federal judiciary.

The fact remains, this nominee is known only to the administration, but not to the Judiciary Committee or the American people. They know how he stands. They have understandings of all of his positions. But the Judiciary Committee and the American people do not. That is what is being asked of now.

There have been other times in our history where we have had nominees who did not respond to questions, but they had written documents, and they had articles, speeches, and other decisions that reflected their judicial philosophy. This does not exist here. This is a unique, special situation. And the Senator from Vermont has stated time in and time out over the course of the debate the reasons for it. He should be supported on it. I stand with him. I stand with the institution, the Senate, that says to be able to exercise our responsibility in advice and consent, we ought to be exercising balanced judgment based on the views of the nominee and his views of the Constitution of the United States. We have not received his views on it. And he refused to give it. Nor do we understand from past writings, statements, or other positions what his views are. And the American people are entitled to it.

Mr. President, we must be very clear about what is at stake in this debate over the nomination of Miguel Estrada to the second highest court in the land. Confirming Mr. Estrada to the DC Circuit would give a major victory to the Republican drive to pack the Federal courts with judges who are hostile to civil rights, workers' rights, and many other basic guarantees that define the rights and liberties of all our citizens.

Confirming him would also deal a blow to the Senate's advice and consent role in the selection of federal judges. This role is among the most important of the checks and balances that make our government work. It has ensured that whoever is in the White House cannot use their short term in power to pack the courts by giving lifetime appointments to judges who will decide cases for years in a biased way.

As we all know, the debates at the constitutional convention make clear that the Senate has a very important role in the selection of judges. In fact, the power initially was to rest solely with the Senate. Although now the power to nominate rests with the President, it is clear that the Senate's advice and consent role is a substantive role, and a critical role. As Alexander Hamilton said in Federalist No. 77:

> If by influencing the President meant restraining him, this is precisely what must have been intended.

The role of the Senate is vital to ensuring a strong and independent judiciary that will protect citizens' rights. When Republicans try to force the Senate to confirm Mr. Estrada without any significant information about him, they are attacking the role of the Senate and undermining this important constitutional provision.

Despite a growing and disturbing trend during this administration, of giving the Senate less and less information about judges, the Senate has made clear our position that we need this information to fulfill our constitutional role. We have had many nominees who were not particularly forthcoming in their committee hearing about their views on certain topics. But we typically had a large written record to help us understand those nominees' approach to judging. Often, the Senate attempted in good faith to accommodate the President and review the record as it was given to us. In other cases, if a nominee had only very little record to examine, we could rely on their answers at their hearing to give meaningful advice and consent.

Mr. Estrada represents the extreme of this trend. At his hearing, he was silent on important issues that would help us determine what kind of judge he would be. He does not have a written record to review. The one thing that would help us is the body of work by Mr. Estrada at the Justice Department. But the White House will not turn these documents over, despite the fact that they have turned over similar documents for other nominees in the past.

Confirming Miguel Estrada on this record would not only undermine the Senate's important advice and consent role, it would also threaten the rights of millions of Americans who are affected by the judges of the DC Circuit.

Unless we preserve this important role, the independence of the Federal courts will be lost. And it is this independence of the judicial branch from the executive and legislative branches that gives the Federal courts an indispensable role in protecting and upholding the basic rights guaranteed by the Constitution.

In defending the role of the Senate in confirming judicial nominees, we are also protecting the role of the Federal courts in our constitutional form of government. It is our responsibility to defend both of these important aspects of our democracy, and we intend to continue to do so. I urge my colleagues to vote against cloture today.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Utah has 6 minutes 7 seconds.

Mr. HATCH. Mr. President, how much time remains on the other side?

The PRESIDING OFFICER. The other side has 1 minute 22 seconds.

The Senator from Utah.

Mr. HATCH. Mr. President, I think the Senator is correct to say that opponents have a right to feel the way they do, but they do not have a right constitutionally to filibuster a judicial nominee, in my opinion. And they can vote against this nominee if they want to. If they feel that deeply about their points of view, they ought to vote against the nominee, but they should not use some phony fishing expedition request, knowing that no administration can give up these documents because they are the most privileged documents in the Justice Department. And the former Democrat Solicitors General who are alive say that.

I talked to the current Solicitor General, and he said there is no way they can give those documents up. It would ruin the work of the people's attorney, the Solicitor General. And they know that. So that is just a phony excuse to be able to try and stop this nominee.

By the way, with regard to what the distinguished Senator from Vermont said—he brought up that certain nominees Stephen Breyer, Rosemary Barkett, Richard Paez, and Marsha Berzon were filibustered. Not one of them was filibustered. He brought up they were not confirmed, but they were all confirmed. There has never been a judicial nominee to the circuit court of appeals in this country stopped by a filibuster—never—until this one. And, as far as I am concerned, this one is not going to be stopped either, if we do what is right.

And, of course, a cloture vote does not always signify a filibuster. A lot of these cloture votes we have had in the past—that is why I talk in terms of true filibusters versus time management devices used by the majority leader, whoever that may be. In some cases, our own majority leader moved for cloture. So don't give me the argument that this is not the first filibuster. This is the first filibuster, first true filibuster of a circuit court of appeals nominee in history.

Now, no Republican has claimed that Lavenski Smith or Julia Smith Gibbons were filibustered, but both of these Bush circuit nominees were subjected to cloture votes last year. So that is just a phony argument.

Now, they have so much information on this man there is little or no excuse for not proceeding to a vote. The problem is, they cannot find anything wrong with him. There is so much that is right about Miguel Estrada. And I just cannot quite see some of the arguments that have been given.

Mr. President, how much time is left?

The PRESIDING OFFICER. The Senator has 3 minutes 30 seconds.

Mr. HATCH. Mr. President, I would like to be interrupted at the end of 1 minute so I can give 2 minutes to the distinguished Senator from Pennsylvania.

Let me say something about the memoranda that my Democratic colleagues demand the White House release. These are appeal, certiorari, and amicus recommendations that Mr. Estrada authored while a career lawyer at the Justice Department. Let's be clear on that.

I keep hearing my Democratic colleagues say there is all this precedent for the release of documents by the White House. Well, of course, the White House releases documents to the Senate every day. But they are not appeal, certiorari, and amicus recommendations, and there is absolutely no precedent for the large-scale fishing expedition they seek on Mr. Estrada—not any.

I agree with the seven former living Solicitors General, four of whom are Democrats, who say that the White House is right not to release Mr. Estrada's memoranda.

The PRESIDING OFFICER. The Senator from Utah has 2 minutes 30 seconds remaining.

Mr. HATCH. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I thank the chairman for yielding time to me.

When you strip this argument down, it boils down to an effort by the other side of the aisle to rewrite the advice and consent clause of the Constitution. For more than 200 years, the President has had discretion in the nomination of Federal judges. And unless there is some reason not to confirm them, they then are confirmed.

Miguel Estrada has an extraordinary record, Phi Beta Kappa, Columbia; magna cum laude, magna at Harvard, Harvard Law Review, 15 cases in the Supreme Court. The issue of wanting to see some of his writings is a red herring. The issue of wanting further amplification of his views on the Constitution is another red herring. This is simply an effort, when 41 Members from the other side of the aisle decide to oppose cloture, to continue this filibuster.

It is my view that we are not going to resolve this matter until we have a real, live, honest to goodness filibuster, and that where the other side of the aisle has to talk. We haven't had one since 1987. The American people do not know what is going on inside the beltway and are likely not to find out until this issue is raised in the conscious level of the American people. Then I think we will find more than four Members of the other side of the aisle joining 51 on this side of the aisle to invoke cloture and to confirm this worthy nominee.

I do believe there is going to have to be some dramatic action taken so that Americans understand the travesty going on in the Senate Chamber today.

I thank the Chair and yield the floor.

The PRESIDING OFFICER (Mrs. DOLE). The Senator from Vermont.

Mr. LEAHY. Madam President, as my statement indicated, the Senate did have filibusters on Judge Stephen Breyer, Judge Rosemary Barkett, Judge H. Lee Sarokin, Judge Richard Paez, and Judge Marsha Berzon, contrary to the implication of my good friend from Utah.

I actually have sympathy for my friend from Utah. He has been put in an untenable position. He is seeking to uphold an unreasonable position taken by the White House. The White House is trying to tell the Senate what to do. He is being a good soldier and I commend him for that.

The fact is, if the Senate was allowed to be the Senate and make its own decisions and not let the White House dictate what to do, this matter would have been settled a long time ago. We would have followed the tradition and logic set forth by former Supreme Court Justice Robert Jackson when he was Attorney General. He indicated that such material should be provided to the Senate. He wrote:

> . . . I have taken the position that committees called upon to pass on the confirmation of persons recommended for appointment by the Attorney General would be afforded confidential access to any information that we have—because no candidate's name is submitted without his knowledge and the Department does not intend to submit the name of any person whose entire history will not stand light.

The White House has access to Mr. Estrada's papers. It is hard to believe that they have not reviewed these papers. They are part of the information that the administration has about one of its nominees. All previous administrations followed the path of working with the Senate and making sure that the entire history of the person would stand the light of scrutiny. This administration does not want us to know.

The PRESIDING OFFICER. The assistant Democratic leader.

Mr. REID. Madam President, Secretary Rumsfeld will be here at 2:30. I spoke briefly to the manager of the bill, Senator STEVENS. He indicated to me he would have no problem with a recess. I checked with our leader. He said he would have no problem with it either. During this break, the two leaders will have to determine whether there is going to be a recess for Secretary Rumsfeld. I wanted to say this to alert Members that there may be a break after this vote to go listen to the Secretary.

The PRESIDING OFFICER. All time is yielded back.

Under the previous order, the clerk will report the motion to invoke cloture.

The senior assistant bill 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, do hereby move to bring to a close debate on Executive Calendar No. 21, the nomination of Miguel A. Estrada to be United States Circuit Judge for the District of Columbia Circuit:

Bill Frist, Orrin G. Hatch, John Ensign, Sam Brownback, Jim Inhofe, Michael B. Enzi, Wayne Allard, Michael Crapo, Susan M. Collins, Robert F. Bennett, Pete V. Domenici, Conrad R. Burns, Kay Bailey Hutchison, John E. Sununu, Norm Coleman, Charles E. Grassley.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the nomination of Miguel A. Estrada, of Virginia, to be United States Circuit Judge for the District of Columbia Circuit, shall be brought to a close.

The yeas and nays are required under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessary absent.

I further announce that, if present and voting, the Senator from Massachusetts (Mr. KERRY) would vote ''no.''

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 55, nays 44, as follows:

[Rollcall Vote No. 114 Ex.]

YEAS—55

Alexander	Dole	Murkowski
Allard	Domenici	Nelson (FL)
Allen	Ensign	Nelson (NE)
Bennett	Enzi	Nickles
Bond	Fitzgerald	Roberts
Breaux	Frist	Santorum
Brownback	Graham (SC)	Sessions
Bunning	Grassley	Shelby
Burns	Gregg	Smith
Campbell	Hagel	Snowe
Chafee	Hatch	Specter
Chambliss	Hutchison	Stevens
Cochran	Inhofe	Sununu
Coleman	Kyl	Talent
Collins	Lott	Thomas
Cornyn	Lugar	Voinovich
Craig	McCain	Warner
Crapo	McConnell	
DeWine	Miller	

NAYS—44

Akaka	Dorgan	Leahy
Baucus	Durbin	Levin
Bayh	Edwards	Lieberman
Biden	Feingold	Lincoln
Bingaman	Feinstein	Mikulski
Boxer	Graham (FL)	Murray
Byrd	Harkin	Pryor
Cantwell	Hollings	Reed
Carper	Inouye	Reid
Clinton	Jeffords	Rockefeller
Conrad	Johnson	Sarbanes
Corzine	Kennedy	Schumer
Daschle	Kohl	Stabenow
Dayton	Landrieu	Wyden
Dodd	Lautenberg	

NOT VOTING—1

Kerry

The PRESIDING OFFICER. On this vote, the yeas are 55, the nays are 44. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROCKEFELLER. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUPPLEMENTAL APPROPRIATIONS ACT TO SUPPORT DEPARTMENT OF DEFENSE OPERATIONS IN IRAQ FOR FISCAL YEAR 2003—Continued

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Madam President, is the pending business the Durbin amendment to the Stevens amendment?

The PRESIDING OFFICER. The Senator is correct, that is the pending question.

Mr. STEVENS. Madam President, I am pleased to yield to the Senator from Illinois. I believe we have reached an agreement on this amendment, and I would be glad to have him modify his amendment if he wishes to do so.

The PRESIDING OFFICER. The Senator from Illinois.

AMENDMENT NO. 437 TO AMENDMENT NO. 436, WITHDRAWN

Mr. DURBIN. Madam President, I withdraw my amendment.

The PRESIDING OFFICER. The Senator has that right.

Mr. DURBIN. I ask unanimous consent to withdraw my second-degree amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is withdrawn.

AMENDMENT NO. 436, AS MODIFIED

Mr. DURBIN. Madam President, I thank the Senator from Alaska. I particularly thank the Senator from Virginia, Mr. WARNER, who has acted as good counsel to both the Senator from Alaska and the Senator from Illinois.

Let me tell my colleagues what this amendment does because I think the Senate can be proud of the outcome. What we are going to do is to increase combat pay for the men and women in uniform by 50 percent from $150 a month to $225 a month, and we are going to increase the family separation allowance by 150 percent from $100 month to $250 a month. Our action in this fiscal year will be retroactive to October 1. So it covers the entire fiscal year. It is going to mean a helping hand through a difficult time for the men and women in uniform, and their families.

As I have said, and I am sure the Senator from Alaska will agree, there is no amount of money that we can give these men and women, nor their families, to compensate them for what they are giving to our country, but this effort on the Senate floor, in a bipartisan fashion, shows we are dedicated to work together to express our gratitude not just in speeches but by giving a helping hand to these families who are struggling.

I send a modification of the amendment to the desk on behalf of myself, Senators STEVENS, INOUYE, WARNER, CHAMBLISS, MIKULSKI, DOLE, DASCHLE, LANDRIEU, CLINTON, and PRYOR.

Mr. STEVENS. Madam President, I now ask that this be deemed the original amendment before the Senate, that it be the Stevens-Durbin amendment, plus any other Senators who wish to add their name to it.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is so modified.

Mr. STEVENS. I ask that the Senate cast a unanimous vote in support of this raise of combat pay and family allowances for our men and women who are in harm's way.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to amendment No. 436, as modified.

The amendment (No. 436), as modified, was agreed to, as follows:

In the amendment strike are after the first word and insert the following:

(a) INCREASE IN IMMINENT DANGER SPECIAL PAY.—Section 310(a) of title 37, United States Code is amended by striking ''$150'' and inserting ''$225''.

(b) INCREASE IN FAMILY SEPARATION ALLOWANCE.—Section 427(a)(1) of title 37, United States code, is amended by striking ''$100'' and inserting ''$250''.

(c) EXPIRATION.—(1) The amendments made by subsections (a) and (b) shall expire on September 30, 2003.

(2) Effective on September 30, 2003, sections 310(a) of title 37, United States Code, and 427(a)(1) of title 37, United States Code, as in effect on the day before the date of the enactment of this Act are hereby revived.

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on Oct. 1, 2002 and shall apply with respect to months beginning on or after that date.

Mr. DURBIN. Madam President, I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Madam President, I would like to make sure we show this was a unanimous vote. Beyond that, I have a letter I received from the Boeing Company which is relevant to what we have just done, because some of the people who are covered by this amendment are men and women of the National Guard and Reserve. The Boeing Company has notified me it has 2,000 valued employees who serve our Nation in the military as members of the National Guard and Reserve. They state:

Over the last 3 years, some 950 men and women have proudly stepped forward for differing periods of military duty in support of the September 11-related operation. To date,

371 Boeing teammates have been activated for Operation Iraqi Freedom, with many more receiving notice of impending call-up. To stress our commitment, Boeing has extended the benefits we provide these citizen soldiers because we want them to be able to focus on their military mission—with no worry that their families are provided for in the interim. For a period of up to 60 calendar months, we will make up the difference between their military and Boeing pay, plus maintain their medical, dental and life insurance benefits. We have also extended reemployment rights to these talented teammates for up to five years of military service. Boeing's long-standing policy provides these benefits for 90 days.

I am not doing this to blow up Boeing, although I think it is a tremendous gesture. I ask unanimous consent that the letter, in full, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE BOEING COMPANY,
Arlington, VA.

Hon. TED STEVENS,
U.S. Senate,
Washington, DC.

DEAR SENATOR STEVENS: The Boeing Company is honored to have more than 2,000 valued employees who also serve our Nation in the military as members of the National Guard and Reserve. Over the last three years, some 950 Boeing men and women have proudly stepped forward for differing periods of military duty in support of September 11th-related operations. And to date, 371 Boeing teammates have been activated for Operation Iraqi Freedom—with many more receiving notice of impending call-up.

To stress our commitment, Boeing has extended the benefits we provide these citizen soldiers because we want them to be able to focus on their military mission—with no worry that their families are provided for in the interim. For a period of up to 60 calendar months, we will make up the difference between their military and Boeing pay, plus maintain their medical, dental and life insurance benefits. We have also extended reemployment rights to these talented teammates for up to five years of military service. Boeing's long-standing policy provides these benefits for 90 days, with reviews for adjustments depending upon circumstances.

The Boeing Guard and Reserve Network was created to help focus support to these men and women. With membership from employees and senior staff, this network was instrumental in President Bush naming Boeing a winner of the prestigious Employer Support Freedom Award in 2001 for continued support to National Guard and Reserve employees.

Boeing is proud of this leadership role and firmly committed to all our talented men and women called to serve the Nation.

Sincerely,

RUDY F. DE LEON,
Senior Vice President,
Washington, DC Operations.

Mr. STEVENS. This shows much of the problem that the Senator from Illinois has been trying to handle, the problem of people who have been called up who are not regulars. Theirs is a problem that is more acute than those who are in the military and are called up and they have their full military pay continue. The civilian pay of those who have been called up is many times quite a bit in excess of what they get in the military.

We have very complicated problems in a period of the callup cycle we are in right now because our country has called up people for the war on terrorism, called up people for the war in Afghanistan, and are now calling up people for the war in Iraq. Sometimes there have been multiple callups in the same calendar year. It is a very difficult problem to deal with, and I urge the Armed Services Committee to work on it and give us a comprehensive package so we do not have to deal with it in regard to appropriations bills.

That is my point I make now. I prefer that not be the case.

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. STEVENS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. STEVENS. Madam President, the Secretary of Defense is giving a classified briefing, and I ask unanimous consent that the Senate recess until 3:30.

There being no objection, the Senate, at 2:43 p.m., recessed until 3:30 p.m. and reassembled when called to order by the Presiding Officer (Mrs. DOLE).

SUPPLEMENTAL APPROPRIATIONS ACT TO SUPPORT DEPARTMENT OF DEFENSE OPERATIONS IN IRAQ FOR FISCAL YEAR 2003—Continued

AMENDMENT NO. 435

Mr. STEVENS. Madam President, what is the pending business?

The PRESIDING OFFICER. The pending question is amendment No. 435, by the Senator from Alaska.

Mr. STEVENS. I ask that that may be set aside for the Senator from Nevada.

Mr. REID. Madam President, I debated my amendment. I have an amendment at the desk. I would call that up, ask that it be set aside, and then yield to Senator HOLLINGS.

Mr. STEVENS. Set them both aside, I assume.

AMENDMENT NO. 440

Mr. REID. I ask unanimous consent that the pending amendment be set aside and the clerk report my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada (Mr. REID), for himself, Mrs. CLINTON, Mr. SCHUMER, Mr. LIEBERMAN, and Ms. STABENOW, proposes an amendment numbered 440.

Mr. REID. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide critical funding to safeguard nuclear weapons and nuclear material in the United States and around the world)

On page 18, line 8, strike all that follows through page 20, line 10 and insert the following:

CHAPTER

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

OPERATIONS AND MAINTENANCE, GENERAL

For an additional amount for homeland security expenses, for ''Operations and Maintenance, General,'' $29,000,000, to remain available until expended.

DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

WATER AND RELATED RESOURCES

For an additional amount for homeland security expenses, for ''Water and Related Resources,'' $25,000,000, to remain available until expended.

DEPARTMENT OF ENERGY

ENERGY PROGRAMS

SCIENCE

For an additional amount for ''Science'' for emergency expenses necessary to support safeguards and security activities, $10,000,000, to remain available until expended.

ATOMIC ENERGY DEFENSE ACTIVITIES

NATIONAL NUCLEAR SECURITY ADMINISTRATION

WEAPONS ACTIVITIES

For an additional amount for ''Weapons Activities'' for emergency expenses necessary to safeguard nuclear weapons and nuclear material, $70,000,000, to remain available until expended: *Provided,* That $30,000,000 of the funds provided shall be available for secure transportation asset activities: *Provided further,* That $40,000,000 of the funds provided shall be available to meet increased safeguards and security needs throughout the nuclear weapons complex, including at least $15,000,000 for cyber security.

NUCLEAR NONPROLIFERATION

For an additional amount for ''Nuclear Nonproliferation'' for emergency expenses necessary to safeguard fissile nuclear material, $300,000,000, to remain available until expended: *Provided,* That $135,000,000 of the funds provided shall be available for the development and deployment of nuclear detectors at mega seaports, in coordination with the Department of Homeland Security Bureau of Customs and Border Protection: *Provided further,* That $40,000,000 of the funds provided shall be available for detection and deterrence of radiological dispersal devices: *Provided further,* That $20,000,000 of the funds provided shall be available for nonproliferation assistance to nations other than the Former Soviet Union: *Provided further,* That $20,000,000 of the funds provided shall be available for nonproliferation forensics and attribution: *Provided further,* That $15,000,000 of the funds provided shall be available for nuclear nonproliferation verification programs, including $2,500,000 for the Caucasus Seismic Network: *Provided further,* That $12,000,000 of the funds provided shall be available for nonproliferation assistance to Russian strategic rocket forces: *Provided further,* That $10,000,000 of the funds provided shall be available for the packaging and disposition of any nuclear material found in

Iraq: *Provided further,* That $10,000,000 of the funds provided shall be available for nuclear material detection materials and devices: *Provided further,* That $10,000,000 of the funds provided shall be available for lower yield nuclear detection: *Provided further,* That $10,000,000 of the funds provided shall be available for nuclear material characterization: *Provided further,* That $5,000,000 of the funds provided shall be available for a radionuclide deployable analysis system: *Provided further,* That $5,000,000 of the funds provided shall be available for U.S. export control nuclear security: *Provided further,* That $5,000,000 of the funds provided shall be available for international export control cooperation activities: *Provided further,* That $2,000,000 of the funds provided shall be available for support of proliferation analyses in post-war Iraq: *Provided further,* That $1,000,000 of the funds provided shall be available for vulnerability assessments of spent nuclear fuel casks.

ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES

DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT

For an additional amount for ''Defense Environmental Restoration and Waste Management,'' or emergency expenses necessary to support safeguards and security activities at nuclear and other facilities, $15,000,000, to remain available until expended.

DEFENSE FACILITY CLOSURE PROJECTS

For an additional amount for ''Defense Facility Closure Projects'' for emergency expenses necessary to support safeguard and security activities at nuclear and other facilities, $5,000,000, to remain available until expended.

OTHER DEFENSE ACTIVITIES

For an additional amount for ''Other Defense Activities,'' $18,000,000, to remain available until expended, for increased safeguards and security of Department of Energy facilities and personnel, including intelligence and counterintelligence activities: *Provided,* That this amount shall be available for transfer to other accounts within the Department of Energy for other expenses necessary to support elevated security conditions 15 days after a notification to the Congress of the proposed transfers.

The PRESIDING OFFICER. Under the previous order, the amendment is set aside.

The Senator from South Carolina.

AMENDMENT NO. 445

Mr. HOLLINGS. Madam President, port security is much like the weather: Everybody talks about it, but we haven't done anything about it. The fact is, we are in a crisis, in an emergency. If anything would respond to an emergency supplemental, port security would.

I just had a word with the distinguished chairman. The chairman believes there are pots of money. I wanted to make sure I wasn't duplicating everything. I have in my hand the particular reported emergency supplemental. On page 20, what we find is the Department of Homeland Security; you have the various items, as you can see, listed beginning at that second paragraph, where they get $1.135 billion. I said: Well, we have $1.135 billion we can get for port security.

Then I looked at the breakdown. The $580 million for the Coast Guard has been spent. The Coast Guard has been waiting on this money. They are deployed in the Gulf. The distinguished Commander in Chief only 2 days ago, in Philadelphia, emphasized what a magnificent job the Coast Guard was doing in the gulf, around the clock, doubling up their effort. So this is for reimbursement of that $580 million.

We have the rest of the year to deal with, and we have an authorization bill trying to deal with it. But that is not the appropriation. I do not think we can wait for an authorization appropriation and then go through the rest of the spring and summer with the Coast Guard unfunded. So that $580 million is not for the Coast Guard for the rest of the year but that is to reimburse it.

Otherwise, the $215 million you see under the $1.135 billion is for terrorism; the $120 million goes to the Transportation Security Administration. That is for aviation, that is the overtime for screeners and everything else of that kind; $65 million of that is for overtime of the Customs and Border Patrol; $10 million is for the Secret Service; $10 million for the vulnerability assessment; and $15 million for emergency support teams. That is just a little over a billion some-odd million, which takes up the amount on page 20 of the Department of Homeland Security.

There are not any pots of money that we can take from. That has been a concern of the Senator from South Carolina. In the past, we spoke with one voice. This is not a partisan amendment whatsoever; 100 Senators, all Republicans and all Democrats, voted for port security. This is only $1 billion of the $2.8 billion that we authorized. We have only had, of that authorized and appropriated, some $93 million that has been released. They are now trying to complete this and compete for $105 million, but then they will run out of money.

Right to the point, we have to join forces together and take care of one of the finest entities you have ever seen.

Let me divert for a second and talk about the ports of America. There are some 365 ports; 55 of those are major ports. We didn't want to rush in last year and just start throwing money at the problem. They have to get a concerted plan for each of the ports, particularly those that have been designated major ports and are subject to serious terrorist action.

We have put the money up. They have completed five ports. They will only complete some six or seven additional, so it will be about nine by the end of the fiscal year under the present circumstance.

That is totally unacceptable. We can't be running around waiting to get through by 2009, planning for port security with al-Qaida, with the terrorists, with the most vulnerable target you could possibly imagine.

Let's go to Philadelphia. Osama bin Laden has 10 vessels, according to Lloyd's of London, and he controls 10 more. He easily knows terrorists who can crew those vessels. It was his ship that went into Mombasa, the port in Kenya, and blew up the embassy at Nairobi and the one at Dar es Salaam in Tanzania. So he knows about ship operations. He is intimate with it. He could easily put his crew in. He could get a shift on a particular ship of Exxon, let's say, going up the Delaware River to the port in Philadelphia, and just before they get there, they can take the crew and captain, throw them overboard, kill them, or whatever, just as they did in New York and at the Pentagon. Then they can blow that ship up at that tank farm in Philadelphia.

We have studied this. The eastern seaboard would close down. I have seen port security war games—there has been a lot of work done on this. This is not just an amendment of the moment. On the contrary, we find out from Booz Allen Hamilton in their particular study—it is too voluminous to have printed in the RECORD at this point—that the eastern seaboard could close down. And what would happen if they would have to close down the stock market and everything else? There would be total chaos just from one particular incident of that kind.

So we know the jeopardy that we experience here. We have to take care of these ports. We also have to take care of the waterway systems such as the Golden Gate Bridge and those other things.

We tried to get $2 billion for 2 years and in the supplemental and budget we just passed, we passed unanimously, $1 billion. This is just what we voted on a week before last, $1 billion.

I know my distinguished chairman is going to say we don't have any money. We have money, come on. Here we are already $232 billion in the red that we borrowed, and that stopped the first week in March. So for the month we have just been saying it is $232 billion public debt to the penny that the Secretary of Treasury puts out. That will go up, up, and away. We will get a kicker here in 14 days with the April 15 tax returns, but then just as we had in 2001, we were in the black on June 1, we passed a tax cut on June 8, and on June 28 we were $50 billion in the red. And by September 10, 2001, it was $99 billion in the red.

Everyone says: Well, 9/11 caused the deficit. No. It is the fact that we have been having voodoo tax cuts that caused the deficit to balloon. The distinguished Presiding Officer of the Senate knows what voodoo is because that is what Vice President George Herbert Walker Bush called President Reagan's tax cuts that were supposed to grow and grow the economy.

You only have to turn to this morning's paper and look at the cartoon to see that with so-called growth, the only thing growing are these deficits. And they are going up, up, and away.

So let's not start getting frugal and careful. Let's do get responsible and vote for the money that gives our ports

a start at security. You have the Coast Guard. You have the Drug Enforcement Administration. You have the Customs. You have the various other entities of the State port administrations. You have the FBI.

We are trying to coordinate them all under the particular plan. It has to be approved by the Transportation Security Administration before any money is disbursed. This is not just sending back grants and that kind of thing—unless and until we can get this money here to help out these local folks.

When I talk about security at the port, let me talk about the actual practice before 9/11. Operators of ports were not concerned with security. It was about No. 10 or 20 on their list of concerns. As a result, the FBI has found that between $12 and $24 billion in theft is going through the ports of America every year. They just added that into the cost of doing business.

The name of the game in port operation is swiftness, speed, expedition; get the cargo in, get it out, don't let it stay on the dock. It costs those ships at the dock $15,000 to $20,000 a day. So they try to compete with each other on speed, and it is a healthy competition.

But now they have to change their attitude—and I don't have any lobbyists looking out for port security. I wish they would hire the airline lobbyists. We gave out $1 billion—just gave the money—$1 billion for airlines. We gave them another $1 billion just for the cost of security. But $1 billion was just because they did not know how to run the airlines.

And now we are going to talk about $1 billion for all the ports of America. I hope I can get the help of the distinguished Senator from Texas. She has a very dangerous situation in Houston. You can come 50 miles up that river, and those gas plants on either side—propane plants and otherwise—you could blow it. And according to these studies by Booz Allen, it blows down the economy for a year. We are playing around with the airlines not having enough business so we give them $1 billion. And we give them another $1 billion for the security.

This particular amendment—which should be bipartisan because this is what we all voted for last year—is just exactly what is needed.

Go to the expenditure of that $1 billion, and it calls for $93 million to remain available until December 31 for the Coast Guard. That is $50 million for port vulnerability. That is the boarding equipment and everything else of that kind with respect to those assessments.

There is $7 million for the purchase of radiation detection equipment. And there is some $36 million for the maritime safety and security teams.

We know every plane that approaches the United States of America. We have alerts, and they respond. But we do not know with respect to the ships themselves.

So we need not only a transponder arrangement, but we have to have at least, at the 12 major ports, the equipment to receive the message. We don't have that. Even if they all had transponders like the aircraft in America, we don't have the equipment within the Coast Guard to identify them.

So this $57 million is for radar coverage of two-thirds of the United States with positioning systems to pick up that broadcast. A third, of course, goes into the internal river system, such as the Mississippi River and everything else for which the Coast Guard is responsible. That is exactly what is needed in the Coast Guard.

I felt bad two days ago when I was watching the President on TV, and the nearest thing we have to port security at the Port of Philadelphia was his Coast Guard jacket. He had all the Coasties standing behind him, but they didn't have any money in their pockets. They were dead broke, I can tell you that right now. If you don't believe it, just read the headline in this morning's Washington Post: ''Traditional Coast Guard Duties Suffer, Study Says.''

> [Admiral] Collins said President Bush's $6.8 billion budget request for the Coast Guard represents a $1.6 billion increase over the agency's initial fiscal 2002 budget. He said that by fiscal 2004, the Coast Guard will have increased its workforce by 4,100 people since Sept. 11, 2001. . . .

But he said:

> I assure you that nothing is more important to the United States Coast Guard than to be ready to perform all of these missions with distinction and with excellence.

I quote from the this particular article:

> After questioning from lawmakers, [Admiral] Collins conceded the 42,000-person Coast Guard has more challenges than resources to meet them. He said some equipment and personnel will have to be diverted from more traditional roles to homeland security efforts, although partnerships with the Navy and foreign governments could help take up the slack.

And they are working on those.

We have had hearings with Admiral Loy, and now with Admiral Collins, and with Commissioner Bonner of the Customs Service. We have gone overseas to try to streamline this issue so that we can actually inspect the cargo and facilitate it when it comes to port here in the United States. And he has worked that out with some 17 ports; that is, Commissioner Bonner. You have to give him credit. We have all been working. We have not just sat around pouting and sucking our thumbs waiting for the money. But here it says:

> Do we have more business than we have resources?

The answer is:

> Yes, Collins said. We are challenged like never before to do all that America wants us to do.
>
> The GAO cataloged a 60 percent decline in Coast Guard hours spent on drug interdiction. . . . [They got] a 38 percent decline in fisheries enforcement. . . .

And I could go on. Madam President, I ask unanimous consent to have the entire article printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington (DC) Post, Apr. 2, 2003]

TRADITIONAL COAST GUARD DUTIES SUFFER, STUDY SAYS

(By Christopher Lee)

Coast Guard efforts to capture drug traffickers and patrol commercial fisheries have suffered as it has turned its focus to homeland security since the Sept. 11, 2001, terrorist attacks, according to a study released yesterday.

The declines uncovered by the General Accounting Office, the congressional watchdog agency, stoked concerns among some lawmakers that the Coast Guard might neglect its old missions as it trains its energy on securing the nation's ports, waterways and coastal areas.

At a hearing yesterday on the Coast Guard's transition to the Department of Homeland Security, which it joined March 1, Rep. Frank LoBiondo (R–N.J.), chairman of a House subcommittee on Coast Guard and maritime transportation, called the GAO report ''thorough and eye-opening.''

''The Coast Guard's traditional missions such as search and rescue, drug and migrant interdiction, pollution prevention, boater safety and fisheries law enforcement must be preserved.'' LoBiondo said.

Adm. Thomas H. Collins, head of the Coast Guard, tried to assure lawmakers that his agency could meet all of its old obligations while ramping up its counterterrorism efforts, such as conducting vulnerability assessments at all of the nation's ports and, more recently, supporting military operations in the Middle East.

''I assure you that nothing is more important to the United States Coast Guard than to be ready to perform all of these missions with distinction and with excellence,'' he testified yesterday.

Collins said President Bush's $6.8 billion budget request for the Coast Guard represents a $1.6 billion increase over the agency's initial fiscal 2002 budget. He said that by fiscal 2004, the Coast Guard will have increased its workforce by 4,100 people since Sept. 11, 2001, and mobilized thousands of reservists. He said Bush has asked for an additional $580 million for the agency in his 2003 supplemental funding request.

After questioning from lawmakers, Collins conceded the 42,000-person Coast Guard has more challenges than resources to meet them. He said some equipment and personnel will have to be diverted from more traditional roles to homeland security efforts, although partnerships with the Navy and foreign governments could help take up the slack.

He also conceded that the Coast Guard is behind schedule in completing its vulnerability assessments of 55 ports.

''Do we have more business than we have resources? Yes, ''Collins said. ''We are challenged like never before to do all that America wants us to do.''

The GAO catalogued a 60 percent decline in Coast Guard hours spent on drug interdiction in the past three months of 2002, compared with the same period in 1998. It also found a 38 percent decline in fisheries enforcement—protecting fishing grounds from foreign encroachment and enforcing domestic fishing laws.

At the same time, the Coast Guard dramatically shifted resources to protect the nation's ports and waterways, including redeployments of search-and-rescue boats for harbor patrols. The Coast Guard devoted 91,000 ''resource hours''—a measurement of

equipment used on missions—to coastal security in the first quarter of fiscal 2002. That was up from 2,400 hours during a similar period in fiscal 1999. The number fell to 37,000 hours during the beginning of fiscal year 2003.

Other areas, such as search-and-rescue efforts and maintaining navigation aids, remained at more or less the same levels as before Sept. 11, 2001, the GAO said.

JayEtta Z. Hecker, the GAO analyst who presented the report, told lawmakers the Coast Guard ''cannot be all things to all people.''

''Even if you give them more money,'' she said, ''the challenge of absorbing more money is such that you cannot naturally solve this.''

Collins agreed with the GAO figures, but said they account for only resource allocation, not results. He noted, for instance that the Coast Guard seized 72.2 tons of cocaine in fiscal 2002, its third-highest yearly total.

''We're getting outcomes and high productivity,'' he said. ''That's efficiency.''

Committee members told Collins they recognized that Congress has heaped new responsibilities on the Coast Guard.

''We're yelling about security and we're saying, 'Keep your traditional roles' at the same time,'' said Rep. Bob Filner (D–Calif.). ''We've put you in a very difficult position.''

Mr. HOLLINGS. So, Madam President, we are not just for ports, and are going to come and get a lot of money, and ride in on an emergency supplemental. We begin with this fact: this is an emergency. We have these folks working around the clock.

And let me continue, before I yield, to make sure that we have outlined exactly what we need the amount for.

Now, there is an additional amount for customs and border protection of $160 million. That is broken down with $110 million for the deployment and installation of port screening equipment. We have $110 million for the radiation detection equipment at U.S. ports. Already, the railroads at the tunnels have that particular radiation equipment. So when it goes into the tunnel, they know, bam, that train has to stop, there is radiation there. We do not have that equipment at ports.

And we get the poor Coast Guard captains at the port, or these young lieutenants in their twenties, with all of this responsibility. If something went awry in one of the ports of America this afternoon, the captain of the port, some 20-year-old lieutenant, would be in charge and be the responsible one. And he has not been given the resources.

Congress has outlined his responsibility in law, but by way of appropriation, they have not given him the help. And he is trying to get the Customs and the DEA, the Ports Authority, the Immigration Service, the sheriff's department, the FBI—he is trying to get them all together.

We have done that, for example. I can show where it has been done in our own backyard. I won't include the entire report in the RECORD, but you can see the particular work involved and the deliberateness now. It is not just to put money in. It is detailed. That is $50 million of the $160 million for the evaluation, implementation, and coordination by the Transportation Security Administration to secure the systems of transportation such as the container security initiative. That container security initiative is exactly what I was talking about. The Commissioner of Customs is already overseas and making arrangements with 17 different ports so far. But then you have for the cargo and employees, the standards, the good conduct, the inspection equipment, the computers and everything else. That fleshes out that particular $160 million. What I just referred to was under the Customs and border protection.

Now to the Transportation Security Administration. For an additional amount of salaries and expenses, it is $680 million, but that is one half of what we authorized. The $600 million will be available for port security grants. It is just like during the Walter Mondale campaign, when he asked, Where is the beef? Well, where is the beef in your port security measure, Senator? I say this is the beef. This is the one thing the ports are really interested in so they can finance the different endeavors going on.

The weekend before last we raised the alert to orange. At that particular time, we had everybody fighting over the same personnel. Secretary Rumsfeld wanted them in Iraq, and my National Guard and my Reserves are gone. My Reserves are in the C–17 field in my own backyard. They have been going since September 12, 2001, around the clock, 8-hour shifts. There are three teams. I have been there to the hangar and visited with them. They have been doing a magnificent job. But they are concerned because some of them are mechanics, security officers, that kind of thing. So the Governor of South Carolina, on this orange alert the week before last, had to get patrol officers to place around the port of Charleston. I saw it myself. That is the kind of strain and stress from the emergency we are in.

But $30 million is for the worker identification card. That was a tough one for us. We worked with the unions on the background checks, and they are ready to move quickly. Now the unions said, you put that in law. You know how it is when they recommend somebody for a judge, then sit another 3 months before the FBI gets around to them. That is the situation here with all of these security personnel. Anybody who enters that secure area has to have a criminal background check. That is the money that is needed there. It is not in the emergency bill.

Otherwise, there is $50 million for the Bureau of Customs and Border Protection to flesh out their Operation Safe Commerce which is the Coast Guard assessment in the Register. The Coast Guard submitted into the Federal Register exactly what it would cost to get these assessments and things going. I ask unanimous consent to print that in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Based on this analysis, the first year cost would be approximately $1.4 billion, with costs of approximately Present Value (PV) $6.0 billion over the next 10 years (2003–2012, 7 percent discount rate). The preliminary cost analysis in Appendix C presents the costs in three sections: vessel security, facility security, and port security. The following is a summary of the preliminary cost analysis.

Vessel Security. The first-year cost of purchasing equipment, hiring security officers, and preparing paperwork is approximately $188 million. Following initial implementation, the annual cost is approximately $144 million. Over the next 10 years, the cost would be PV $1.1 billion approximately. The paperwork burden associated with planning would be approximately 140,000 hours in the first year and 7,000 hours in subsequent years.

Facility Security. The first-year cost of purchasing equipment, hiring security officers, and preparing paperwork is an estimated $963 million. Following initial implementation, the annual cost is approximately $535 million. Over the next 10 years, the cost would be PV $4.4 billion approximately. The paperwork burden associated with planning would be approximately 465,000 hours in the first year and 17,000 hours in subsequent years.

Port Security. The first-year cost of establishing Port Security Committees and creating Port Security Plans for all port areas is an estimated $120 million. The second-year cost is approximately $106 million. In subsequent years, the annual cost is approximately $46 million. Over the next 10 years, the cost would be PV $477 million approximately. The paperwork burden associated with planning would be approximately 1,090,000 hours in 2003, 1,278,000 hours in 2004, and 827,000 hours in subsequent years.

Mr. HOLLINGS. You can see this is not going to solve the problem, but it shows an awareness of the Congress of what they have mandated in law. We have required these local communities to do lots of things, and they haven't done anything about it. And we need this money. It is an emergency.

The Senate and the House last year said it would cost $2.8 billion. The Senate just the week before last in the budget resolution said $1 billion at least for this year. And we are trying our best to do that with this particular amendment, just put the money to where the mouth is.

I yield to our distinguished chairman.

The PRESIDING OFFICER. Does the Senator wish to send his amendment to the desk.

Mr. HOLLINGS. I thought the amendment was called up by Senator REID.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] proposes an amendment numbered 445.

Mr. REID. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert the following:

DEPARTMENT OF HOMELAND SECURITY

UNITED STATES COAST GUARD

OPERATING EXPENSES

For an additional amount for ''Operating Expenses'', $93,000,000, to remain available until December 31, 2003, of which not less than $50,000,000 shall be for port vulnerability assessments and the port vulnerability assessment program, and not less than $7,000,000 shall be for the purchase of radiation detection equipment, and not less then $36,000,000 shall be for the establishment of Maritime Safety and Security Teams.

ACQUISITION, CONSTRUCTION AND IMPROVEMENTS

For an additional amount for ''Acquisition, Construction and Improvements'', $57,000,000, to remain available until December 31, 2003, to implement the Automated Identification System and other tracking systems designed to actively track and monitor vessels operating in United States waters.

BORDER AND TRANSPORTATION SECURITY

CUSTOMS AND BORDER PROTECTION

For an additional amount for ''Customs and Border Protection'', $160,000,000, to remain available until December 31, 2003, of which not less than $110,000,000 shall be for the deployment and installation of portal screening equipment at our Nation's seaports, and of which not less than $50,000,000 shall be for the evaluation and implementation, in coordination with the Transportation Security Administration, to secure systems of transportation such as the Container Security Initiative and the Customs-Trade Partnership Against Terrorism.

TRANSPORTATION SECURITY ADMINISTRATION

For an additional amount for ''Salaries and Expenses'', $680,000,000, to remain available until December 31, 2003, of which not less than $600,000,000 shall be available for port security grants for the purpose of implementing the provisions of the Maritime Transportation Security Act, not less than $30,000,000 shall be for continued development and implementation of the Transportation Worker Identification Card as well as for background checks of transportation workers who work in secure areas or who work with sensitive cargo or information, and not less than $50,000,000 shall be for the evaluation and implementation, in coordination with the Bureau of Customs and Border Protection, of secure system of transportation such as Operations Safe Commerce.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $10,000,000, to remain available until September 30, 2004, for the development of seaport security training programs, and for equipment and personnel to provide training to Federal, State and local law enforcement agencies and, notwithstanding any provision of law, private security personnel performing seaport security functions.

Mr. BYRD. Mr. President, the amendment before the Senate addresses what many experts view as the largest vulnerability in the Nation's defenses here at home. This amendment would direct critical funds to the Nation's seaports.

During the Senate Appropriations Committee's homeland security hearings last year, one witness, Stephen Flynn, noted that the Nation's seaports ''are the only part of an international boundary that the Federal Government invests no money in terms of security. . . . Most ports, the best you get is a chain link fence with maybe some barbed wire.''

Is that comforting?

Consider that U.S. ports receive 16,000 cargo containers per day and 6 million containers per year that U.S. ports are home to oil refineries and chemical plants that process noxious, volatile chemicals; that there are 68 nuclear power plants located along U.S. waterways; that the average shipping container measures 8 feet by 40 feet and can hold 60,000 pounds; and that a ship or tanker transporting cargo can hold more explosives and dangerous materials than could ever be smuggled in an airplane or a truck crossing a land border.

Yet, despite the clear danger, the best port protection the American people have is a chain link fence? It is unfathomable why we have not insisted that this amendment be signed into law months ago.

Last November, the President signed the Maritime Transportation Safety Act. This amendment provides $1 billion to begin addressing these Federal requirements.

Specifically, this amendment provides $600 million in port security grants to begin to assist our seaports in hardening their physical security to comply with the Federal law. Additionally, the authorizing legislation requires that all vessels operating in U.S. waters carry equipment which will allow the Coast Guard to actively track and monitor their movements. This amendment provides $57 million so the Coast Guard can establish a system to track these vessels.

The amendment also addresses other critical port security needs such as providing additional cargo screening equipment for our seaports and funds to expedite the port security assessment program. Funds are also included to establish three additional Coast Guard Maritime Safety and Security Teams for domestic port security needs.

Funding is providing to improve secure systems of cargo transport from the port of departure overseas to the port of arrival in the United States.

The Port of Los Angeles and the Port of Long Beach, each in California, account for 35 percent of the international trade moving into and out of the United States. Port officials estimate that they need $10 million to build a container inspection facility where suspicious packages and freight can be opened and inspected. Similar realities face ports up and down the Atlantic and Pacific seaboards. Last December, the U.S. Coast Guard issued a report stating that the first year cost to implement port security authorizing legislation that the President signed in November would total $1.3 billion and that total costs for the next decade would be $6 billion. But despite the clear danger, and despite the overwhelming vote of approval by Congress to authorize security improvements at our seaports, the dollars have not been forthcoming.

International authorities have linked 20 merchant vessels to Osama bin Laden. Some of the vessels are thought to be owned outright by bin Laden business interests, while others are on long-term charter. The Times of London reported in October 2001 that bin Laden used his ships to import into Kenya the explosives used to destroy the U.S. embassies in Kenya and Tanzania in 1998.

This amendment would make sure that more than a chain link fence is protecting the nation's ports. Children learn to hop a fence at an early age. How hard would it be for a terrorist?

I urge my colleagues to support this amendment.

Mrs. BOXER. Mr. President, I am pleased to co-sponsor the port security amendment offered by Senator Hollings.

In the wake of the terrorist attacks on September 11, ports are struggling with an entirely new set of challenges to protect ports, citizens and the economy from the possible threat of terrorism. This is a huge task.

I was fortunate to be named as a conferee on the port security bill last year. The bill that became law was a good bill.

It will greatly improve security at our Nation's port in light of the challenge following September 11. But only if we provide the money. And so far, we have failed to do so.

I feared this would happen. Many potential funding options were suggested during the conference. But, all of them were rejected by the other body. So, we had no funding source. We had to rely on appropriations. And, we are not providing enough funding for our local ports.

Let me explain why this law is so crucial and why we must fund it with this amendment.

The law creates national and regional maritime transportation/port security plans to be approved by the Coast Guard, including better coordination of Federal, State, local, and private enforcement agencies.

The law mandates the development of regulations to determine secure areas in ports and to limit access to these areas through background checks that will result in a transportation security identification card.

The bill also establishes a grant program for local ports, waterfront facilities operators, and State and local agencies to provide security infrastructure improvements.

But again, there's no money.

Port Security must be a priority.

The Hart-Rudman report was released last October. Their report, ''America Still Unprepared—America Still in Danger,'' discusses the shortcomings in port security. This report

recommends making ''trade security a global priority.''

According to the report, 43 percent of all maritime containers that arrived in the United States in 2001 came through the ports of Los Angeles and Long Beach.

The ports of Los Angeles and Long Beach requested $70 million in post-September 11 security grants. To date, they have received only $6.175 million.

That's just one port. The American Association of Port Authorities estimates the costs of adequate physical security at the Nation's commercial seaports to be $2 billion. Only $92.3 million in Federal grants have been authorized and approved.

We know that last year with the closing of the West Coast ports because of a lockout, the cost to the economy was $1 billion per day for the first five days. Then, the costs increased exponentially. This shows how vital it is for our economy to keep the ports operating.

If there was an incident at any port in the country, all the ports would be closed. This would cost billions and billions per day.

The Hart-Rudman report also says we need to be proactive. We have identified the threat, but we haven't done enough to protect our ports.

This amendment provides $1 billion for port security, including $600 million in grants for local ports.

We cannot leave our homeland unprotected against terrorism. This is why I encourage my colleagues to support this amendment to add more funding for port security.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Madam President, I am grateful to my friend from South Carolina for the way he has put this amendment. Unfortunately, it is part of a large stream of amendments. If this were the only amendment offered for Coast Guard expenses and to homeland security in addition to this bill, as manager of the bill, I would have no difficulty in dealing with it. But we expect a whole series of amendments during this period.

I want to point out this bill came to us as a defense supplemental for the purpose of meeting the needs of the conduct of three separate war operations. We have a war on terrorism, a war in Afghanistan, and a war going on in Iraq. Of the total that we have coming out on the committee bill, we have $78.7 plus billion. It is really $78,736,600,000. Even Everett Dirksen thought that was a lot of money. But when you look at this, what was asked for, for the total for homeland defense, $4,676,000,000, that is on top of what has already been appropriated for the Department of Homeland Security in the omnibus bill we just passed and what will be appropriated in the fiscal year 2004 that is coming.

I know many people, including myself, believe there should be more money allocated to homeland security. But what should we do? If I were to say I would accept the Senator's amendment, but behind it there is a total of $6.5 billion that I have been told so far dealing with homeland security amendments, another $6.5 billion will lead this bill to being assaulted in the House and severely questioned by the President. We don't have the emergency procedure available. We don't have a budget. So this can't be dubbed an emergency under the Budget Act and just sent downtown and ignored by the President, which is something we have done in the past. This either has to be in the bill or it is not going to be in the bill.

I want the Senator to know, as I have said, we believe there is money here. Requests are going to come at us for purchasing of community-oriented policing policies, interoperable equipment problems, the problem of firefighters and emergency medical service teams in terms of their equipment that is currently not interoperable. We have money I certainly think is needed in terms of the screening equipment and new technology screening at ports. That is another $110 million.

Once you start down this line, you have to ask yourself, why aren't these being raised in the 2004 bill. None of them are going to be spent this year. This isn't money for the immediate emergency. This is money that should be addressed in the 2004 bills. They are still pending out there. We will have this same debate on the 2004 bills. These same amendments will be offered then.

Why don't we wait until then? That is my advice to the Senate. Let's wait. We know these are pending requests. We know many of them are very important, and some of them I shall join in urging we try to get money. But right now we are trying to get money for the President so he can handle these wars. This is not port security. It is not interoperability of equipment. It is not money for Guard and Reserve equipment. It is not money that is going to be spent next year.

(Mr. CORNYN assumed the chair.)

Mr. STEVENS. This is money for this year—not only this year, but within the next 8 weeks it has to be to the armed services. I say to my friend, very respectfully, when the time comes, I am going to have to move to table this amendment, although I hate to do it because I agree with it in many ways. But it is not the only thing coming at us. Every one of these, like another straw on the camel's back, will take more time to deal with in conference with the House and with the President, and meanwhile we don't get the money out there for the troops.

I hope the Senate will stay with us. Let's restrict this bill to the emergencies related to the war effort, and the homeland security money in here is related to the war effort. It is nuclear security, it is a transfer of treasury for homeland security. One of the items is a smallpox amendment which is already in the bill. Those moneys can and will be spent before September 30 of this year. They must be. We don't have an extension on them. They are all money to be spent this year.

This money the Senator seeks is money that could be spent over the next 2, 3 years. Who knows how long it will be before we identify the tracking systems that can track and monitor vessels in U.S. waters that are better equipment than we have now. We have some, but it is not good. We know that. It is not up to date. In particular, I seek to join in trying to check the backgrounds of transportation workers. I would very much like to be involved in finding ways to finance the screening equipment that deals with containers coming into our ports. But this isn't the place to do it.

I told the Senate before this morning—I have asked the Chairman of the Joint Chiefs and the individual service chiefs when this money is needed. They started in early May and continued through June, so this money has to be there. It cannot be there if we get items to continue this bill and carry us into a period beyond the recess we intend to take for Easter. I say respectfully to my friend, it is just not something we can handle.

The administration takes the position that the 2003 bill and 2003 supplemental and the 2004—those are all fiscal years—appropriations bills have started the process of providing money for port security, customs, transportation, law enforcement, domestic preparedness, and other items.

The bill we have in place—the 2003 Appropriations Act—contains the largest increase for Coast Guard in the history of the United States, over $1 billion more than 2002. The Senator from South Carolina and I were partially responsible in that. We joined together in that fight on the omnibus bill. At 2004, the discretionary funding of the Coast Guard will be increased by another billion and a half, another 36 percent over 2002. That will add to the Coast Guard in excess of $2.5 billion for the period of 2004.

Now, we are moving toward these things, but we cannot do them all in this bill, which is designed to be a supplemental for 2003.

By the way, I am very concerned about the container security initiative. The Senator from New York and I have worked on that. We are continuing to try to push and push and push to identify the type of technology that could give us the ability to increase the surveillance on containers as they are placed on ships destined for the U.S. We want to reach out and put them on the foreign ports. We don't have to wait until they are in our ports before we discover things dangerous to us.

I commend the Senator from New York and the Senator from South Carolina for working on this, but we don't need more money now. We need some results, as far as the basic investments in technology. The President's

budget has $375 million in the 2004 budget for just that—initiatives and technology investments, radiation detection, x-ray machines for cargo containers. That is not even available yet. We don't have the state-of-the-art equipment to do what some of these amendments insist we must do—and things I want to do in the long run.

This Senator still represents more than half of the coastline in the United States. Everything we eat and consume and put on our backs comes to us from outside of our State. We are the one State totally dependent upon transportation, particularly marine transportation. I will work night and day with my friend to see we can get there when we develop the technology that we can approve. But we cannot put the money out in front of the technology. I think we have to have more money for assessments, portal monitors, maritime safety, and response teams—I support those—automated identification system, long-term security programs, transportation worker IDs. But these are not wartime-related costs.

We are in three wars at one time. Please, let me ask the Senate to remember that. That is what my job is—to try to get the bill passed as quickly as possible to address wartime-related costs at the request of the President of the United States. That is what I intend to do.

This amendment should not be included in wartime supplemental funding. I regret that when the time comes I shall move to table my friend's amendment. I don't know whether he wants to respond or not. I don't know whether we want to vote at this time or not. A lot of things are going on in the building. I will rely on the leadership. I ask my friend if he wishes me to allow him to respond.

Mr. HOLLINGS. I want to respond.

Right to the point, the distinguished chairman says that, yes, he generally agrees, and he talks knowingly of the importance of the ports and the need for security. He knows because Alaska has coastlines. We have ANWR that we have all been debating. I wish they would read the book on John D. Rockefeller. Rockefeller made his money not on oil, but on the delivery of oil. This is the delivery of ANWR and oil out of Alaska at the Port of Valdez, which has no security whatever. It is a typical port, just like in my hometown, that wasn't interested in port security. But after 9/11 things changed, and we are just bringing them in now and getting those plans promulgated.

Let me emphasize that this was done totally in conjunction with Secretary Mineta and the Transportation Security Administration. Specifically, Admiral Loy was then head of the Coast Guard when he found those needs out. He reaffirms those needs as the Administrator of the Transportation Security Administration.

Now, my distinguished friend talks about things ''wartime related.'' Oh, yes, Iraq is a war, Afghanistan is a war, but here at home is terrorism not a war? What is he talking about? We are responsible for the security and we ran around and did just that—we passed the port security measure 100 to 0 through here, but we didn't put the money behind it. So they haven't had but $93 million distributed out of $29.8 billion that we authorized.

I have served on the Appropriations Subcommittee on Defense for over 30 years. I know about wartime-related expenses. We would not deny in a second the troops in uniform, but the troops out on the line at the ports, at the airports, and different other places in America, we say, well, that is pork, or there just wasn't money back home.

I told you about our Governor. He had to put parole officers around the Port of Charleston last week. That is the way it continues with all these particular ports over America.

This is not a measure to be tabled and say we have other amendments coming. I cannot defend or talk for or against the other amendments coming. I know this particular need. I can tell you here and now, it has been justified by the administration and by Senators, both Republican and Democrat.

We did not say we have all these amendments for the airlines. We just gave them a billion dollars because they did not know how to run an airline. Their troubles were long before 9/11. Many have gone into bankruptcy.

Then we gave them another billion dollars for security, and then we gave them $1.5 billion more to make sure they had $3.5 billion all together, but we will not give money for port security.

Yes, this is going to be spent not in 8 weeks, but in 5½ months. We have the rest of April, May, June, July, August, and September—5½ months. It is not just that the money is not going to be spent. The ports have been waiting for the money. They have been holding on endeavors. This is not just the amendment of the Senator from South Carolina, this is the amendment that should be supported by all for ports in America, but the ports have not learned what the airlines have learned. I am going to try to get them on the line and see if they can't hire the airline lobbyists where they get $3.5 billion for not knowing how to run an airline, and yet when I come forward with this amendment, the Senator says: We have some other amendments coming and, therefore, I do not want to approve this amendment. He says he is going to have to table this one. In other words, we are on a course to table all amendments.

The Senator says this bill is for wartime-related items. The war started on 9/11, the terrorism war, and that is just as serious a war as anything going on in Afghanistan or in Iraq. We just do not have uniforms, and we have taken those frontline troops and have sent them to Iraq. The policemen, the firemen, the Reserve officers, the National Guard—we have drained them all for Iraq, and then all of a sudden act like there is not a terrorism war.

The Senator says this is a wartime-related Defense supplemental. That is what I am talking about: Money to be expended on defense, on home security defense, that we are all worried about, and we act like it is not important at all; that it is just some domestic program we can get to later on. I wish I had a ship. I would run it up some river and blow it up and wake this crowd up, and then the money would come. But right now we have a system where the chairman—I can't even get anybody on the floor, the chairman has told them to stay off the floor—but this chairman is going to table all these amendments.

Since I have the floor, let me talk about paying for these expenses. In January, I offered an amendment to pay for the war. I did not think back in April we were going to be debating and appropriating some $75 billion for the war. We are not paying for the war. We are going to borrow for the war. The distinguished chairman is saying, I am just not going to borrow anymore, like there is some restriction against borrowing in America.

What we have is not a stimulus, and I am going to bring it in to focus. Everybody runs around here cutting taxes. Why? To get reelected. That is Carl Rove's tax cut. That is all it is. It is a Carl Rove tax cut to get reelected. He told the President: To get reelected next year, you have to have a tax cut.

That is outrageous nonsense. We do not have any taxes to cut. We ran a $428 billion last year. We have under the President's budget a $554 billion deficit this year. I say to the distinguished Presiding Officer that does not include the cost of Iraq, which the President says is $75 billion, just for 6 months. God knows what it is for a year. Next year, the deficit will be $569 billion without the cost of the war and the occupation, by that time, I take it, of Baghdad.

What we will have is a $600 billion to $700 billion deficit in the election next year. Tell Carl Rove that. The interest cost, instead of $350 billion, is going to be $400 billion to $500 billion. We are in a meltdown because there is no responsibility.

I resent the idea of my distinguished friend from Alaska acting like ''I am not going to spend the money; I am just trying to get money that could not be spent in the next few months and is not needed'' when we vetted this issue, Republicans and Democrats. We need this money. We need this kind of security, but, oh, no, they will pass $3.5 billion for the airlines, and they will pass nothing for port security. They will pass a tax cut to get reelected next year.

We have a country that will be worse than we inherited. This will be the first time in history that one generation is going to leave the country worse off for the next generation. We always received a better country.

We have to go through these gymnastics up here of playing games for

tax cuts, playing games for the lobbyists and the airlines, and then when they do not have the lobbyists, they act as if this is a casual one and I will just move to table the amendment.

We aren't going to table right now because I have the floor. We are going to talk some more about paying for the war.

I think it is a disgrace that we would send our GIs to Iraq and say: We hope you don't get killed, and the reason we hope you don't get killed is because we want you to hurry back so we can give you the bill. We aren't going to pay for it. We have to have a tax cut so we can get reelected.

We look out for No. 1, not for the fellow on the battlefield. Oh, yes, we have the Flag in the lapel. We recite the Pledge of Allegiance to the American Flag. We have a moment of silence before we meet in subcommittee and other hearings. We stand up. We are very reverent. There are millions and millions for tribute, but not one red cent for defense. This is homeland defense. That is what it is.

I am sure the distinguished chairman of the party of Lincoln remembers well that Lincoln, to pay for the Civil War, put a tax on dividends; to pay for the Civil War, he put a tax on estates.

Now this party of Lincoln wants to take the tax off dividends and off estates and lecture about the port security that somehow the money is not needed; that we could not spend it; that we have other measures coming along the line and we are going to move to table all the amendments; we have already met in caucus, so we are going to table all the amendments and say: We got this money for the war effort; we did not get it for the terrorism war. That is what the Senator from South Carolina is talking about. We do not have any idea what is happening on the floor of the Senate. It is all politics. It is all applesauce, as Will Rogers said, and we are not paying attention to the real needs.

Here we have a real need, and we have to get the security around the ports of America.

As I said, there are some 55 important ports that terrorists could blow up and close down the economy for 1 year to 2 years. We all know that, but we pass it over because we have a system: We are going to leave this weekend, and we want to make sure we get rid of this bill before the weekend; what he wants to do is move to table these kinds of amendments.

Let me speak about this port security. I ask unanimous consent to print the details of my port security amendment to the supplemental appropriations bill in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HOLLINGS' PORT SECURITY AMENDMENT TO THE APPROPRIATIONS SUPPLEMENTAL

Sen. Hollings amendment to the ''Iraqi Freedom/Liberty Shield'' supplemental appropriations bill would add $1 billion for seaport security needs through the Department of Homeland Security. Sen. Hollings recommends that the money be spent consistent with the Maritime Transportation Security Act of 2002, as follows:

THE BORDER AND TRANSPORTATION SECURITY DIRECTORATE ($840 MILLION)

$110 million to Customs for the installation of screening equipment, and to be used to help develop new technologies to help develop and prototype screening and detection equipment at US ports.

$100 million to TSA and Customs; $50 million each, to evaluate and implement cargo security programs.

$30 million for the Transportation Security Administration (TSA) to develop and implement the Transportation Worker ID Card, and to conduct criminal background checks of transportation workers who work in secure areas or who work with sensitive cargo or information.

$600 million for grants to states, local municipalities, ports and waterfront facilities for port security contingency response and to help ensure compliance with federally approved security plans.

COAST GUARD ($150 MILLION)

$50 million for port security assessments.

$57 million to help implement the Automated Identification System (AIS) and other tracking systems designed to actively track and monitor vessels operating in US waters.

$36 million for Maritime Safety and Security Teams (MSST's) to increase the number of teams and provide capital equipment.

$7 million for radiation equipment development and implementation at cargo portals.

FEDERAL LAW ENFORCEMENT TRAINING CENTER ($10 MILLION)

$10 million to develop a seaport security training curriculum, in conjunction with the Maritime Administration, for the certification of federal and state law enforcement officers and private security personnel working at seaports.

Mr. HOLLINGS. Mr. President, I ask unanimous consent to print on page 20 and 21 of the supplemental appropriations report, under chapter 5, Department of Homeland Security, the itemizations for the sections listed.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OTHER BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

IRAQI RELIEF AND RECONSTRUCTION FUND

(INCLUDING TRANSFERS OF FUNDS)

2003 appropriation to date	
2003 supplemental estimate	$2,443,300,000
Committee recommendation	2,468,300,000

The Committee provides $2,468,300,000 for the Iraq Relief and Reconstruction Fund for humanitarian assistance in and around Iraq and for rehabilitation and reconstruction in Iraq. The Committee expects that the transfer authority provided by this provision will not be used to transfer funds to the Department of Defense. Prior to the initial transfer of funds, the Secretary of State shall consult with the Committee on Appropriations on plans for the use of the funds appropriated under this heading.

The Committee provides that funds appropriated under this heading shall be used to fully reimburse accounts administered by the Department of State, the Department of the Treasury, and the United States Agency for International Development for expenses relating to the pre-positioning of relief and reconstruction assistance for Iraq prior to the enactment of this Act. The Committee notes that the following accounts should be reimbursed from funds appropriated under this heading: $157,000,000 for ''Development Assistance''; $3,900,000 for ''Transition Initiatives''; and $100,000,000 for ''Economic Support Fund''. The Committee requests to be notified when reimbursements have been requested and fulfilled.

The Committee notes that funds appropriated under this heading are subject to the regular notification procedures of the Committee on Appropriations, except that notifications shall be transmitted at least 5 days in advance of the obligation of funds.

GENERAL PROVISIONS, THIS CHAPTER

SEC. 501. The Committee includes transfer authority between certain accounts, and requests to be consulted before this authority is exercised.

SEC. 502. The Committee provides the request for authority to provide assistance or other financing in this chapter for relief and reconstruction efforts in Iraq notwithstanding any other provision of law. Funds made available pursuant to this authority shall be subject to the regular notification procedures of the Committees on Appropriations, except that notification shall be transmitted at least 5 days in advance of the obligation of funds.

SEC. 503. The Committee provides the request for the repeal of the Iraqi Sanctions Act of 1990, and other limitations on assistance for Iraq.

SEC. 504. The Committee provides the request for the authority to export to Iraq any item subject to the Export Administration Regulations or controlled under the International Trafficking in Arms Regulations on the United States Munitions List, if the President determines that to do so in the national interests of the United States. The Committee requests the President, after consulting with all relevant departments and agencies, to report to the appropriate congressional committees on a semiannual basis on all Commerce and Control Munitions List items transferred to Iraq, and the person or entity to which each item has been transferred. The Committee requests that the first report be submitted to Congress no later than 90 days after enactment of this Act.

SEC. 505. The Committee provides $10,000,000 in ''Economic Support Fund'' assistance for the establishment of a tribunal for the prosecution of Saddam Hussein and other Iraqi war criminals.

SEC. 506. The Committee includes the Sense of Congress providing that, to the maximum extent practicable, contracts and grants for relief and reconstruction in Iraq should be awarded to United States companies and organizations, those located in the Near East region, and those from countries who have provided assistance to Operation Iraqi Freedom. The Committee believes that reconstruction efforts should include employment and other opportunities for the Iraqi people.

SEC. 508. The Committee provides the Secretary of State with a national security interest waiver for certain restrictions on assistance for Ukraine contained in Public Law 108–7.

Mr. HOLLINGS. That is a total sum of $1.135 billion, not a thing of what the Senator's amendment encompasses. We have $12 billion to $20 billion that is stolen from the ports, and we are trying our best to change the culture there. We have had good success with respect to the background checks. That was a big holdup on the Senate side.

We worked with the unions and they agreed that we should have background security checks for the workers. So in checking that out, they now are anxious because they said now you have it in law that we have to have the cards, but they are not coming through with the cards in the system. So how can we comply? That is in this Senator's provision for port security. The distinguished Senator from Maine, Ms. OLYMPIA SNOWE, was asking questions at the hearings and Admiral Collins said he was hopeful by the end of fiscal year 2003 we will have 17 of the 55 port plans done.

Here is Admiral Collins's answer:

We have an $11 million recurring base to do port-security assessments. Part of the feature of the 2004 budget was that $11 million was moved to the Department, Under Secretary for Information Analysis and Infrastructure Protection. The same approach taken with TSA, Transportation Security Administration also has money to do assessments in other modes of transportation. They have been centralized. The funds—as part of the President's budget, those funds have been centralized in the Under Secretary for Information Analysis and Infrastructure Protection. Although we remain the executive agent, if you will, of that Under Secretary to perform in the maritime.

So we have not gotten the money.

It is an $11 million issue. As that new Under Secretary, who is still filling empty chairs as we speak matures, we will develop the working relationship, a very collaborative, congenial relation to date on the issue, no contention. And we will continue to pursue our assessments.

But then we are only going to have by the end of the year some 17 of the 55 done.

This is an emergency. I implore my colleague from Alaska, the chairman of our Appropriations Committee, get some money into this endeavor. I do not know about these other amendments that are coming along. He knows this better than any Senator in the Senate because I know Alaska, and I know the Senator's record. We do not have that money. That is why I went down and itemized. I knew that I was not going to ask for money that the Senator knew more about than I did, so I had to rehearse myself and break down every particular item in the supplemental appropriation. I did not have the money, so that is why I pointed out where in the billion it comes from.

Mr. GRAHAM of Florida. Mr. President, I rise today in support of the Hollings amendment to this supplemental appropriations bill, which would provide $1 billion to this Nation's seaport security programs.

Seaports are one our Nation's greatest assets, serving as the lifeline for economy and trade, for the fishing and cruise ship industries, and to military operations. But they remain one of our greatest vulnerabilities.

Our ports are susceptible to misuse by a terrorist organization. When a cargo container arrives on our shores, it is quickly loaded onto a truck or a train, and is transported to any of our cities, leaving all Americans vulnerable to a security lapse.

Right now, the Federal Government is not completely fulfilling its responsibility to protect our seaports. I am very pleased that the Maritime Transportation Security Act was signed into law last year. But for this legislation to be effective, it must have a predictable and sustained funding source for the agencies tasked with maintaining the security of our maritime borders.

We will never have enough law enforcement personnel or the perfect intelligence to detect and deter all potential threats. Technology is a promising approach to closing this gap—it may aid in container tracking, security, anti-tampering, and examination. These systems may also eventually have the ability to detect the presence of chemical, biological, and nuclear weapons at our Nation's ports.

I agree with Senator HOLLINGS that an attack on our seaports would be devasting. Compounded by the reality of our economic dependence on ports and the available intelligence on threats, it is inexcusable that we have not done more. Senator HOLLINGS' amendment would provide funding for industry and port security grants, State and local entities, the Maritime Administration, the Coast Guard, the Customs Service, and the Transportation Security Administration.

Since the tragedy of September 11, 2001, the threat and impact of terrorism has become real to many Americans. The global war on terrorism must be waged with equal intensity and commitment, both overseas and—here in our own Nation including at our seaports.

My colleagues may argue that this amendment is not war related, but I disagree. Our war effort depends on access to our 13 strategic military seaports, which support our operations in Iraq. These ports, like the rest of our 361 ports, are insufficiently vulnerable. If a terrorist threat were to affect one of our ports, our military operations could be negatively impacted.

The security of our borders is a national responsibility. Investing in maritime security is as vital as investing in our intelligence capabilities or investing in our Nation's airports.

I urge my colleagues to support the Hollings amendment.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I regret the problem we have with regard to the funding for these items. I call attention to the fact that we are trying to get a supplemental appropriations bill to deal with the costs of the war primarily, not just one war but the war against terrorism, the war in Iraq, and the war in Afghanistan.

I know of no other way to do it than to say we have reached a limit as far as what we are going to do. This thought just came to my mind. We have gone beyond the President's request to deal with the most pressing need, and that is the aviation industry relief. We have some benefits for that industry, almost $4 billion, that deal with trying to give that industry the ability to rejuvenate the economy. If they come back, the whole economy comes back, in my judgment.

In any event, the more we put in the supplemental, the more we will have a situation where we will not get that either. The aviation industry relief, I am told, needs to be finished almost immediately. Some of these companies are going into chapter 11 right now. Others are indicating that they may cease operation.

I really believe the major factors in this bill are defense, homeland defense and aviation industry relief. I urge the Senate to think about it and confine it to that.

I move to table the amendment of the Senator from South Carolina, and I ask that the vote on that amendment take place following the amendment of the Senator from Louisiana, Ms. LANDRIEU. I further ask that prior to Ms. LANDRIEU, the Senator from Colorado and the Senator from Arkansas share 15 minutes on the amendment they have, which it is my understanding we are in the position now where we will adopt that amendment. I do not know the final status of the amendment of the Senator from Louisiana so I will not move to adopt it, obviously, since it is not before us yet. But that will be my intention when we finish.

My friend from Nevada and I are trying to estimate when these votes would take place. I want 5 minutes to respond to the Senator from Louisiana after she offers her amendment. So it would be 5:15 that we would be voting.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. If the distinguished Senator will yield, I ask that the matter proceed as the Senator from Alaska has outlined: that there would be no second-degree amendments in order, and following the offering of the amendment by the Senator from Louisiana and the statements of the two Senators from Arkansas and Colorado, we would proceed to vote on the motion to table; and then following that, the Landrieu amendment, whatever the Senator decides to do on that.

On our side, Senator CORZINE is ready to offer his amendment. Following that, Senator BYRD is ready to offer his amendment. That is not a UC. That is just for the information of Senators. The rest of the unanimous consent agreement, I ask be adopted.

Mr. STEVENS. Reserving the right to object, I think we should go back and forth.

Mr. REID. That is not part of the deal.

Mr. STEVENS. I certainly have no objection to the Senator's unanimous consent request.

Mr. REID. Mr. President, the staff had some question about the time on

Landrieu. The time was 15 minutes for the Senator from Louisiana and 5 minutes for the Senator from Alaska.

Mr. STEVENS. It is my understanding that there will be no second-degree amendments to the Landrieu amendment or to the amendment of the Senator from Colorado.

The PRESIDING OFFICER. That would be the Chair's understanding.

Mr. STEVENS. That does not apply to subsequent amendments.

Mr. REID. That is right.

The PRESIDING OFFICER. That is the Chair's understanding.

Is there objection?

Mr. ALLARD. No. I want to ask for a clarification. Will I introduce my amendment following the Landrieu amendment?

Mr. STEVENS. The Senator from Colorado is first. He and the Senator from Arkansas share 15 minutes.

The PRESIDING OFFICER. It is the Chair's understanding that the Senator from Colorado will be first.

Without objection, it is so ordered.

The Senator from Colorado is recognized.

Mr. ALLARD. I ask that the pending amendments be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 451

Mr. ALLARD. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. ALLARD], for himself, Mr. WARNER, Mr. MCCAIN, Mr. PRYOR, Mr. GRAHAM of Florida, Mr. GRAHAM of South Carolina, Mrs. DOLE, Mr. CHAMBLISS, Mr. NELSON of Florida, Mr. CORZINE, Mr. CORNYN, and Mrs. CLINTON, proposes an amendment numbered 451.

Mr. ALLARD. Mr. President, I ask unanimous consent that 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 a panel to determine responsibility for an atmosphere at the United States Air Force Academy that was conducive to the recent acts of sexual misconduct at the United States Air Force Academy)

On page 89, between lines 4 and 5, insert the following:

TITLE V—PANEL TO REVIEW SEXUAL MISCONDUCT ALLEGATIONS AT UNITED STATES AIR FORCE ACADEMY

SEC. 501. ESTABLISHMENT OF PANEL.

(a) ESTABLISHMENT.—There is established a panel to review allegations of sexual misconduct allegations at the United States Air Force Academy.

(b) COMPOSITION.—The panel shall be composed of seven members, appointed by the Secretary of Defense from among private United States citizens who have knowledge or expertise in matters relating to sexual assault, rape, and the United States military academies.

(c) CHAIRMAN.—The Secretary of Defense shall, in consultation with the Chairmen of the Committees on Armed Services of the Senate and House of Representatives, select the Chairman of the panel from among its members under subsection (b).

(d) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the panel. Any vacancy in the panel shall be filled in the same manner as the original appointment.

(e) MEETINGS.—The panel shall meet at the call of the Chairman.

(f) INITIAL ORGANIZATION REQUIREMENTS.—(1) All original appointments to the panel shall be made not later than May 1, 2003.

(2) The Chairman shall convene the first meeting of the panel not later than May 2, 2003.

SEC. 502. DUTIES OF PANEL.

(a) IN GENERAL.—The panel established under section 501(a) shall carry out a study in order to determine responsibility and accountability for the establishment or maintenance of an atmosphere at the United States Air Force Academy that was conducive to sexual misconduct (including sexual assaults and rape) at the United States Air Force Academy.

(b) REVIEW.—In carrying out the study required by subsection (a), the panel shall—

(1) the actions taken by United States Air Force academy personnel and other Department of the Air Force officials in response to allegations of sexual assaults at the United States Air Force Academy;

(2) review directives issued by the United States Air Force pertaining to sexual misconduct at the United States Air Force Academy;

(3) review the effectiveness of the process, procedures, and policies used at the United States Air Force Academy to respond to allegations of sexual misconduct;

(4) review the relationship between—

(A) the command climate for women at the United States Air Force Academy; and

(B) the circumstances that resulted in sexual misconduct at the Academy; and

(5) review, evaluate, and assess such other matters and materials as the panel considers appropriate for the study.

(c) REPORT.—(1) Not later than 90 days after its first meeting under section 501(f)(2), the panel shall submit to the President, the Secretary of the Air Force, and Congress a report on the study required by subsection (a).

(2) The report shall include—

(A) the findings and conclusions of the panel as a result of the study; and

(B) any recommendations for legislative or administrative action that the panel considers appropriate in light of the study.

SEC. 503. PERSONNEL MATTERS.

(a) PAY OF MEMBERS.—(1) Members of the panel established under section 501(a) shall serve without pay by reason of their work on the panel.

(2) Section 1342 of title 31, United States Code, shall not apply to the acceptance of services of a member of the panel under this title.

(b) TRAVEL EXPENSES.—The members of the panel shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the panel.

Mr. ALLARD. Mr. President, I thank the chairman for giving me an opportunity to offer this amendment. Twice this past week, the Secretary of the Air Force, James Roche, and the Air Force Chief of Staff, GEN John Jumpers, testified before congressional committees on the progress of the Air Force's investigation into the allegation of sexual misconduct at the U.S. Air Force Academy.

Like many of my colleagues, I was stunned to hear these officials exonerate the leadership of the Academy. The Air Force investigation has not been completed, yet Secretary Roche and General Jumper have already determined that these officials were not responsible. To make this determination before the investigation is completed is irresponsible and inappropriate, in my view.

Mr. President, 42 former and current cadets who allegedly were sexually assaulted or raped have contacted my office. Some of these cases are between 5 and 10 years old. Most, however, took place within the last 5 years; 20 have occurred within the last 2 years. Let me repeat that: 20 cadets say they were sexually assaulted or raped in the last 2 years at the U.S. Air Force Academy.

The Air Force said the current leadership did not know about this problem. I disagree. I believe they chose to ignore it. Since 1998, the Academy Office for Character Development has been conducting student surveys on sexual assaults. The surveys, which were reviewed by the Academy's leadership, clearly indicated a pervasive problem with sexual assaults at the Academy.

Here are some of the results from these surveys. In 1998, 22 cadets said they had been sexually assaulted at the Academy. In 2000, 17 cadets say they had been sexually assaulted at the Academy. In 2001, 167 cadets indicated they had been sexually assaulted—167. In 2002, 80 cadets said they had been sexually assaulted at the academy. These surveys were, at the very least, a warning that the Academy leadership chose to ignore.

I served on the Academy's Board of Visitors for 4 years, and never during that time did the Air Force leadership or Academy officials bring up this issue. The first time problems of sexual misconduct at the Academy were discussed was last week. I issued repeatedly over the last year at Board of Visitors meetings a concern about sexual misconduct. Last June, for example, I urged Academy officials to investigate a highly sexual drama competition put on by cadets. I was assured that the Academy would review sexual misconduct at the Academy.

Last September, I again brought up a number of concerns raised by parents of cadets about sexual assaults at the Academy. Again I was assured the Academy would look into it.

Enough is enough. It is time to take action. I appreciate the fact that the Air Force moved so quickly on its investigation. I am also pleased the Air Force has issued a number of directives. But clearly, given the history involved and the lack of action in the past, an external review is necessary.

Therefore, Senator WARNER, Senator PRYOR, Senator MCCAIN, Senator

GRAHAM, and I, along with several others, will offer an amendment to the legislation currently before the Senate. This amendment will create an independent panel that will review the Air Force's directives and determine those who were responsible for the atmosphere that was conducive to recent acts of sexual misconduct at the Air Force Academy. The panel will begin its work by May 1, 2003, and submit a report to the President, Secretary of Defense, Secretary of the Air Force, and Congress within 90 days.

I still believe in the Air Force Academy. It is a fine institution. It has trained and equipped thousands of Air Force officers. Yet this current crisis has tarnished the reputation of the school and cast doubt on its graduates. It is time for us to take action. I urge my colleagues to support our amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I see the Senator from Arkansas, the prime cosponsor, along with the Senator from Colorado. I will briefly make a comment to thank them for producing this amendment. I thank Senator WARNER, as well as Senator CHAMBLISS and others on both sides of the aisle who are responsible for this amendment. It is much needed.

We had a hearing on this issue yesterday. It was one of the most remarkable evasions of responsibility I have ever seen. Basically, in summary, testimony by the Secretary of the Air Force and Chief of Staff of the Air Force said, really, no one is responsible.

We know people are responsible and people are held responsible, including the Chief of Staff of the Air Force and the Secretary of the Air Force. The Secretary of the Air Force has proven, to our satisfaction, that he cannot and will not address this situation, this crisis, at the Air Force Academy in a mature and efficient fashion. That is what triggered this amendment by Senators ALLARD and PRYOR. I strongly support it. Clearly, the quicker this panel will act and send its recommendations, the sooner we will implement changes in policy that will prevent a recurrence.

I might add, the situation apparently has been going on for 10 years. That is clearly an unacceptable situation at one of our finest institutions.

I thank the Senator from Arkansas, the Senator from Colorado, and others involved in this important amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. Mr. President, I concur and join in the comments of my esteemed colleague from Arizona and my colleague from Colorado on this very important amendment the Senate is now considering. I believe the Senate needs to send a very strong signal that we will not tolerate sexual misconduct at our military academies. It is not only important for the cadets and their families but also for the Nation.

Yesterday I received notice that a young woman in Arkansas has now been accepted to the Air Force Academy. I called her on the phone. She is excited, eager, ready to go. We talked about the situation at the U.S. Air Force Academy. I have no doubt it will be a great experience for her, it will be a great education, and she will excel and achieve great things in her military career.

As I continue to recommend that young men and women go to our military academies, I want to proceed with confidence and know they are going into a healthy environment. These institutions are institutions of honor. There have been dozens of allegations of sexual misconduct at the U.S. Air Force Academy. It is time we stop and honor these victims, that we listen to them.

One thing that became very clear the other day in the hearing we had was that there were a lot of facts we did not know. There is a lot of evidence we still need to uncover. We need a clear picture of the atmosphere at our military academies. We need to ensure this Nation, the Air Force, the cadets, and the families that when we send young men and women to the Air Force Academy, they are going to a constructive environment, they are going into a culture that will not tolerate sexual impropriety.

This is not about a witch hunt. It is not about pointing fingers. It is about admitting to a problem, identifying the problem, and making sure it never happens again.

I thank my colleague from Colorado for all of his hard work. The chairman of the committee also had a hand in this and is a cosponsor. We are honored to have him. I thank the Members of this body for their time and patience, especially Senator STEVENS of Alaska, who has worked this in on short notice, along with Senator BYRD of West Virginia, who has been very kind with the time.

I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. Mr. President, I add an additional cosponsor to the amendment, Senator DODD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLARD. I join my colleague from Arkansas in thanking Senators and thanking Senator MCCAIN personally for his efforts on this amendment. It has been a delight to work in a bipartisan manner with the Senator from Arkansas. I also thank Senator WARNER and his staff. All our staffs have worked hard, as this has been a last-minute amendment.

We are happy to yield back.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. The only addition I would like to make is Senator CORZINE would like to be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Louisiana.

AMENDMENT NO. 452

Ms. LANDRIEU. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Louisiana (Ms. LANDRIEU) proposes an amendment numbered 452.

Ms. LANDRIEU. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To appropriate $1,047,000,000 for procurement for the National Guard and Reserves)

In chapter 3 of title I, under the heading ''PRO-CUREMENT'', insert the after the matter relating to ''PRO-CUREMENT, DEFENSE-WIDE'' the following:

NATIONAL GUARD AND RESERVE EQUIPMENT.

For an additional amount for ''National Guard and Reserve Equipment'', $1,047,000,000.

Ms. LANDRIEU. Mr. President, I come to the floor to support the supplemental appropriations bill that is before us because it is a bill that supports our troops, it strengthens our Nation, and it sends a very positive and I hope united signal that we are unified in support of our men and women on the battlefield and our men and women who are supporting our warriors on the battlefield.

We are acting as quickly and as deliberately as we can to debate and delve in some detail into a bill that is fairly significant in size, almost $75 billion. I support that effort.

I also say I support the course of this administration. I supported the use of force. I support the course of action we are on, a tough and aggressive action toward this rogue regime. I believe, as the political leadership of this Nation, leading the world in this effort, we need to continue our support, morally, spiritually, and politically as represented by the bills we pass in Congress.

Last week, Senator DURBIN and I offered an amendment in a bipartisan partnership with Senator WARNER and Senator CHAMBLISS from Georgia. We received 100 votes for an amendment that would steer or direct some of the funding—a very small portion of the funding but funding very much needed by the Guard and Reserve—to the Guard and Reserve, which are picking up a larger share of the burden of this war, this campaign.

I am here today to offer another amendment that will support the 100-to-0 vote of last week to actually fund a portion of that amendment.

Last week, we said we wanted to raise the combat pay for Guard and Reserve and for Active military. I am pleased the Senator from Alaska has

worked out an arrangement that is going to actually make that possible. We have, I think, agreed on a doubling of the amount and have fit that within the framework of this bill. I know that is going to be received with gratitude and happiness on the part of the families who have their loved ones right there on the battlefront.

In addition to increasing the combat pay and the separation pay for all our Guard and Reserve units, I also think we need to do everything we can possibly do to send our Guard and Reserve on the battlefield with the equipment they need to win the war and to protect themselves, to stand up the American flag and be victorious in this effort. I am very concerned, as a member of the Appropriations Committee, as a former member of the Armed Services Committee, that our budgets do not reflect the commitment to our Guard and Reserve that their actions and their contributions warrant.

Let me quote the Deputy Assistant Secretary of Defense, Mr. Charles Cragin:

> The nature and purpose of reserve service has changed since the end of the cold war. They are no longer weekend warriors. They represent almost 50 percent of the total force.

If we are not members of the Reserve ourselves or do not have family members in the Reserve, I am not sure we recognize the significant change that has occurred in the last 20 years in the makeup of our armed services. Mr. President, 45 percent of the total force is made up by our National Guard and National Reserve; 1.2 million men and women who serve as reservists today are being called up to an unprecedented extent.

He goes on to say:

> We are currently calling reservists to duty involuntarily under three separate Presidential orders: For Bosnia, Kosovo, Southwest Asia. Thousands of reservists have served with great distinction around the globe, including more than 5,000 who recently deployed to Europe in support of the air campaign over Kosovo.

Of course, this was several years ago. The bottom line is they are a significant part of the total force; weekend warriors no more.

Let me state for the Record the Center For Strategic and Budgetary Assessment says:

> The reserve component represents 47 percent of our military structure but consumes only 8.3 percent of the Department of Defense budget.

There is a bias in the Department for the Active units. I am not saying one is more important than the other, but our budget needs to reflect the contributions that both the Active-Duty and the Guard and the Reserve are contributing, reflective of their contribution and their position in the total force. Our budget does not, today, do that.

My amendment attempts to add $1 billion. It is not going to bring the percentage up to where I believe it needs to be, but it is a step in that direction and it is something we can do right now. There is no reason to wait. The supplemental bill I hope to vote for—I am proud to vote for, I want to vote for—has $62 billion for Active Forces but only $271 million for the Reserve Force. Let me repeat, $62 billion for the Active Forces but only $271 million for the Reserve Forces. Yet every day, every night in America, the telephone rings in households in Louisiana, in Texas, in Mississippi, with a commanding officer saying: ''Sir or Ma'am, report for duty. You will get your orders when you arrive. Please make arrangements.''

Do you know what those arrangements are that the Guard and National Reserve make? They write their wills. They kiss their spouses goodbye. They tell their children goodbye. They call all the friends they went to school with to tell them goodbye because they may not see them again.

Those are the arrangements that are made when that telephone rings. Yet this budget that is supporting that effort fails to give them the equipment and support they need.

I know that is a strong statement. But the facts support that statement. This Senate and House have a responsibility to begin to fix that. We can fix it. We have $65 billion. My amendment asks to add $1 billion. I am prepared to take it out of the $65 billion. We are prepared to add it. We are prepared to find an offset. But to continue to ask our Guard and Reserve to make arrangements—perhaps we should make arrangements to provide them the equipment they need to fight a war we are asking them not only to fight but to win.

If people say, Senator, let's just wait until the 2004 budget, I can tell you it is not any better. We are going to spend $400 billion on defense, but a meager $1.9 billion is devoted for Guard procurement. That means we are prepared as a nation to spend less than the cost of one submarine for all the equipment needs of nearly 50 percent of our troops.

That does not make any sense. When we talk about force protection and minimizing casualties, you don't have to be an expert in warfare to understand one of the ways you can minimize casualties is to give your Guard and Reserve the best training and the best equipment, so when they ship out, they have a chance to ship back.

I am going to spend a few minutes. I wish I had more time because I want to talk about the thousands of men and women who are called up, State by State, so when people come down in a few minutes to vote on this amendment, they will know exactly how many families they are voting for in their districts and their States, and how many families they are voting against.

Let's start with the States that have over 50 percent of their forces called up: Alabama, 5,961. This is a portion of the forces. That means the telephones rang in 5,961 houses and a voice said, ''We need you. Close your business. Leave your employment. Make your will. Tell your wife, your spouse goodbye. Hug your children. Tell your family goodbye, and we will let you know when to ship off.'' These people are gone. And then there are going to be thousands more who are called up.

In Washington State: 4,066. In my home State of Louisiana, which is over, I think, 35 percent: 2,328.

Now, this is the number of personnel mobilized out of the Army Guard. This isn't all of the Reserve components. And we are trying to get a handle on those numbers. Some of those numbers are classified for obvious reasons.

But suffice it to say, they are not showing up for a weekend of work in Iraq. They are going for 6 months or for a year.

Some people say, ''Senator, you don't need equipment for the Guard and Reserve because they get the equipment when they go over there.''

Let me ask you, on the television that we have seen, just think about what the visuals have been about the war. Have we seen any tanks that don't have people in them? Have we seen any armored vehicles just sitting there waiting for a driver? Because that is not true. The truth is, the soldier shows up with his rifle, with his uniform, with his chemical detection equipment. The planes have to have the radar on them already. They have to show up with their equipment to fight the battle. And we are not funding the Guard and Reserve at the level we should.

I want to tell my people in Louisiana, when that phone rings, their Senator was on this floor fighting for them to have this equipment. And the argument is, ''Well, they can't buy it in 30 days, so we can't put it in this bill.'' And then the next time we have a bill, they will say, ''We can't buy it in 30 days, so let's not put it in that bill.'' And then the next time we have an appropriations bill, it is going to be the same story.

I am saying today, as we call up 100,000 more troops, half of whom are going to be Guard and Reserve, please, let's give them the equipment they need to win the war. And that is what my amendment does.

I have talked to the chairman. I have asked the chairman. We could add the money. We can take it out of the $65 billion. We can offset the money that is going to Turkey, $1 billion. I would rather send it to the Reserves. I don't want to cut it in half, but I am willing to compromise. But to tell our Guard and Reserve, no, I just am not willing to do it.

I want to list some of the items this money will buy. A great many of these items do not take a great amount of time to order. You could pick up the phone and dial it and ask them to deliver it. Let me just give you a couple of examples in the few minutes that I have.

The collective protection fund would be used to procure collective protection shelters for deployed forces in the event that chemical and biological weapons are fired on them. They would have a shelter to protect themselves.

Skin exposure reduction paste, I am sure someone produces that and manufactures it now. It is not something we have to invent. All they have to do is pick up the phone and order it. The skin is exposed, and it helps them against chemical warfare agents.

Increased resources will be used to procure additional mobile chemical agent detectors for use by forces performing the mission of determining whether weapons of mass destruction are present. How will they know if they don't have the equipment to detect it? And there are some things that are classified in this list that I cannot speak to.

I think our Active Forces would agree with this amendment. I think our Active Forces realize how important the Guard and Reserve are, what capable soldiers they are. And some units are better trained than others. I understand that. And some States have it better organized than others.

I happen to represent a State that has one of the finest National Guards in the Nation. I guess I am so proud of them, I want to do my very best by them, and to say we are doing a disservice by having $62 billion in this bill for Active Forces and we have added up only $271 million for Reserve Forces. Yet almost 50 percent of the men and women fighting the war are in the Guard and Reserve.

It just does not make sense. And perhaps it was an oversight. I do not think anyone means—I ask unanimous consent for 3 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. LANDRIEU. I do not think anyone means harm to the Guard and Reserve. And I know that every Member of the Senate is most certainly patriotic and wants to do their best. But I have spoken about this in meetings. I had to bring it to the Senate floor to give it attention. And I must ask for a vote because, that way, then people can go on the RECORD, and they can then be on the RECORD explaining to these 5,000 families why we could support these billions of dollars of equipment for the Active Forces and shortchange our Reserves.

I know that is not the intention of the Chair. And I would not in any way say he does not have an extremely difficult job of managing this bill. And I have no intention of holding up the bill. But I thought it was only fair to offer this amendment, to speak for 20 minutes, to ask for the money that I think our Guard and Reserve need.

So when the phone rings in Louisiana, and the Smith family or the James family or the Fonteneau family or the Thibodeaux family is called, they can say our Senator did her very best to try to convince people that maybe there was a slight imbalance in the money that was given for the Actives versus the Reserves, and that she is not sending my son, my husband, my wife, my grandmother, or my grandfather out there, at a loss to his or her income, a sacrifice to the family, without the equipment he or she needs to fight a war we asked them to fight, which is what we are doing in Iraq.

So I offer my amendment. I ask for support. I am sorry if the leadership cannot support this amendment, but I am going to ask for a vote. And I will continue, every time there is an appropriations bill on this floor—whether it is a supplemental appropriations or whether it is part of our next year's budget—I will continue to say, if 47 percent of our force fighting the war today—not next week; today—are Guard and Reserve, don't they deserve more than 8 percent of the money we are sending to support the war.

I say that answer is yes. And I want the families in Louisiana to know that I get it, I understand it, and I don't want them to put their lives in any more danger than what is absolutely necessary.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, the amendment of the Senator from Louisiana would add over $1 billion, which would be earmarked for National Guard and Reserve equipment.

The amendment proposes to increase the supplemental appropriations fund to add funding for something that the Department of Defense does not tell us is a high priority.

Equipment is not requested to be funded in the supplemental or in the budget that was submitted by the President for the next fiscal year.

Most of the items the Senator is describing are for the purposes of training. What we are trying to do today is provide funds for the Department of Defense to wage the war on terror and to pay for what is needed now so that we can win a victory in Iraq and protect the security of our homeland, not for items that will reach their destination or be usable by the Guard and Reserve Forces 2 years from now. And that is what these funds will do. They are for future projects.

Three of the projects are for construction—$20 million worth of construction projects—so they are not warfighting funding program dollars that are requested by the administration of this Congress at this time.

The committee has made available a sum of $11.019 billion in the Defense Emergency Response Fund that can be used for any of these items that the military thinks are necessary in order to wage the war on terror, so we are not denying the military the opportunity to spend funds for purposes such as the Senator describes. But we are not telling them they have to. We are not earmarking funds and saying you have to spend this for this purpose at this time.

The bill that is before the Senate also contains $1 billion in procurement accounts that can be used for Guard and Reserve Forces. So we are not ignoring the Guard and Reserve in this bill. The Guard and Reserve equipment, and the use of them in the operations at this time, is fully provided for in the bill.

We hope the Senate will reject the amendment. It has not been requested by the Department of Defense. The requests the Department are making for waging the war are met by the funding provided in the bill.

Mr. President, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. STEVENS. What is the pending measure? The first vote will occur on the amendment of the Senator from Colorado?

The PRESIDING OFFICER. The amendment of the Senator from South Carolina. The Landrieu amendment is currently pending.

Mr. STEVENS. But under the unanimous consent request, we vote first on the Hollings amendment; is that correct?

The PRESIDING OFFICER. The Hollings vote was scheduled after the Landrieu amendment.

Ms. LANDRIEU. Will the Senator yield for a moment?

Mr. STEVENS. One second till I straighten this out. I don't care which one. This Senator has no priority on it. I am agreeable to either one first. The amendment I am trying to address after that, though, is the amendment of the Senator from Colorado. What has happened to it in my absence?

The PRESIDING OFFICER. That has been set aside.

Mr. STEVENS. I thank the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, the Senator from Alaska indicated he didn't care. The Senator from Louisiana thought her vote would be second. She would rather that her vote follow the Hollings amendment motion to table.

Mr. STEVENS. The Senator has that right. I ask unanimous consent that the vote on the motion to table the Hollings amendment occur first.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I further ask unanimous consent that there be 2 minutes equally divided between the two votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. One minute on each side.

Mr. STEVENS. I have no objection. I ask for the yeas and nays on the Hollings amendment.

The PRESIDING OFFICER. On the motion to table.

Mr. STEVENS. On a motion to table. I have made that motion.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on the motion to table amendment No. 445.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY), is necessarily absent.

I further announce that, if present and voting, the Senator from Massachusetts (Mr. KERRY), would vote ''no.''

The PRESIDING OFFICER (Ms. COLLINS). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 52, nays 47, as follows:

[Rollcall Vote No. 115 Leg.]

YEAS—52

Alexander	Dole	Miller
Allard	Domenici	Murkowski
Allen	Ensign	Nickles
Bennett	Enzi	Roberts
Bond	Fitzgerald	Santorum
Brownback	Frist	Sessions
Bunning	Graham (SC)	Shelby
Burns	Grassley	Smith
Campbell	Gregg	Snowe
Chafee	Hagel	Specter
Chambliss	Hatch	Stevens
Cochran	Hutchison	Sununu
Coleman	Inhofe	Talent
Collins	Kyl	Thomas
Cornyn	Lott	Voinovich
Craig	Lugar	Warner
Crapo	McCain	
DeWine	McConnell	

NAYS—47

Akaka	Dorgan	Levin
Baucus	Durbin	Lieberman
Bayh	Edwards	Lincoln
Biden	Feingold	Mikulski
Bingaman	Feinstein	Murray
Boxer	Graham (FL)	Nelson (FL)
Breaux	Harkin	Nelson (NE)
Byrd	Hollings	Pryor
Cantwell	Inouye	Reed
Carper	Jeffords	Reid
Clinton	Johnson	Rockefeller
Conrad	Kennedy	Sarbanes
Corzine	Kohl	Schumer
Daschle	Landrieu	Stabenow
Dayton	Lautenberg	Wyden
Dodd	Leahy	

NOT VOTING—1

Kerry

The motion was agreed to.

Mr. COCHRAN. I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 452

Mr. STEVENS. Madam President, parliamentary inquiry: What is the pending business now?

The PRESIDING OFFICER. The pending business is the motion——

Mr. STEVENS. Madam President, could we have order in the Chamber.

The PRESIDING OFFICER. The Senate will be in order.

The pending business is the motion to table the amendment offered by the Senator from Louisiana, Ms. LANDRIEU.

The Senator from Alaska is recognized for 1 minute.

Mr. STEVENS. I yield to the author of the amendment first. The Senator from Louisiana is entitled to 1 minute. I hope my colleagues will let her speak.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Ms. LANDRIEU. Madam President, will the Senate be in order?

The PRESIDING OFFICER. The Senate will be in order. We will not proceed until the Senate is in order. Senators will cease their conversations and move from the aisles to their seats.

Mr. STEVENS. Madam President, where is the Sergeant at Arms?

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Louisiana.

Ms. LANDRIEU. I thank the Chair.

This is a very important amendment, and I ask my colleagues to consider carefully their vote. Last week, we voted 100 to 0 in a bipartisan fashion to support an increase in combat pay for Active and Reserve and to increase the funding for necessary equipment for our Guard and Reserve. This amendment adds $1 billion to this bill for a very good reason: Because the Reserve component represents 47 percent of our military structure and only 8.3 percent of the budget. In the underlying bill, we have $62 billion for Active and $271 million for the Reserves.

In every State, thousands of people are being called up. When they get the call, they put on their uniform and go. This amendment gives them the equipment to fight and win the war. I ask for everyone's support.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Madam President, of the $62.6 billion requested by the President for defense, no less than $10.8 billion in this bill is for the direct support of the Guard and Reserve for this fiscal year. The monies that the Senator from Louisiana wishes would be spent in 2004.

I yield the remainder of my time to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Madam President, we are addressing the immediate needs. This is an emergency supplemental. The needs as identified by the Senator from Louisiana are all nice to have, but they should go through the orderly process, through the Senate Armed Services Committee, a request by the President of the United States, and then a full and open debate. This is neither the appropriate nor, I believe, fiscally responsible thing to do at this time. I urge a ''no'' vote.

Ms. LANDRIEU. Madam President, I ask unanimous consent for an additional 30 seconds.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. On each side is all right with me.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. LANDRIEU. Is the Senator from Arizona suggesting the $6 billion that is on the list for the Reserves has not gone through the regular order?

Mr. MCCAIN. I am suggesting to the Senator from Louisiana, this is a very large appropriation which has not been examined by members of the committee themselves in this context and is added after carefully thought out, carefully requested amounts of funds have gone through the Appropriations Committee in the form of an emergency supplemental. I am sure these are all worthy causes. There are billions and billions of dollars of worthy causes.

Ms. LANDRIEU. With all due respect to the Senator from Arizona, I am a member of the Appropriations Committee, and this $6 billion has gone through, and we are asking $1 billion of the $6 billion.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

The Senator from Alaska.

Mr. STEVENS. Madam President, the money that is in this bill will help the Guard that has been called up. That is the case. We want to help the people who are fighting the wars now. I ask for the yeas and nays.

The PRESIDING OFFICER. The question is on agreeing to the motion. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

I further announce that the Senator from Massachusetts (Mr. KERRY), would vote ''no.''

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 52, nays 47, as follows:

[Rollcall Vote No. 116 Leg.]

YEAS—52

Alexander	Dole	Miller
Allard	Domenici	Murkowski
Allen	Ensign	Nickles
Bennett	Enzi	Roberts
Bond	Fitzgerald	Santorum
Brownback	Frist	Sessions
Bunning	Graham (SC)	Shelby
Burns	Grassley	Smith
Campbell	Gregg	Snowe
Chafee	Hagel	Specter
Chambliss	Hatch	Stevens
Cochran	Hutchison	Sununu
Coleman	Inhofe	Talent
Collins	Kyl	Thomas
Cornyn	Lott	Voinovich
Craig	Lugar	Warner
Crapo	McCain	
DeWine	McConnell	

NAYS—47

Akaka	Dorgan	Levin
Baucus	Durbin	Lieberman
Bayh	Edwards	Lincoln
Biden	Feingold	Mikulski
Bingaman	Feinstein	Murray
Boxer	Graham (FL)	Nelson (FL)
Breaux	Harkin	Nelson (NE)
Byrd	Hollings	Pryor
Cantwell	Inouye	Reed
Carper	Jeffords	Reid
Clinton	Johnson	Rockefeller
Conrad	Kennedy	Sarbanes
Corzine	Kohl	Schumer
Daschle	Landrieu	Stabenow
Dayton	Lautenberg	Wyden
Dodd	Leahy	

NOT VOTING—1

Kerry

The motion was agreed to.

Mr. COCHRAN. Madam President, I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID. It is my understanding Senator MCCAIN is on the floor to offer an amendment. He has graciously consented, since we are going back and forth on amendments——

The PRESIDING OFFICER. The Senator will suspend. The Senate will be in order.

The Senator from Nevada.

Mr. REID. The senior Senator from Arizona has graciously consented to allow Senator EDWARDS to speak for up to 5 minutes on an amendment that will be offered at a subsequent time by Senator CORZINE and himself. Following that 5-minute statement by the Senator from North Carolina, then Senator MCCAIN will be authorized to offer an amendment.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. EDWARDS. Madam President, I rise today to talk about an amendment Senator CORZINE and I plan to offer later during debate. At the outset, I thank Senator CORZINE for his leadership and say he is far and away the Senate's greatest champion on this particular issue.

The issue is simple. Will we protect our chemical plants from terrorist attacks? The answer to that question has to be yes. All Americans are praying for our soldiers overseas today. Their courage, patriotism, and dedication is an inspiration to every one of us. Today it is time for folks here in this Chamber to summon a little bit of courage to make sure we do our part to protect America.

Folks have been talking about chemical security for months. Everyone knows the vulnerability of these plants is a major problem, but nobody is acting. The time for talk is past. It is time for us to put the security of the American people ahead of special-interest lobbyists and pass this bill now.

Our chemical plants remain dangerously at risk for terrorist attack. According to the EPA, there are 123 chemical plants that would endanger a million people each if they were attacked, and those are just the chemical plants that are located near big cities. The U.S. Army Surgeon General found the No. 2 threat to the American public, second only to a major biological attack, is a terrorist attack on a chemical plant. And the terrorists know it.

Government officials at the National Infrastructure Protection Center have warned that al-Qaida operatives may plan to launch attacks on our chemical and nuclear infrastructure, ''to cause contamination, disruption, and terror.''

Based on their information, chemical plants remain viable targets for terrorists. Despite these enormous and serious threats, our Nation's chemical plants remain unprotected. The Agency for Toxic Substances and Disease Registry issued a report just a few weeks ago that found the security at chemical plants ranged from fair—which is the best—to very poor.

Last fall, on the anniversary of September 11, Newsweek gave the chemical industry an F for failing to beef up its security—an F. Newsweek described the threat to chemical plants as 1,000 points of vulnerability, risk that has remained largely below the radar. One blown-up plant, truck, or train, and the press will be calling for the scalps of those who let it happen.

We have a chance to stop it. We cannot let this happen. That is our responsibility.

Senator CORZINE has been on top of this issue from day one. He has taken the lead on getting an effective chemical plant safety bill through the Senate and signed into law. He introduced his bill, the Chemical Security Act, back in October of 2001, more than a year and a half ago. It passed unanimously out of the Environment and Public Works Committee. Back then, everyone agreed we needed to protect our chemical plants and keep all the American people safe.

Unfortunately, since then, some of our colleagues have changed their minds. In fact, some of the Members who voted for the Chemical Safety Act in committee later reversed themselves and attacked it when it was considered in legislation to create the Department of Homeland Security.

Senator CORZINE has reintroduced the bill, but now it is stalled in committee. Why is it a bill that was so popular to Congress has now become so controversial? I will tell you one thing that has happened. The industry lobbyists have gotten the word out that they are against this bill. They do not like it. They say they don't want Government telling them what to do. They want voluntary standards, not mandatory standards. Now it is beginning to look as if the administration is going to take the same line.

I have a few questions for these lobbyists. Do we have voluntary standards for whether the air our family breathes is going to be clean? Do we let each powerplant decide how much it is going to pollute? That may be what some people want, but I don't think it is a good idea.

Do we let sewage plants decide how much toxic waste they are going to send into the water our kids drink? Of course not. When it comes to physical security, do we have voluntary standards for security at airports, standards where each airport gets to decide whether they are going to check bags and how? Of course we don't. When thousands of Americans lives are on the line, we set minimum standards. We have to do exactly the same thing here.

Let me go into what this amendment would do. First, it would require minimum standards for improving security and reducing potential hazards at chemical plants and other industrial facilities that store large quantities of hazardous materials. Specifically, the bill would require identification of high-priority chemical facilities within 1 year of enactment. These high-priority facilities are the very dangerous ones, the plants that have significant quantities of toxic or flammable chemicals and the ones located near major population centers.

This amendment would not affect facilities located in remote areas, including the vast majority of agricultural facilities.

The PRESIDING OFFICER. The 5 minutes of the Senator have expired.

Mr. EDWARDS. I ask unanimous consent for an additional 2 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. MCCAIN. Reserving the right to object, and I will not object, I always enjoy hearing from candidates for higher office.

The PRESIDING OFFICER. The Senator is recognized for 2 additional minutes.

Mr. EDWARDS. The Senator from Arizona should know, having been a candidate for higher office himself. I appreciate his courtesy.

For the high-priority plants, the amendment would create a process where the plants are required to figure out what their vulnerabilities are and then address them. It is that simple.

Senator CORZINE has been extremely reasonable in accommodating legitimate concerns. For example, we heard from some farm groups that they wanted the Department of Homeland Security taking on key tasks under the bill, not EPA. Therefore, we have made those changes.

But let me mention one thing in this bill that has not changed and that has become controversial for reasons I do not understand. This bill requires what is called hazard reduction. It says to chemical plants: If you can use a safer chemical, you have to use a safer chemical. This should not be a controversial idea. We all try to practice hazard reduction every single day. We put our kids in car seats when we are driving, and we cover up electric outlets. We wear seatbelts. That is what we are talking about. We are talking about individual lives.

Here we are talking about thousands and thousands of lives. We have to reduce these hazards. Terrorists want to attack targets where they can hurt as many people as possible. If we can make chemical plants less dangerous, the terrorists are less likely to attack them.

This works in the real world. Right near Washington, DC, the Blue Plains sewage treatment plant has completely eliminated its use of chlorine gas. Before, if it had been attacked, the chlorine gas could have been released and blanketed this city in a deadly cloud.

Now they use a less dangerous substance that gives them the same results. We need to make sure that every plant takes the same approach.

A GAO report, issued last month, found that neither the EPA nor other Federal agencies have gone far enough to gather information about plants' vulnerabilities and to reduce their level of risk. The report recommended legislation that would:

> require these chemical facilities to expeditiously assess their vulnerability to terrorist attack and, where necessary, require these facilities to take corrective action.

This should not be a partisan issue.

Let me quote a recent statement by former Senator Warren Rudman, a Republican, and one of the country's acknowledged experts on homeland security. Here's what he said about chemical security:

> The federal role needs to be able to set standards and make sure those standards are observed just as we do with clear air and clean water and workplace standards. I think we have to have security standards, and people are going to have to meet those standards.

When hundreds of thousands of Americans' lives could be at risk, it is not enough to hope that chemical plants will change their ways. It is not enough to ask. We have to make certain they are doing what needs to be done to make the American people safe.

I thank Senator CORZINE for his leadership, and I urge my colleagues to support this amendment.

I yield the floor.

The PRESIDING OFFICER (Mr. ALEXANDER). The Senator from Arizona.

AMENDMENT NO. 456

(Purpose: To strike the appropriation of $50,000,000 for the Maritime Loan Guarantee Program under title XI of the Merchant Marine Act, 1936)

Mr. MCCAIN. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN] proposes an amendment numbered 456.

On page 42, strike lines 16 through 22.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, with the consent of the Senator from Arizona, I ask unanimous consent that there be 30 minutes equally divided for debate prior to a vote in relation to the McCain amendment, with no amendments in order to the language of the amendment.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Reserving the right to object, I also ask that the consent include the fact that Senator CORZINE be recognized following the disposition of the matter about which the unanimous consent agreement is made.

Mr. COCHRAN. I so modify my request.

The PRESIDING OFFICER. Is there objection to the request as modified?

Mr. MCCAIN. Reserving the right to object, and I will not object, if I need a few more minutes than that—I don't think I will—I hope the Senators from Mississippi and Nevada will indulge me.

Mr. COCHRAN. Mr. President, the Senator has my assurance that will be the case.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Arizona.

Mr. MCCAIN. Mr. President, before I get into the amendment, we have made a preliminary examination of the—this is the reason I said to the Senator from Mississippi we may need a few more minutes—we have made a preliminary examination of the bill, and the first time through it, tragically—I say tragically because the title of this bill is ''making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes.''

The first thing we find is $98 million under the Agriculture Research Service, buildings and facilities, to complete a research center in Ames, IA.

What is that all about? How in the world do you call $98 million for an agricultural research service center in Ames, IA—remember, it is designated for Ames, IA, not Des Moines, IA; Ames, IA,—that fits into a bill that is called ''making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003.'' Disgraceful.

We have $1 million for the Jobs for America's Graduates school-to-work program for at-risk young people. I am sure that is an important program. Someone will have to tell me how that is related to the title of this legislation.

There is $6.8 million from O&M Air Force to build and install fiberoptic and power improvements and upgrades at the 11th Air Force Range in Elmendorf Air Force Base in Alaska.

There is $3 million from O&M Army to build a rifle range for the South Carolina National Guard.

There is $12 million for research, development, test, and evaluation Defense-wide for airfield improvements in Alaska that may be associated—may I emphasize: may be associated—with the ground-based midcourse missile defense program.

There is requiring a study regarding delivery of pediatric health care in northeastern Oklahoma.

There is $225,000 for the Mental Health Association of Tarrant County, TX.

There is $200,000 for the AIDS Research Institute at the University of California, San Francisco, for developing a county medical program to facilitate clinician exchange between the United States and developing countries.

There is $1 million for the Geisinger Health System, Harrisburg, PA, to establish centers of excellence for the treatment of autism.

Why can't we, for once—for once—bring forward a bill—especially when we are at war, especially when we have young men and women fighting and dying—that is free of these outrageous kinds of spending? Can't we do that just once?

Well, now let's get to the $50 million for the title XI Maritime Loan Program, which is the subject of the amendment.

Mr. President, chapter 10 of the bill would provide $50 million in funding to the Maritime Administration's title XI loan guarantee program for shipbuilders and shipyards. It is not justified as part of an emergency supplemental to fund the ongoing war. Not only is the program riddled with problems, but the administration has proposed no funding for it in either its fiscal year 2004 budget or for the prior year, and for good reason. The title XI program does not serve any defense or homeland security purpose, and it should not receive funding under the guise of a wartime need.

I have never been a proponent of the Title XI program. I think that many of my colleagues must be as shocked as I to learn that $50 million for this program has been added to this emergency supplemental appropriations bill in the name of defense. The Appropriations' Committee report accompanying this bill claims that this funding is needed to help transport military equipment and supplies to deployed military forces during the time of war. Such an allegation is simply not true.

According the Maritime Administration, there are 51 vessels currently being utilized in direct support of Operation Iraqi Freedom. Only one of those 51 vessels was constructed with the use of a title XI loan guarantee. Any claims by the proponents of this mismanaged pork barrel program that it serves an essential military purpose are ridiculous.

The title XI program is, without question, one of the most wasteful and mismanaged guarantee programs in the Federal Government. Since 1998, loan defaults—loan defaults—have totaled $490 million. On Monday of this week, the Department of Transportation's Office of Inspector General released a report that details the multiple problems with the program's administration.

The IG's report details the increasing number of loan defaults, coupled with the increasing number of bankruptcies of companies that have been granted loan guarantees. The report notes that Enron—Enron—has three loan guarantees that will soon go under and cost the taxpayers $122 million—Enron.

The DOT Inspector General found that ''MARAD needs to improve administration and oversight in all phases of the Title XI loan process . . .'' The report says:

> The financial interests of the United States would be better protected through use

of compensatory loan provisions to reduce risk, improved loan application review procedures, more rigorous financial oversight of borrowers during the term of loan guarantees, better monitoring and protection of vessels and shipyards while under guarantee, and more effective stewardship of assets acquired through foreclosures.

The Senate Commerce Committee will hold a hearing next month to consider the IG's findings, along with a report being prepared by the General Accounting Office. I am informed that the GAO's preliminary findings fully support the Department of Transportation IG's findings and provide even greater detail on missteps by MARAD that, again, have led to this program having suffered losses of nearly $500 million.

I close by reminding my colleagues of just how awry this program can go when Congress jumps in without full and complete consideration of what is being done. In exchange for a Congressionally ordered monopoly for service among the Hawaiian Islands, American Classic Voyages entered into a contract to build two cruise ships in a U.S. shipyard. It is that requirement that has led to the most outrageous example of how provisions inserted to benefit special interest can and often do lead to waste and burden American taxpayers.

To help push the program, MARAD, in the face of strong political support for the project, approved a $1.1 billion title XI loan guarantee for the construction of these two vessels. Loan guarantees and commitments to this company represented over one quarter of the title XI portfolio.

On October 19, 2001, American Classic Voyages filed a bankruptcy petition under Chapter 11 of the U.S. Bankruptcy Code. The petition listed total assets of $37.4 million and total liabilities of $452.8 million. The cruise line said in its petition that it had more than 1,000 creditors, including the American taxpayers being represented by the Department of Transportation.

MARAD never once sounded the alarm that this project was in trouble. It did nothing to further protect the taxpayers' interest. To the contrary, as noted by the DOT IG in its report, just weeks before American Classic Voyages filed for bankruptcy, MARAD granted ACV additional exemptions and modifications to the requirements of the program and their contract.

The failed project is the most costly loan guarantee ever granted under the Maritime Loan Guarantee Program, resulting in the U.S. Maritime Administration paying out over $187.3 million of the American taxpayers' money to cover the loan default for this project. Only $2 million was recovered from the sale of some of the construction materials and parts.

Overall, American Classic held a total of six loan guarantees that cost the American taxpayer $329 million.

I ask my colleagues to learn from this lesson. Fifty million dollars in MARAD guarantees on a bill like this is, first, wrong. And to continue to fund this program until it is fundamentally reformed, according to the Department of Transportation's inspector general's report and an upcoming GAO report, is a criminal waste of American tax dollars. It has no place on this bill.

The Senator from Arizona and I were talking, and I believe the best thing to do, given these projects I just listed, is probably to have one amendment that we will propose tomorrow, Senator KYL and myself, to strike all of these provisions so we give everybody a chance to vote yes or no on all these provisions of the bill.

Then we can answer to the American taxpayer as to whether $98 million for Agricultural Research Service building facilities; whether money for the Mental Health Association of Tarrant County, TX; whether the Geisinger Health System in Harrisburg, PA, to establish centers of excellence for the treatment of autism are what is needed to win the war on terrorism and the war in Iraq today.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. COCHRAN. Mr. President, I find, in reviewing the report of the subcommittee with jurisdiction over appropriations for the Department of Transportation, that $50 million is needed by the Maritime Guaranteed Loan Program. This is a program that provides subsidies for guaranteed loans for purchases of vessels built in U.S. shipyards and includes the guarantee for facilities or equipment pertaining to marine operations related to any of those vessels.

The committee report contends that the program is critical for those who transport military equipment and supplies to deployed military forces during time of war. There is currently only $1 million available in this account for pending and new loan guarantees. There are future maritime projects also which can use these funds.

There is a critical need for auxiliary maritime sealift capacity during time of war. This program has provided loan guarantees for companies that have ordered cargo ships which are available to serve as a military auxiliary fleet to the Department of Defense during overseas operations. Without the funding in the committee recommendation, ship owners will not have access to this financing system which has proven to help sustain our Nation's commercial, energy transportation, and military sealift needs.

I urge the Senate to reject the McCain amendment.

I yield such time as he may consume to the distinguished Senator from Mississippi, Mr. LOTT.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, let me say again that I appreciate what Senator MCCAIN does with this amendment and the effort he makes on a lot of these bills, to come to the floor with projects that are pretty hard to explain and justify. I know he is acting in good faith. I think his amendment, sort of a wraparound amendment, is going to be a very interesting one to hear discussed tomorrow.

Let me talk about title XI because I am sure he will not be surprised to hear me speak on it. I have supported the title XI program over the years. It is an important program in helping to meet our national objectives, our energy self-sufficiency, increase domestic commerce, strengthen shipbuilding, our industrial base, and a large commercial fleet of militarily useful ships to meet DOD sealift requirements in our war on terrorism, the war we are involved in right now.

The point that Senator MCCAIN made, that of the 51 ships that are carrying cargo now and perhaps, I guess, some equipment, both liquid and dry cargo, 51 of them that are involved in the effort now in the war in Iraq, only 1 of them had the title XI funds. In fact, probably if you check, you will find that most of those ships are foreign ships, ships built in foreign shipyards. I suspect probably there are some Dutch and German and, who knows, maybe even some French ships on which we are dependent. Some of them have American flags and I guess are crewed by American crews. That is all important.

But it is a tragedy in America if we don't have a maritime industry. When I go to the port in my hometown and look at the grain elevators and look at the ships hauling poultry products to Russia, there is no American flag on those ships. It is Liberian, Panamanian, Ukrainian, Russian. It is everywhere in the world but the United States.

Is this program perfect? No. Should we try to make sure that it is run better and we get more money for our investment? Yes. But I still have a real trouble with a country such as the United States not having the capability to build our own ships and be crewed with American crews. More and more and more we are dependent on foreign ships.

There are good explanations for that. I guess the market is supposed to take care of those problems, but it is a danger. How many countries in the history of the world have survived very long without their own merchant fleet? Our shipyards now are building Navy combatants basically. That is it. No cruise ships, no cargo ships. We are getting out of the business. Maybe that is OK. But I think there is a danger there.

We are dependent now on these maritime vessels to move cargo and equipment. Right now they are involved in what is going on in Iraq. This program did not get any funds in fiscal year 2003. It is true the administration didn't ask for additional funds. It did not receive any funds in the omnibus bill. That is one of the reasons why it is badly needed now. If we don't have some funds, they might have like $1 million in funds. There are no funds for the backlog in this area.

By the way, title XI is not so important to the big shipyards. The big shipyards are not in this business. When they try to get into this business, it doesn't work. The best example in the world, I guess, even though it was a victim of timing, was the cruise ship situation.

Most of this money goes to the medium and small yards, and it is a loan program. Maybe it is not administered closely enough, and I acknowledge that. We need to understand what we are doing. If we don't fund it with this $50 million, or fund it in 2004, the program is dead. I think that is a mistake for our country.

I still believe we need our own merchant fleet. I hate to see all those jobs lost—engineers and other workers—and go to the shipyards around the world. I still would like to think that those ships are on call to America as American ships.

I understand that maybe this is not the right place for it, but there is a relationship to the war that is going on right now. It does affect our future ability to make sure we have our ships and crews on call that can deliver the dry products, liquid products, and the equipment around the world.

So I urge defeat of this amendment. I reserve my right to look at the package that Senator MCCAIN may be offering later on this week.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. MCCAIN. I yield such time as I have remaining to the Senator from Arizona, Senator KYL.

Mr. KYL. Mr. President, how much time is left?

The PRESIDING OFFICER. There are 4 minutes 53 seconds remaining.

Mr. KYL. Mr. President, I support the Senator's amendment. One could make an argument for this particular case, as the Senator from Mississippi has just done. That argument should be made in a place and a time that doesn't, however, attempt to take advantage of this funding resolution for the war.

The President sent up a request for funding for the war specifically, and Congress is responding to that in this legislation. By and large, this legislation is directed specifically to that. What is perplexing to the other Senator from Arizona and I is why we have this handful—just a handful, six or seven—of items that have absolutely nothing to do with the war, such as an agricultural research station at Iowa State University, or mental health, autistic help, and others that have nothing whatsoever to do with this war effort. There may be a good case to be made for every one of these. And there is an appropriations process for that case to be made. So why are they being put on this bill at this time? It is not fair to all of those other people who can make equally good cases for other things.

There are a lot of things that need to be done in an emergency way or with timing as a factor. There are other provisions in the bill that don't necessarily relate to the war, but don't cost any money, such as a study for this, or a change in the language on something. We don't have objection to that.

Our objection is taking advantage of this process for the expenditure of money on items that have nothing to do with the war. One of the reasons for it is because it only relates to a handful of projects, primarily for people who happen to be on the Appropriations Committee. That is not fair to the vast number of Members of this body who have equally good requests but don't happen to be in the room when the bill is put together.

That is why, as an ordinary proposition, these bills are presented to us on the floor clean. For those who are not familiar with the Senate process, that means without extraneous provisions, little pieces of pork that specific Members add on. The reason for that is because we can all trust the process from the Appropriations Committee to put out a clean bill that supports the President's request to run the war.

I commend the chairman of the Appropriations Committee and the chairman of the subcommittee. They have done a great job. That is almost entirely what was done in this case. But for these few provisions, which we will move to strike tomorrow because they don't belong on the bill, if they can sustain themselves in debate and there really is a good case for them, they will prevail through the ordinary process. If they cannot, they should be permitted to fall.

That is the reason we will urge support for the amendment when offered tomorrow and why I support the Senator's amendment this evening.

The PRESIDING OFFICER. The Senator from Arizona, Mr. MCCAIN, is recognized.

Mr. MCCAIN. Mr. President, I ask the Senator from Mississippi to grant me 2 minutes.

Mr. COCHRAN. I have no objection to the additional time the Senator is requesting.

Mr. MCCAIN. Mr. President, I just say that, in consultation with Senator KYL, and thinking about this, rather than force the Senate through a series of votes, this is an important piece of legislation. So tomorrow I will be proposing an amendment that includes the provisions that I described that I believe are extraneous and not related to this bill, as is stated in the title. I will include the $50 million for the MARAD loan guarantees.

Shortly, I will ask unanimous consent to withdraw the amendment because I will include it in the wraparound amendment that will be considered tomorrow on behalf of myself and Senator KYL and, I hope, others.

Let me finally say that I do believe the appropriators exercised great restraint. I congratulate the Senator from Alaska and the Senator from Mississippi. I believe this contains probably less unnecessary spending than any appropriations bill I have seen. Now I would like to see if it is possible to send an entirely clean bill to the President of the United States, and that would be a monumental achievement.

AMENDMENT NO. 456, WITHDRAWN

Mr. President, I ask unanimous consent to withdraw my amendment at this time.

The PRESIDING OFFICER. Is there objection?

Mr. REID. What was the request, Mr. President?

The PRESIDING OFFICER. The Senator asked to withdraw his amendment.

Is there objection?

Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

AMENDMENT NO. 462

(Purpose: To help the public against the threat of chemical attacks)

Mr. CORZINE. Mr. President, in a few minutes, I will send an amendment to the desk on behalf of Senator EDWARDS and me. About a half hour ago, Senator EDWARDS talked about an issue that has been one of the most serious concerns of mine and a whole host of Americans—about the state of our security and the threat to the American people, which they face by the potential of a terrorist attack on our Nation's chemical plants. There are literally thousands of chemical producers, refineries, and similar facilities in the United States where chemicals released by any of these plants could kill or injure tens of thousands—and, frankly, even millions—of Americans through exposure to highly toxic gases. That is why these facilities are potentially so attractive to terrorists.

Unfortunately, there are no Federal security standards for chemical facilities—none. So the private sector has been left to do as it sees appropriate on a completely voluntary basis. Far too many facilities simply have not stepped up to accept the responsibility. There are a number of private companies that have done everything ever thought to be necessary, but there are many that have been left out and keep vulnerabilities in front of the American people and are basically putting millions of Americans at risk.

I have a chart here that will show where—in red—these facilities are that put more than a million Americans at risk. There happens to be 11 in my State of New Jersey. It is a serious issue. There is one of those in the State of the Presiding Officer. But in a broad cross-section of our country, there are huge numbers of these facilities located in highly populated areas.

According to the EPA there are 123 facilities in 24 States where a chemical release could expose more than 1 million people to highly toxic chemicals.

There are 750 facilities in 39 States where chemical release can expose more than 100,000 people to these chemicals. Those are the States in yellow. There are 3,000 facilities spread across 49 of the 50 States where chemical release could expose more than 10,000 people. Frankly, these are pretty staggering numbers, and I think it represents a broad vulnerability across America.

The consequences of an attack on a chemical plant are potentially so horrific that it is hard for me to understand or accept inaction in this area. In fact, I would argue this body has been in sort of psychological denial, I guess, about this problem. If September 11 taught us anything, it taught us that America can no longer avoid thinking about the unthinkable. We have to face up to the Nation's most serious vulnerabilities. We have to focus on them, and we have to confront them head on.

Let me repeat one statistic. There are 123 chemical facilities around the Nation that, if attacked, could threaten over 1 million American lives. This is a big deal in New Jersey. To bring this home in specific terms, there are 11 facilities in my home State, and one petrochemical plant in the middle of downtown Newark and south Carney that exposes nearly 8 million people in the greater New York-New Jersey region—8 million people potentially exposed to toxic fumes if there were a terrorist attack, a criminal attack, or, by the way, even if there was a safety violation bringing about an explosion. We have had a number of those incidents in my State that have taken lives just because of safety considerations, let alone if the plants were under an attack by a terrorist or criminal activity.

These facilities pose a serious threat to public safety because they contain the kind of toxic chemicals that, if released, could cause those injuries I am talking about—chemicals such as chlorine, ammonia, hydrogen fluoride, the types of chemicals that were used to manufacture the bomb in Oklahoma City and the type of chemicals in Bhopal. There are all kinds of these chemicals in our cities, in our States, chemicals that serve very positive and important industrial functions but could instantly be transformed into weapons of mass destruction at the hands of terrorists.

This is not just my opinion. This is not an enviroview. This is not some hyped-up point of view. It has been documented and acknowledged time after time by experts and by the current administration.

Most recently, on March 18, the General Accounting Office issued a new report on the matter. GAO found that chemical facilities may be attractive targets to terrorists because of the extent of harm they could inflict. Yet, as GAO explained, there are no Federal laws requiring chemical plants to assess vulnerabilities and to take action to guard against terrorist attacks.

I am going to submit a summary of the GAO report. For those who need thoughtful and systematic information about the vulnerabilities, about what is not being done, I suggest they read the whole report. I ask unanimous consent to print a brief summary of the GAO report in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HOMELAND SECURITY—VOLUNTARY INITIATIVES ARE UNDER WAY AT CHEMICAL FACILITIES BUT THE EXTENT OF SECURITY PREPAREDNESS IS UNKNOWN

WHAT GAO FOUND

Chemical facilities may be attractive targets for terrorists intent on causing economic harm and loss of life. Many facilities exist in populated areas where a chemical release could threaten thousands. EPA reports that 123 chemical facilities located throughout the nation have toxic ''worst-case'' scenarios where more than a million people in the surrounding area could be at risk of exposure to a cloud of toxic gas if a release occurred. To date, no one has comprehensively assessed the security of chemical facilities.

No federal laws explicitly require that chemical facilities assess vulnerabilities or take security actions to safeguard their facilities from attack. However, a number of federal laws impose safety requirements on facilities that may help mitigate the effects of a terrorist-caused chemical release. EPA believes that the Clean Air Act could be interpreted to provide authority to require chemical facilities to assess their vulnerabilities and to make security enhancements that protect against attacks. However, EPA has not attempted to use these Clean Air Act provisions because of concerns that this interpretation would pose significant litigation risk and has concluded that chemical facility security would be more effectively addressed by passage of specific legislation.

The federal government has not comprehensively assessed the chemical industry's vulnerabilities to terrorist attacks. EPA, the Department of Homeland Security, and the Department of Justice have taken preliminary steps to assist the industry in its preparedness efforts, but no agency monitors or documents the extent to which chemical facilities have implemented security measures. Consequently, federal, state, and local entities lack comprehensive information on the vulnerabilities facing the industry.

To its credit, the chemical industry, led by its industry associations, has undertaken a number of voluntary initiatives to address security at facilities. For example, the American Chemistry Council, whose members own or operate 1,000, or about 7 percent, of the facilities subject to Clean Air Act risk management plan provisions, requires its members to conduct vulnerability assessments and implement security improvements. The industry faces a number of challenges in preparing facilities against attacks, including ensuring that all chemical facilities address security concerns. Despite the industry's voluntary efforts, the extent of security preparedness at U.S. chemical facilities is unknown. Finally, both the Secretary of Homeland Security and the Administrator of EPA have stated that voluntary efforts alone are not sufficient to assure the public of industry's preparedness.

Mr. CORZINE. Mr. President, in addition to this GAO assessment, they recommended the Department of Homeland Security and EPA, working together, develop a strategy, including a legislative proposal, to address the threats of attacks on chemical plants. I listed the highlights of their report which has a recommendation that there is a need for legislation in this area. There is a need now to protect the American people against chemical plant risks. The GAO report was released on March 18 of this year.

To continue with the acknowledgment that this is real, only a month earlier, the Department of Homeland Security, when it raised the Nation's alert to code orange, sounded the alarm about the threat facing chemical facilities. In its bulletin it sent out to State and local officials, the Department stated:

> Al-Qaida operatives also may attempt to launch conventional attacks against U.S. nuclear/chemical-industrial infrastructure to cause contamination, disruption, and terror. Based on information, nuclear powerplants and industrial chemical plants remain viable targets.

That is from the Department of Homeland Security to all State and local officials: ''Chemical plants remain viable targets,'' and we have not done anything. It is time to recognize that there is broad recognition by the administration and by those who study this issue that it is time to act. That was on February 12 of this year.

Let me go back to October 6 of last year. On that day, Homeland Security Secretary Ridge and EPA Administrator Whitman had a letter published in the Washington Post. They stated in that letter:

> The Bush administration is committed to reducing the vulnerability of America's chemical facilities to terrorist attack and is working to enact bipartisan legislation that would require such facilities to address their vulnerabilities.

They go on to say that while there have been good steps taken by private industry, there are over 15,000 chemical facilities nationwide that contain large quantities of hazardous chemicals, and they must be required to take steps that mimic industry leaders in this area.

That letter was from Secretary Ridge and EPA Administrator Whitman last October. I ask, Has the administration proposed such bipartisan legislation? Have they proposed any legislation? Have they issued any regulations to address the threat facing chemical plants? Have they even proposed any such regulations? Have they done anything—anything at all—to meaningfully address the security threats facing chemical plants? I think the fair answer is no to each and every one of those questions.

Periodically, we have seen press reports that the administration may be working on some type of proposal, and I commend that effort. I hope they will. But so far, they have shown no willingness to work on a bipartisan basis. I have sent letter after letter, question after question, made phone call after phone call, trying to enter into a negotiation, not only with the

administration, but the other side of the aisle, on this issue.

The bottom line is, a year and a half after the attacks of September 11, there still has not been a serious response with regard to what we are doing here.

In fact, the Nation has known about this problem for a very long time. The Department of Justice issued a report on this matter a year and a half before September 11. Let me read a brief excerpt from a summary of that report which was issued on April 18, 2000:

> We have concluded the risk of terrorists attempting in the foreseeable future to cause an industrial chemical release is both real and credible.

Again, April 18, 2000:

> Terrorists or other criminals are likely to view the potential of chemical release from an industrial facility as a relatively attractive means of achieving these goals.

That report was issued before September 11. Its conclusion has been echoed by other Government agencies and in private studies with regard to vulnerabilities in our infrastructure.

I will not relate them all, but the warnings have been repetitive, from the Hart-Rudman Commission to the Department of Homeland Security on February 12 when they issued their code orange alert.

While some companies may well be doing an outstanding job in securing their facilities, many are not. Simply relying on voluntary standards just is not working, and if we are going to protect America from the threat of terrorist attacks on chemical facilities, we need to do more. That is why in October 2001 I introduced the Chemical Security Act. That is why I worked with Senators on both sides of the aisle to move the legislation through the Environment and Public Works Committee. Ultimately, the committee approved the legislation on a rollcall vote of 19 to 0. Not a single Senator voted no—not a single Senator.

The amendment I am offering today, along with my good friend, the distinguished Senator from North Carolina, Mr. EDWARDS, is based on the legislation that was approved by the committee on a 19-to-0 vote. However, we have made a few changes in good faith to make it more acceptable to industry and to win broader support.

The legislation requires the Department of Homeland Security and EPA to do three things: First, the Department has to identify high-priority chemical facilities, those that potentially put a large number of people at risk.

Second, they must require those high-priority facilities to assess their vulnerabilities to develop and implement plans to improve security and use safer technologies.

Third, these assessments and plans would have to be submitted for review by the Department of Homeland Security. The changes could be required if deficiencies are identified. That is the amendment in a nutshell. It is a simple, commonsense approach that would establish standards and ensure some balance at this time.

Last year, after my legislation was approved unanimously in committee, some in industry expressed concerns. Industry opposition ultimately killed the bill, kept it from even coming up for debate on this floor. Opposition to the bill was largely based on two points, both of which I am going to try to address, with changes from what came out of committee.

First, opponents argued that the responsibility for overseeing chemical security should rest with the Department of Homeland Security rather than the Environmental Protection Agency. I proposed giving the responsibility to EPA for a reason. They have the expertise on chemical plants. They have the expertise on dealing with these highly toxic chemicals. Under the Clean Air Act, they already have a requirement to oversee. They have the expertise. DHS does not.

On the other hand, I recognized from the start that the EPA did not have the expertise to evaluate security arrangements. So we originally asked the Department of Justice back in October of 2001—we have subsequently changed that to the Department of Homeland Security—and now we have put the Department of Homeland Security as the lead agency in charge of what has been requested by those in industry because they wanted security to be the primary element. So we have responded.

Having said that, I also acknowledge that in spite of EPA's expertise, the latter was necessary. So in an effort to broaden support for our proposal, we continue to modify and we reflect others' concerns.

The second concern raised by industrial lobbyists about the bill, again unanimously approved by the EPW Committee, focused on the bill's provision to require businesses to shift to safer technologies, to the extent practical.

I will take a moment to explain why this provision was included and why it is so important. It is not just enough to put barbed wire on high fences around the place when some attacks could come over those walls—planes and other things—which we have begun to understand can happen post-September 11. We know no matter how high we build those walls a committed terrorist can get to those facilities, and it becomes important to make sure the facilities are as safe as they possibly can be without putting companies out of business. To truly protect the public, we need to do more. We need to take steps to build in better inherent technology.

I have seen a great example of that in Washington, DC, as I think Senator EDWARDS mentioned, at the Blue Plains Sewage Treatment Plant. Prior to September 11, they were storing chlorine and sulfur dioxide in car trains just across the river. Both are volatile, dangerous chemicals. If those tanks were attacked, a poisonous cloud could have been over Washington, DC. It would have been one of those places where roughly a million people could have been exposed—certainly hundreds of thousands, including the Capitol and the White House.

Business recognized this was a risk and did something about it. In fact, we should be quite proud of business taking an initiative on a voluntary basis to address this problem. They changed from chlorine to sodium hypochlorite, which is a strong version of bleach but much safer, less volatile. It is going to cost 25 to 50 cents a year for those who drink water in the District, but I think it is a small price to pay to bring about the kind of safety considerations that the public and the community would expect. It sounds like a bargain to me.

To the extent practical, we need to find ways to move away from dangerous and toxic chemicals to other chemicals or other processes that protect and make the processes safer. I understand it is an expensive process. So what I have done in this amendment, as opposed to in the original bill, is I have offered economic incentives and economic support to those companies that transform to safer technologies. For those businesses that need help, I have put $50 million into this bill to make that process better. So we have a second element that really has tried to accommodate some of the concerns that people had in this regard and how onerous it might be.

We have a problem. We have some obvious steps to deal with it and we have tried to get the private sector to move in a direction that will enhance both the security and bring about safer technologies that will protect people.

So that is it. I think it is an extremely important initiative that needs to be taken in the context of the homeland security efforts that are included in this supplemental. I hope people will take this seriously, as Senator EDWARDS, Senator JEFFORDS and others have, as 19 Senators in EPW did when we voted on this after much review and discussion.

I am eager to work with the administration. I am eager to work with those on the other side of the aisle to make sure we have an initiative to protect our chemical plants, which is really about protecting the American people. I hope we can move to this goal. This should be one of the No. 1 steps we have in this process.

I send the amendment to the desk on behalf of myself and Senator EDWARDS and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from New Jersey [Mr. CORZINE], for himself, and Mr. EDWARDS, proposes an amendment numbered 462.

Mr. CORZINE. Mr. President, I ask unanimous consent that the 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 ''Text of Amendments.'')

Mr. CORZINE. Again, I urge my colleagues, before we have a chance to vote on this amendment in the coming days, to sit down and look at this in a serious minded way, knowing that we have addressed some of the problems and that we can move forward to have a positive embracing of real steps to protect the American people from exposure we have to chemical plants.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I deeply regret that as manager of the bill I am constrained to make a point of order that the Senator's amendment violates rule XVI and that it is legislation on an appropriations bill. It is a totally new title, and while we do have some clauses that might be legislation, we have not accepted any bills as such. I make a point of order under rule XVI that it is legislation on an appropriations bill.

The PRESIDING OFFICER. The Chair is prepared to rule. The amendment does constitute legislation on an appropriations bill. The point of order is sustained.

The Senator from New Jersey.

Mr. CORZINE. Mr. President, I ask unanimous consent that the amendment be considered in order notwithstanding rule XVI.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. STEVENS. 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. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 451, AS MODIFIED

Mr. STEVENS. Mr. President, I am informed there is a modification of the Allard amendment at the desk.

The PRESIDING OFFICER. Yes, there is.

Mr. STEVENS. I ask unanimous consent that the Allard amendment be replaced by the modification—a total substitute.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be so modified.

The amendment (No. 451), as modified, is as follows:

On page 89, between lines 4 and 5, insert the following:

TITLE V—PANEL TO REVIEW SEXUAL MISCONDUCT ALLEGATIONS AT UNITED STATES AIR FORCE ACADEMY

SEC. 501. ESTABLISHMENT OF PANEL.

(a) ESTABLISHMENT.—There is established a panel to review allegations of sexual misconduct allegations at the United States Air Force Academy.

(b) COMPOSITION.—The panel shall be composed of seven members, appointed by the Secretary of Defense from among private United States citizens who have knowledge or expertise in matters relating to sexual assault, rape, and the United States military academies.

(c) CHAIRMAN.—The Secretary of Defense shall, in consultation with the Chairmen of the Committees on Armed Services of the Senate and House of Representatives, select the Chairman of the panel from among its members under subsection (b).

(d) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the panel. Any vacancy in the panel shall be filled in the same manner as the original appointment.

(e) MEETINGS.—The panel shall meet at the call of the Chairman.

(f) INITIAL ORGANIZATION REQUIREMENTS.—(1) All original appointments to the panel shall be made not later than May 1, 2003.

(2) The Chairman shall convene the first meeting of the panel not later than May 2, 2003.

SEC. 502. DUTIES OF PANEL.

(a) IN GENERAL.—The panel established under section 501(a) shall carry out a study in order to determine responsibility and accountability for the establishment or maintenance of an atmosphere at the United States Air Force Academy that was conducive to sexual misconduct (including sexual assaults and rape) at the United States Air Force Academy.

(b) REVIEW.—In carrying out the study required by subsection (a), the panel shall—

(1) the actions taken by United States Air Force academy personnel and other Department of the Air Force officials in response to allegations of sexual assaults at the United States Air Force Academy;

(2) review directives issued by the United States Air Force pertaining to sexual misconduct at the United States Air Force Academy;

(3) review the effectiveness of the process, procedures, and policies used at the United States Air Force Academy to respond to allegations of sexual misconduct;

(4) review the relationship between—

(A) the command climate for women at the United States Air Force Academy, including factors that may have produced a fear of retribution for reporting sexual misconduct; and

(B) the circumstances that resulted in sexual misconduct at the Academy; and

(5) review, evaluate, and assess such other matters and materials as the panel considers appropriate for the study.

(c) REPORT.—(1) Not later than 90 days after its first meeting under section 501(f)(2), the panel shall submit a report on the study required by subsection (a) to the Secretary of Defense and the Committees on Armed Services of the Senate and the House of Representatives.

(2) The report shall include—

(A) the findings and conclusions of the panel as a result of the study; and

(B) any recommendations for legislative or administrative action that the panel considers appropriate in light of the study.

SEC. 503. PERSONNEL MATTERS.

(a) PAY OF MEMBERS.—(1) Members of the panel established under section 501(a) shall serve without pay by reason of their work on the panel.

(2) Section 1342 of title 31, United States Code, shall not apply to the acceptance of services of a member of the panel under this title.

(b) TRAVEL EXPENSES.—The members of the panel shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the panel.

Mr. STEVENS. I ask that we consider the Allard amendment as pending before the Senate and it be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 451), as modified, was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

(At the request of Mr. REID, the following statement was ordered to be printed in the RECORD.)

● Mr. KERRY. Mr. President, on behalf of myself, Senator SNOWE and Senator BENNETT, I am offering an amendment to the FY2003 Supplemental Appropriations bill in order to make available an additional $1 billion in government guaranteed loans to small businesses.

Let me make clear to my colleagues that we are not requesting additional money for the Small Business Administration. This amendment is technical, clarifying a provision enacted as part of the Conference Report to H.J. Res. 2, the FY2003 Omnibus Appropriations Act. It clarifies that Congress intends that the SBA to use a more accurate method—known in the technical terms as an econometric model—to estimate the cost of all small business loans authorized under Section 7(a) of the Small Business Act of FY2003.

Right now the SBA is only using the new method to estimate the cost of ''regular'' 7(a) loans, treating differently 7(a) loans—known as Supplemental Terrorist Activity Relief (STAR) Loans—made to small business victims of the 9/11 terrorist attacks. This inconsistently affects the overall program by leaving it short on lending dollars at time when demand for loans through the SBA's flagship loan program is up 38 percent. If the SBA will use the new, more accurate method to calculate STAR loans, it will mitigate the shortfall by making available an additional $1.2 billion in loans to small businesses. This amendment clarifies the SBA's authority to do this.

I thank Senator HOLLINGS, GREGG, BYRD and STEVENS for their help on this important issue.●

Mr. STEVENS. I am advised by the majority leader, with the consent of the minority leader, there will be no more votes tonight. We expect a series of votes in the morning, and we urge Senators to let us know if there are any amendments that have been hinted at, to let us know if they intend to raise them tomorrow.

We expect a full day tomorrow, and we hope to finish this bill tomorrow night. I thank all Members for their courtesy and consideration and yield to my friend from Nevada.

Mr. REID. I confirm that the Democratic leader has said he believes it is very important to finish this bill tomorrow. That way, we can conference this and have the bill on the President's desk before we take a break for Easter. As we know, this is wartime and we need to finish this legislation as quickly as we can. We are going to do everything within our power on this side, and I know the Senator from Alaska will do everything on his side, to move this along.

Mr. STEVENS. I thank the Senator from Nevada. He is very cooperative and very much aware of the problems dealing with the floor from his own experience, and I appreciate his help on this bill no end.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. COLEMAN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FRIST. 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. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

RULES OF THE COMMITTEE ON APPROPRIATIONS OF PROCEDURE

Mr. STEVENS. Mr. President, the Senate Appropriations Committee has adopted rules governing its procedures for the 108th Congress. Pursuant to Rule XXVI, paragraph 2, of the Standing Rules of the Senate, on behalf of myself and Senator BYRD, I ask unanimous consent that a copy of the committee rules be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SENATE APPROPRIATIONS COMMITTEE RULES—108TH CONGRESS

I. MEETINGS

The Committee will meet at the call of the Chairman.

II. QUORUMS

1. Reporting a bill. A majority of the members must be present for the reporting of a bill.

2. Other business. For the purpose of transacting business other than reporting a bill or taking testimony, one-third of the members of the Committee shall constitute a quorum.

3. Taking testimony. For the purpose of taking testimony, other than sworn testimony, by the Committee or any subcommittee, one member of the Committee or subcommittee shall constitute a quorum. For the purpose of taking sworn testimony by the Committee, three members shall constitute a quorum, and for the taking of sworn testimony by any subcommittee, one member shall constitute a quorum.

III. PROXIES

Except for the reporting of a bill, votes may be cast by proxy when any member so requests.

IV. ATTENDANCE OF STAFF MEMBERS AT CLOSED SESSIONS

Attendance of Staff Members at closed sessions of the Committee shall be limited to those members of the Committee Staff that have a responsibility associated with the matter being considered at such meeting. This rule may be waived by unanimous consent.

V. BROADCASTING AND PHOTOGRAPHING OF COMMITTEE HEARING

The Committee or any of its subcommittees may permit the photographing and broadcast of open hearings by television and/or radio. However, if any member of a subcommittee objects to the photographing or broadcasting of an open hearing, the question shall be referred to the Full Committee for its decision.

VI. AVAILABILITY OF SUBCOMMITTEE REPORTS

To the extent possible, when the bill and report of any subcommittee are available, they shall be furnished to each member of the Committee thirty-six hours prior to the Committee's consideration of said bill and report.

VII. AMENDMENTS AND REPORT LANGUAGE

To the extent possible, amendments and report language intended to be proposed by Senators at Full Committee markups shall be provided in writing to the Chairman and Ranking Minority Member and the appropriate Subcommittee Chairman and Ranking Minority Member twenty-four hours prior to such markups.

VIII. POINTS OF ORDER

Any member of the Committee who is floor manager of an appropriation bill, is hereby authorized to make points of order against any amendment offered in violation of the Senate Rules on the floor of the Senate to such appropriation bill.

Mr. HATCH. Mr. President, I ask unanimous consent to have printed in the RECORD the Rules of Procedure for the Committee on the Judiciary for the 108th Congress.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE COMMITTEE ON THE JUDICIARY—RULES OF PROCEDURE

I. MEETINGS OF THE COMMITTEE

1. Meetings may be called by the Chairman as he may deem necessary on three days notice or in the alternative with the consent of the Ranking Minority Member or pursuant to the provision of the Standing Rules of the Senate, as amended.

2. Each witness who is to appear before the Committee or any Subcommittee shall file with the Committee, at least 48 hours in advance of the hearing, a written statement of his testimony in as many copies as the Chairman of the Committee or Subcommittee prescribes.

3. On the request of any Member, a nomination or bill on the agenda of the Committee will be held over until the next meeting of the Committee or for one week, whichever occurs later.

II. QUORUMS

1. Ten Members shall constitute a quorum of the Committee when reporting a bill or nomination; provided that proxies shall not be counted in making a quorum.

2. For the purpose of taking sworn testimony, a quorum of the Committee and each Subcommittee thereof, now or hereafter appointed, shall consist of one Senator.

III. PROXIES

When a record vote is taken in the Committee on any bill, resolution, amendment, or any other question, a quorum being present, a Member who is unable to attend the meeting may submit his vote by proxy, in writing or by telephone, or through personal instructions. A proxy must be specific with respect to the matters it addresses.

IV. BRINGING A MATTER TO A VOTE

The Chairman shall entertain a non-debatable motion to bring a matter before the Committee to a vote. If there is objection to bring the matter to a vote without further debate, a rollcall vote of the Committee shall be taken, and debate shall be terminated if the motion to bring the matter to a vote without further debate passes with ten votes in the affirmative, one of which must be cast by the minority.

V. SUBCOMMITTEES

1. Any Member of the Committee may sit with any Subcommittee during its hearings or any other meeting, but shall not have the authority to vote on any matter before the Subcommittee unless he is a Member of such Subcommittee.

2. Subcommittees shall be considered de novo whenever there is a change in the Subcommittee chairmanship and seniority on the particular Subcommittee shall not necessarily apply.

3. Except for matters retained at the full Committee, matters shall be referred to the appropriate Subcommittee or Subcommittees by the chairman, except as agreed by a major vote of the Committee or by the agreement of the Chairman and the Ranking Minority Member.

VI. ATTENDANCE RULES

1. Official attendance at all Committee markups and executive sessions of the Committee shall be kept by the Committee Clerk. Official attendance at all Subcommittee markups and executive sessions shall be kept by the Subcommittee Clerk.

2. Official attendance at all hearings shall be kept, provided that Senators are notified by the Committee Chairman and ranking Member, in the case of Committee hearings, and by the Subcommittee Chairman and ranking Member, in the case of Subcommittee hearings, 48 hours in advance of the hearing that attendance will be taken; otherwise, no attendance will be taken. Attendance at all hearings is encouraged.

MILITARY CONTRIBUTIONS OF THE MARSHALL ISLANDS, MICRONESIA AND PALAU

Mr. AKAKA. Mr. President, I join my colleagues on the Senate Committee on Energy and Natural Resources in clarifying the portrayal of the military contributions of three island nations with which the United States has a unique political relationship referred to as free association: the Republic of the Marshall Islands, RMI, Federated States of Micronesia, FSM, and Palau. Last week an article in The Washington Post entitled ''White House Notebook: Many Willing, But Few Are Able'' referenced the military contributions of the Freely Associated States, FAS, in a droll and flippant manner. Regrettably, this poorly researched attempt at wit missed its mark. I want to set the record straight.

The Compact of Free Association between the United States and these strategic Pacific island nations serves our national security interests in the Pacific region by providing the U.S.

strategic denial in the region. While title I of the Compact of Free Association recognizes that the peoples of the FSM and RMI are self-governing and retain authority over their internal affairs, it mandates consultation with the United States on any defense and security matters. In addition, FAS citizens may volunteer in the U.S. Armed Forces, and FAS citizens who reside in the U.S. under the compact's provisions are subject to our Selective Service laws, and in the event of the return of conscription, could be drafted for military duty.

There are hundreds of FAS citizens currently serving in the U.S. military, including a number of soldiers assigned to the 101st Airborne Division and 3rd Infantry Division, Mechanized, currently deployed to Kuwait and Iraq in support of our military efforts. FAS citizens have served in the U.S. military for decades, and have participated in combat in every major U.S. engagement since the Korean war. Given the small populations of the island nations, almost every citizen has a relative or friend currently serving in the U.S. military, including FSM President Leo Falcam, whose son is a lieutenant colonel in the U.S. Marine Corps.

I have worked with FAS citizens for a number of years. I have visited these islands and have worked with my colleagues to successfully accomplish the goals of the Compact of Free Association. I applaud the patriotism of these soldiers, sailors, airmen, and marines, as well as their families, who are volunteering to defend our great Nation.

DANIEL PATRICK MOYNIHAN

Mr. FEINGOLD. Mr. President, today I pay tribute to one of our Nation's greatest public servants: Daniel Patrick Moynihan. As a professor, as an advisor to four presidents, and through 24 years in the Senate, he lent us the wisdom of his experience, the insights of his keen mind, and above all, the honor of his friendship.

Senator Moynihan's example reminds all of us of what a Senator was intended to be. He was a leader who not only addressed the needs of his State, but who wrestled with the challenges facing the Nation. Senator Moynihan was a great servant to the people of New York. But the legacy of accomplishments he leaves reaches beyond New York's borders to touch the lives of every American.

With a brilliant intellect and an unwavering dedication, Senator Moynihan helped us to think through some of the toughest issues before this body, from welfare reform to tax policy. He worked to return secrecy to its limited but necessary role in government, an effort which I applaud, and an effort which we should continue to maintain even in times of national crisis. Especially right now with our Nation at war, I know we all miss Senator Moynihan's keen grasp of international relations, his ability to put world events into a historical context, and his talent to tell us where they will lead us.

Senator Moynihan's lifetime of public service, his wisdom and experience, were a wonderful gift to this body. I know my colleagues join me in my admiration for Senator Moynihan as a public servant, my respect for him as a colleague, and my appreciation for him as a friend. It was a distinct honor for me to serve with Senator Moynihan since I came to this body in 1993. My deepest sympathies go out to Liz Moynihan and the rest of Senator Moynihan's family and friends.

I yield the floor.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH. Mr. President, I rise today to speak about the need for hate crimes legislation. In the last Congress, Senator KENNEDY and I introduced the Local Law Enforcement Act, a bill that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred in September 2000, at Fort Jackson, SC. Ronald Chapman was physically assaulted by other soldiers after a drill sergeant called Chapman a ''faggot.'' He was sleeping in his bed when soldiers entered the room and beat him up with blankets filled with bars of soap. Chapman feared for his safety after the beating, and felt compelled to tell his superior officers that he was gay.

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 is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

PASSING OF GOVERNOR TAUESE SUNIA

Mr. AKAKA. Mr. President, it is with great sadness that I rise today to inform my colleagues of the passing of a great leader in the Pacific Islands, Gov. Tauese Pita Fiti Sunia, who died on Wednesday, March 26, 2003, en route to Honolulu from Apia, Samoa. Governor Sunia was a dear friend and Millie and I join the people of Samoa, Hawaii's Samoan community, and Samoans throughout the United States in sending our deepest sympathy and condolences to his wife Fagaoalii Satele Sunia, as well as his family, including his 10 children, and many grandchildren.

Governor Sunia was an educator. He earned a master's degree in educational administration from the University of Hawaii, and spent many years as a teacher, educational television instructor, and administrator. Governor Sunia also served as vice president of the American Samoa Community College and territorial director of Education. One of his top priorities was to make sure that every child in Samoa was computer literate, and he worked hard towards his goal of ensuring that every school in American Samoa had a computer room with Internet access.

I had the pleasure of meeting and visiting with Governor Sunia on a number of occasions during his visits to Washington, DC, and Honolulu, and during my visits to American Samoa. He was an immensely engaging and congenial man, and our official meetings frequently departed from the agenda to discussions of Polynesian history, anthropology, and the Native Hawaiian and Samoan cultures. In 1997, Senator Frank Murkowski, who was chairman of the Energy and Natural Resources Committee, and I visited American Samoa. We met with Governor Sunia and heard about his efforts to bring economic development and opportunities to Samoa. We were able to exchange ideas and assist him at the Federal level to bolster the local economy. Whether the issue was economic development, local agriculture, or educational opportunities for Samoan youth, Governor Sunia worked hard on behalf of the people of American Samoa. He understood the importance of balancing the preservation of culture with maximizing opportunities for American Samoa in today's global economy.

Governor Sunia was well respected not only in American Samoa, but in the Pacific Basin. He was also a man with a strong and abiding faith. He was deacon, vice chairman, and chairman of the Congregational Christian Church in American Samoa, and worked for both the spiritual and temporal well-being of the Samoan people. He cared deeply for all Pacific islanders, and we will all truly miss him. Well done, good and faithful servant.

NATIONAL WOMEN'S HISTORY MONTH

Mr. DURBIN. Mr. President, as we celebrate National Women's History Month during this time of war, I rise to pay tribute to the extraordinary women, past and present, who have served this country selflessly and courageously in the armed services.

Over 20 years ago, my distinguished colleagues, Senator BARBARA MIKULSKI and Senator ORRIN HATCH, cosponsored legislation that first established the National Women's History Week. I salute my colleagues for their leadership in establishing this now month-long celebration of women and their many contributions.

This year's theme for National Women's History Month is ''Women Pioneering the Future.'' As we anxiously await a safe and swift end to the war in Iraq, it seems appropriate to honor and remember the pioneering women of the armed services. Today it is common, and perhaps unremarkable, to see women serving in a variety of capacities in the Persian Gulf. As a result, it

is easy to forget that at one time the women who served this country in every major military conflict were unwanted and ill-treated.

During the Revolutionary War, women were prohibited from enlisting in the Continental Army, but that did not stop many women from following their husbands to war where they served as cooks and nurses. One brave woman, Margaret Corbin, took over her fallen husband's cannon at the Battle of Fort Washington. During the battle she was wounded and taken prisoner by the British. On July 6, 1779, Mrs. Corbin became the first woman to be awarded a Federal pension for being wounded in battle.

During the American Civil War, hundreds of women disguised themselves as men in order to serve in the Union and Confederate Armies. Many women were never discovered and most were not discovered until they were wounded or found dead on the battlefield. One woman enlisted in the 95th Illinois Infantry as Albert Cashier. Under the guise of a 19-year-old Irish immigrant, she served for 4 years, participating in almost 40 battles.

Following the Spanish American War, where more than 1,500 women were contracted to serve as nurses, the Army Nurse Corps of 1901 and the Navy Nurse Corp of 1908 were created, making women official members of the military for the first time. Twenty contract nurses died in service during the Spanish-American War and over 400 nurses died in the line of duty during World War I.

In addition to serving as nurses, during World War I, women were enlisted in the Navy and the Marine Corps to serve as stenographers and typists. In addition to these 12,185 female Yeomen, 230 women were hired by the Army to serve in France as bilingual telephone operators. These ''Hello Girls'' routed messages between headquarters and the front lines. Despite the great service of the women of World War I, Congress soon took action to close the loopholes that had allowed women to serve in the military.

Decades later, in order to meet the huge demands of World War II, all four services of the military formed women's components which were to last ''for the duration of the emergency and six months.'' Four hundred thirty two military women were killed in that war and 88 became prisoners of war. Sixty-six Army nurses endured an incredible 33 months at the Santo Tomas prison camp in the Philippines.

Finally, in 1948, women achieved permanent status in the Army, Navy, Air Force, and Marine Corps, when President Truman signed the Women's Armed Services Integration Act of 1948. Unfortunately, that act restricted the number of women who could enlist and the award of promotions. Despite these restrictions, many thousands of women have served in a variety of capacities during the major military conflicts in Korea, Vietnam, and the Persian Gulf.

In fact, according to the Department of the Navy, the deployment of women in the Persian Gulf was ''highly successful.'' More than 37,000 women served as administrators, air traffic controllers, logisticians, engineer equipment mechanics, ammunition technicians, ordinance specialists, communicators, radio operators, drivers, law enforcement specialists, and guards during Desert Shield/Desert Storm. Tragically, during that conflict, 5 women were killed in action, 21 were wounded in action, 2 were taken as prisoners of war, and 4 Marine women received the Combat Action Ribbon.

Today, women make up about 15 percent of the military and nearly 85 percent of all positions and occupations in the military are available to active-duty women. The progress that has been made in opening military service to the women of the United States is no doubt a reflection of the incredible service records of the pioneering women soldiers who have served this country since the Revolutionary War.

One such pioneering woman is National Women's History Month Honoree, BG Wilma L. Vaught. General Vaught grew up in rural Scotland, IL, and attended the University of Illinois. After college and some time spent in the corporate world, she joined the Air Force, in part, because of the opportunity it offered for managerial advancement.

While serving in the Air Force, General Vaught achieved several ''firsts'': first female Air Force officer to attend the Industrial College of the Armed Forces, first woman to command a unit that received the Joint Meritorious Unit Award, first woman promoted to Brigadier General in the comptroller career field, and the first and only woman to serve as president of the board of directors of the Pentagon Federal Credit Union. In addition, General Vaught is one of the most highly decorated women in history. It was my honor to meet General Vaught several years ago and feature her on my monthly cable television show.

This March, as the Nation prays for the safe return of our soldiers in Iraq, let us remember the incredible contributions that women like BG Wilma Vaught have made in service of our country.

ADDITIONAL STATEMENTS

HONORING THE LIFE OF SAM H. JONES

• Mr. BAYH. Mr. President, it is with great sadness that I rise today to honor the life of my friend, Sam H. Jones, who passed away on March 26, 2003 after 3-year battle with leukemia. Sam was a pioneer of civil rights who dedicated his life to building a community of equality where people of all races, religions, and backgrounds could have a stake in the American dream. He was a soft-spoken man yet he had a commanding presence that gave him the power to bring people of diverse backgrounds together in order to achieve great things.

While serving as the president of the Indianapolis Urban League for the past 36 years, Sam Jones worked to build bridges across tumultuous waters of racism, helping to ensure economic prosperity, equal opportunity in education, and improved police relations for African Americans and other minorities in the Indianapolis area. Sam championed issues ranging from suicide prevention to economic development. He was never afraid to explore new policy areas or to take an unpopular or unorthodox approach to solving problems. For these reasons, he was one of the most respected leaders in our community.

Born in Heidelberg, MS in 1929, Sam saw segregation in its most brutal form at a young age, which profoundly impacted him. He did not hold grudges. Instead, he took action to effect positive change, working with those whom he opposed, not against. Sam was known for his ability to calm opposing sides in difficult situations in order to reach compromise. This attitude helped him to build many strong partnerships and lifelong friendships.

In 1966 Sam Jones cofounded the Indianapolis Urban League and served as its president and CEO until last December. He built the organization in Indianapolis from the ground up, starting his work in a small motel room, and 36 years later, opening a $3 million Indiana Avenue headquarters. The new building bears his name, and rightly so; Sam was the heart and soul of the Indianapolis Urban League and was widely considered the dean of all 112 chapters of the national organization.

Sam Jones was a truly unique leader and humanitarian whose shoes will be difficult, if not impossible, to fill. For this reason, the sense of loss to all those who knew him in the city of Indianapolis, the State of Indiana, and the Nation, is tremendous. He will be greatly missed by his family and close friends, to whom he was extremely dedicated. He is survived by his wife, Prethenia, and their children, Marya Overby, Sam H. Jones, Jr., and the Rev. Michael Jones.

It is my sad duty to enter the name of Sam H. Jones into the CONGRESSIONAL RECORD. As Martin Luther King, Jr. once said: ''The hope of a secure and livable world lies with disciplined nonconformists who are dedicated to justice, peace and brotherhood.'' The world has been left a better place because Sam Jones lived his life based on that principle.•

HONORING LEXIS-NEXIS

• Mr. VOINOVICH. Mr. President, today I am pleased to offer special recognition to a great Ohio company, LexisNexis, on the auspicious occasion of the Thirtieth Anniversary of online legal research.

Thirty years ago today in a Dayton, OH office building, a team of employees and consultants developed the world's first full-text commercial search engine to use for legal research. LexisNexis thus launched the first online legal research system, an innovation that revolutionized the way legal and business professionals, government officials, and academics conduct online legal and business research.

This special milestone offers a unique opportunity to reflect on the company's tradition of innovation and to look with optimism to the future. Today, LexisNexis is a global leader in legal, news and business information services, a distinction supported by product lines that date back more than a century.

With more than 3,000 employees in Ohio and over 13,000 employees worldwide, LexisNexis has enhanced the quality of life within the communities where it employees live and work, and it is truly deserving of high praise. I am certain that as this worthy enterprise maintains its commitment to deliver superior services and solutions to its customers, it will continue to grow and prosper and will follow in the tradition of innovation which has long been the hallmark of the company.

Thus, with sincere pleasure, I congratulate LexisNexis on this Thirtieth Anniversary and extend best wishes for the future.●

LEXIS-NEXIS 30TH ANNIVERSARY

● Mr. DEWINE. Mr. President, I rise today to recognize LexisNexis, an Ohio company celebrating a very important milestone. LexisNexis, the first commercial, full-text legal information service, is celebrating its 30th anniversary today. This company, headquartered in Dayton, provides a service that has become an indispensable information resource to a wide range of professionals, not only in many of our congressional offices, but also in the legal, business, and academic arenas.

In an era when many professionals frequented the library looking for the necessary documents, LexisNexis introduced desktop terminals that allowed subscribers to call up a variety of documents from their desks, making LexisNexis the preferred search engine of countless professionals. Today, the LexisNexis continues to revolutionize legal research by providing its over 1.6 million subscribers with up-to-date information covering a variety of topics, from worldwide newspapers and magazines to tax and accounting information and legislative records. Currently, there are an astounding 2 billion documents available in the LexisNexis database, with 6.8 million documents added each week, providing its subscribers with a wealth of knowledge.

I commend LexisNexis on the success it has achieved over the past 30 years and wish the company, and all of its 13,000 employees worldwide, continued success in delivering high-quality, invaluable resources and information.●

HONORING THE UNITED PARCEL SERVICE

● Mr. BUNNING. Mr. President, I have the privilege and honor of rising today to recognize the United Parcel Service, UPS. Recently, the Women's Business Enterprise National Council named UPS an ''Elite Eight'' member.

Each year the Women's Business Enterprise National Council selects and recognizes the efforts of eight companies that actively seek business contacts with companies owned and operated by women. For the second consecutive year, UPS is the recipient of this distinguished industry award.

One element specifically praised by the council was UPS's Supplier Diversity Program. This exceptional program was formally launched in 1992 as a way of promoting business opportunities through UPS contracts to companies either owned by minorities or women. Contracts with the 25,000 businesses included in this program vary from legal services and advertising to computers and uniforms.

Late last year, UPS completed a $1 billion expansion of the UPS Worldport facility at the Louisville International Airport located in Louisville, KY. I am pleased that more than 40 Supplier Diversity Program participating businesses were involved in the completion of this project.

Since the creation of the company in 1972, UPS has received multiple recognitions for its commitment to community development and improvement. These numerous awards and distinctions are well deserved, and UPS should be commended for this commitment.●

THE CELEBRATION OF THE 125TH ANNIVERSARY OF THE UNIVERSITY OF DETROIT JESUIT HIGH SCHOOL AND ACADEMY

● Mr. LEVIN. Mr. President, today it is my great pleasure to congratulate the University of Detroit Jesuit High School and Academy for 125 years of excellence in education. On April 4, 2003, faculty, students, and members of the community will gather to commemorate not only U of D Jesuit's achievements in education, but also its commitment to the community of Detroit.

For 125 years, the University of Detroit Jesuit High School and Academy has provided expanding educational opportunities to a wide array of students across the Detroit metropolitan area. Since its founding in 1877, U of D Jesuit has continually increased its academic offerings to students. The school added an academy serving seventh and eighth grade students in 1973 and is now known as one of Michigan's premier private college preparatory schools.

In 1977, U of D Jesuit made the critical decision to remain in Detroit. Despite pressure from teachers and alumni to move the school out of the city, the Jesuits in Rome urged the school to remain in Detroit to continue pursuing their mission of justice in education. Since then, U of D Jesuit has strived to offer its students a rich multicultural environment while also providing a challenging and meaningful educational experience. The diversity that now exists within the school is both an incredible asset and an essential component of its character.

Today, U of D Jesuit offers its students excellent educational opportunities while teaching them the importance of diversity and commitment to their community. The student body at U of D Jesuit draws from nearly 70 different communities in the Detroit metropolitan area. Students come from a variety of religious and cultural backgrounds, yet they all share the common goal of improving their school and community. The University of Detroit Jesuit High School and Academy truly demonstrates an unwavering commitment to shaping young men into ''Men for Others.''

I am pleased to join with my colleagues in the Senate in offering my deepest congratulations to the University of Detroit Jesuit High School and Academy as they celebrate 125 years of commitment to the Detroit area and excellence in education. I wish them continued success in the future.●

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 and a withdrawal which were referred to the appropriate committee.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 3:30 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 289. An act to expand the boundaries of the Ottawa National Wildlife Refuge Complex and the Detroit River International Wildlife Refuge.

H.R. 622. An act to provide for exchange of certain lands in the Coconino and Tonto National Forests in Arizona, and for other purposes.

H.R. 758. An act to allow all businesses to make up to 24 transfers each month from interest-bearing transaction accounts to other transaction accounts, to require the payment of interest on reserves held for depository institution at Federal reserve banks, and for other purposes.

H.R. 762. An act to amend the Federal Land Policy and Management Act of 1976 and the Mineral Leasing Act to clarify the method by which the Secretary of the Interior and the Secretary of Agriculture determine the fair market value of certain rights-of-way granted, issued, or renewed under these Acts.

H.R. 1412. An act to provide the Secretary of Education with specific waiver authority to respond to a war or other military operation national emergency.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 109. Concurrent resolution expressing the sense of the Congress regarding the Blue Star Flag and the Gold Star.

The message further announced that the House disagree to the amendment of the Senate to the concurrent resolution (H. Con. Res. 95) establishing the congressional budget for the United States Government for fiscal year 2004 and setting forth appropriate budgetary levels for fiscal years 2003 and 2005 through 2013, and agree to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints the following Members as the managers of the conference on the part of the House:

For consideration of the House concurrent resolution and the Senate amendment, and modifications committed to conference: Mr. NUSSLE; Mr. SHAYS; and Mr. SPRATT.

MEASURES REFERRED

The following concurrent resolutions, previously received from the House of Representatives for concurrence, were referred as indicated:

H. Con. Res. 104. Concurrent resolution expressing the support and appreciation of the Nation for the President and the members of the Armed Forces who are participating in Operation Iraqi Freedom; to the Committee on Armed Services.

H. Con. Res. 118. Concurrent resolution concerning the treatment of members of the Armed Forces held as prisoner of war by Iraqi authorities; to the Committee on Foreign Relations.

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 289. An act to expand the boundaries of the Ottawa National Wildlife Refuge Complex and the Detroit River International Wildlife Refuge; to the Committee on Environment and Public Works.

H.R. 622. An act to provide for the exchange of certain lands in the Coconino and Tonto National Forests in Arizona, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 758. An act to allow all businesses to make up to 24 transfers each month from interest-bearing transaction accounts to other transaction accounts, to require the payment of interest on reserves held for depository institutions at Federal reserve banks, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

H.R. 762. An act to amend the Federal Land Policy and Management Act of 1976 and the Mineral Leasing Act to clarify the method by which the Secretary of the Interior and the Secretary of Agriculture determine the fair market value of certain rights-of-way granted, issued, or renewed under these Acts; to the Committee on Energy and Natural Resources.

H.R. 1412. An act to provide the Secretary of Education with specific waiver authority to respond to a war or other military operation or national emergency, to the Committee on Health, Education, Labor, and Pensions.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 109. Concurrent resolution expressing the sense of the Congress regarding the Blue Star Banner and the Gold Star; to the Committee on Armed Services.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–1790. A communication from the Assistant Secretary, Mine Safety and Health, Department of Labor, transmitting, pursuant to law, the report of rule entitled ''Alternate Locking Devices for Plug and Receptacle-Type Connectors on Mobile Battery-Powered Machines (1219–AA98)'' received on March 27, 2003; to the Committee on Health, Education, Labor, and Pensions.

EC–1791. A communication from the Assistant Secretary, Mine Safety and Health, Department of Labor, transmitting, pursuant to law, the report of rule entitled ''Criteria and Procedures for Proposed Assessment of Civil Penalties (1219–AB32)'' received on March 27, 2003; to the Committee on Health, Education, Labor, and Pensions.

EC–1792. A communication from the Administrator, Energy Information Administration, Department of Energy, transmitting, pursuant to law, the Energy Administration's Annual Energy Review 2001, received on March 20, 2003; to the Committee on Energy and Natural Resources.

EC–1793. A communication from the Acting Principle Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a several documents that the Environmental Protection Agency (EPA) recently issued related to EPA regulatory programs, received on March 24, 2003; to the Committee on Environment and Public Works.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. GRASSLEY for the Committee on Finance.

*Joseph Robert Goeke, of Illinois, to be a Judge of the United States Tax Court for a term of fifteen years after he takes office.

*Robert Allen Wherry, Jr., of Colorado, to be a Judge of the United States Tax Court for a term of fifteen years.

*Harry A. Haines, of Montana, to be a Judge of the United States Tax Court for a term of fifteen years.

*Diane L. Kroupa, of Minnesota, to be a Judge of the United States Tax Court for a term of fifteen years.

*Mark Van Dyke Holmes, of New York, to be a Judge of the United States Tax Court for a term of fifteen years.

*Mark W. Everson, of Texas, to be Commissioner of Internal Revenue for a term of five years.

*Raymond T. Wagner, Jr., of Missouri, to be a Member of the Internal Revenue Service Oversight Board for the remainder of the term expiring September 14, 2004.

*Nomination was reported with recommendation that it be confirmed subject to the nominees commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

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. LUGAR (for himself, Mr. HATCH, Mr. STEVENS, Mr. INOUYE, Mr. DOMENICI, Mr. LEAHY, Mr. SARBANES, Mr. KENNEDY, Mr. BYRD, Mr. HOLLINGS, and Mr. LEVIN):

S. 763. A bill to designate the Federal building and United States courthouse located at 46 Ohio Street in Indianapolis, Indiana, as the ''Birch Bayh Federal Building and United States Courthouse''; to the Committee on Finance.

By Mr. CAMPBELL (for himself, Mr. LEAHY, and Mr. HATCH):

S. 764. A bill to extend the authorization of the Bulletproof Vest Partnership Grant Program; to the Committee on the Judiciary.

By Mr. VOINOVICH (for himself and Mr. LUGAR):

S. 765. A bill to amend the Ethics in Government Act of 1978 (5 U.S.C. App.) to streamline the financial disclosure process for executive branch employees; to the Committee on Governmental Affairs.

By Mr. NELSON of Florida (for himself and Mr. MILLER):

S. 766. A bill to direct the Secretary of Veterans Affairs to establish a national cemetery for veterans in the Jacksonville, Florida, metropolitan area; to the Committee on Veterans' Affairs.

By Mr. SMITH (for himself, Mr. BAYH, Mr. CHAMBLISS, Mr. MILLER, and Mr. WARNER):

S. 767. A bill to amend the Internal Revenue Code of 1986 to repeal the increase in the tax on social security benefits; to the Committee on Finance.

By Mr. VOINOVICH (for himself and Mr. STEVENS):

S. 768. A bill to provide for reform of the Senior Executive Service, adjustment in the rates of pay of certain positions, and for other purposes; to the Committee on Governmental Affairs.

By Mr. LEVIN (for himself, Mr. ALEXANDER, Mr. LIEBERMAN , Mr. MCCONNELL, and Mr. SCHUMER):

S. 769. A bill to permit reviews of criminal records of applicants for private security officer employment; to the Committee on the Judiciary.

By Mr. FEINGOLD (for himself, Mr. KENNEDY, and Ms. LANDRIEU):

S. 770. A bill to amend part A of title IV of the Social Security Act to ensure fair treatment and due process protections under the temporary assistance to needy families program, to facilitate enhanced data collection and reporting requirements under that program, and for other purposes; to the Committee on Finance.

By Mr. BIDEN:

S. 771. A bill to improve the investigation and prosecution of child abuse cases through Children Advocacy Centers; to the Committee on the Judiciary.

By Mr. NELSON of Nebraska:

S. 772. A bill to provide that the apportionment of funds to airports for fiscal year 2004

shall be based on passenger boardings during calendar years 2000 and 2001; to the Committee on Commerce, Science, and Transportation.

By Mr. LEAHY (for himself, Mr. HATCH, Mr. KENNEDY, Mr. DEWINE, Mr. BIDEN, Mr. SHELBY, and Mrs. LINCOLN):

S. 773. A bill to reauthorize funding for the National Center for Missing and Exploited Children, and for other purposes; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. FRIST (for himself and Mr. DASCHLE):

S. Res. 103. A resolution to authorize representation by the Senate Legal Counsel in the case of John Jenkel v. Daniel K. Akaka, et al.; considered and agreed to.

By Mr. GRAHAM of South Carolina (for himself, Mr. INHOFE, Mr. SANTORUM, Mr. BUNNING, Mr. NICKLES, Mr. CRAIG, and Mr. CRAPO):

S. Con. Res. 32. A concurrent resolution expressing the sense of Congress regarding the protection of religious sites and the freedom of access and worship; to the Committee on Foreign Relations.

ADDITIONAL COSPONSORS

S. 7

At the request of Mr. DASCHLE, the name of the Senator from Florida (Mr. NELSON) was added as a cosponsor of S. 7, a bill to amend title XVIII of the Social Security Act to provide coverage of outpatient prescription drugs under the Medicare program and to amend the Federal Food, Drug, and Cosmetic Act to provide greater access to affordable pharmaceuticals, and for other purposes.

S. 13

At the request of Mr. KYL, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 13, a bill to provide financial security to family farm and small business owners while by ending the unfair practice of taxing someone at death.

S. 224

At the request of Mr. DASCHLE, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 224, a bill to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage.

S. 251

At the request of Mr. LOTT, the name of the Senator from Florida (Mr. NELSON) was added as a cosponsor of S. 251, a bill to amend the Internal Revenue Code of 1986 to repeal the 4.3-cent motor fuel excise taxes on railroads and inland waterway transportation which remain in the general fund of the Treasury.

S. 271

At the request of Mr. SMITH, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 271, a bill to amend the Internal Revenue Code of 1986 to allow an additional advance refunding of bonds originally issued to finance governmental facilities used for essential governmental functions.

S. 274

At the request of Mr. GRASSLEY, the name of the Senator from Arizona (Mr. KYL) was added as a cosponsor of S. 274, a bill to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, and for other purposes.

S. 310

At the request of Mr. THOMAS, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 310, a bill to amend title XVIII of the Social Security Act to provide for the coverage of marriage and family therapist services and mental health counselor services under part B of the Medicare program, and for other purposes.

S. 363

At the request of Ms. MIKULSKI, the name of the Senator from Georgia (Mr. CHAMBLISS) was added as a cosponsor of S. 363, a bill to amend title II of the Social Security Act to provide that the reductions in Social Security benefits which are required in the case of spouses and surviving spouses who are also receiving certain Government pensions shall be equal to the amount by which two-thirds of the total amount of the combined monthly benefit (before reduction) and monthly pension exceeds $1,200, adjusted for inflation.

S. 380

At the request of Ms. COLLINS, the names of the Senator from Maine (Ms. SNOWE) and the Senator from Maryland (Mr. SARBANES) were added as cosponsors of S. 380, a bill to amend chapter 83 of title 5, United States Code, to reform the funding of benefits under the Civil Service Retirement System for employees of the United States Postal Service, and for other purposes.

S. 460

At the request of Mrs. FEINSTEIN, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 460, a bill to amend the Immigration and Nationality Act to authorize appropriations for fiscal years 2004 through 2010 to carry out the State Criminal Alien Assistance Program.

S. 471

At the request of Mr. ALLEN, the name of the Senator from North Carolina (Mrs. DOLE) was added as a cosponsor of S. 471, a bill to ensure continuity for the design of the 5-cent coin, establish the Citizens Coinage Committee, and for other purposes.

S. 498

At the request of Mr. HOLLINGS, the names of the Senator from North Carolina (Mrs. DOLE) and the Senator from Tennessee (Mr. ALEXANDER) were added as cosponsors of S. 498, a bill to authorize the President to posthumously award a gold medal on behalf of Congress to Joseph A. De Laine in recognition of his contributions to the Nation.

S. 501

At the request of Mr. GRASSLEY, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 501, a bill to provide a grant program for gifted and talented students, and for other purposes.

S. 504

At the request of Mr. ALEXANDER, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 504, a bill to establish academics for teachers and students of American history and civics and a national alliance of teachers of American history and civics, and for other purposes.

S. 518

At the request of Ms. COLLINS, the name of the Senator from Arizona (Mr. MCCAIN) was added as a cosponsor of S. 518, a bill to increase the supply of pancreatic islet cells for research, to provide better coordination of Federal efforts and information on islet cell transplantation, and to collect the data necessary to move islet cell transplantation from an experimental procedure to a standard therapy.

S. 665

At the request of Mr. GRASSLEY, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 665, a bill to amend the Internal Revenue Code of 1986 to provide tax relief for farmers and fisherman, and for other purposes.

S. 722

At the request of Mr. DURBIN, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 722, a bill to amend the Federal Food, Drug, and Cosmetic Act to require that manufacturers of dietary supplements submit to the Food and Drug Administration reports on adverse experiences with dietary supplements, and for other purposes.

S. 724

At the request of Mr. ENZI, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. 724, a bill to amend title 18, United States Code, to exempt certain rocket propellants from prohibitions under that title on explosive materials.

S. 749

At the request of Mrs. CLINTON, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 749, a bill to authorize the Secretary of the Interior to establish the Votes for Women History Trail in the State of New York.

S. 760

At the request of Mr. GRASSLEY, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 760, a bill to implement effective measures to stop trade in conflict diamonds, and for other purposes.

S. CON. RES. 25

At the request of Mr. VOINOVICH, the name of the Senator from Virginia (Mr.

ALLEN) was added as a cosponsor of S. Con. Res. 25, a concurrent resolution recognizing and honoring America's Jewish community on the occasion of its 350th anniversary, supporting the designation of an ''American Jewish History Month,'' and for other purposes.

S. CON. RES. 26

At the request of Ms. LANDRIEU, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. Con. Res. 26, a concurrent resolution condemning the punishment of execution by stoning as a gross violation of human rights, and for other purposes.

S. CON. RES. 31

At the request of Mr. LIEBERMAN, the names of the Senator from New York (Mrs. CLINTON) and the Senator from Florida (Mr. NELSON) were added as cosponsors of S. Con. Res. 31, a concurrent resolution expressing the outrage of Congress at the treatment of certain American prisoners of war by the Government of Iraq.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LUGAR (for himself, Mr. HATCH, Mr. STEVENS, Mr. INOUYE, Mr. DOMENICI, Mr. LEAHY, Mr. SARBANES, Mr. KENNEDY, Mr. BYRD, Mr. HOLLINGS, and Mr. LEVIN):

S. 763. A bill to designate the Federal building and United States courthouse located at 46 Ohio Street in Indianapolis, Indiana, as the ''Birch Bayh Federal Building and United States Courthouse''; to the Committee on Finance.

Mr. LUGAR. Mr. President, today I am introducing legislation to name the Federal building and United States courthouse located at 46 East Ohio Street in Indianapolis, IN, as the ''Birch Bayh Federal Building and United States Courthouse.''

I am pleased to introduce this measure today to honor my colleague from Indiana, Senator Bayh. I am joined by my colleagues Mr. BYRD, Mr. DOMENICI, Mr. HATCH, Mr. HOLLINGS, Mr. INOUYE, Mr. KENNEDY, Mr. LEAHY, Mr. LEVIN, Mr. SARBANES, and Mr. STEVENS, who served in the Senate with Senator Bayh during his tenure 1963–1981.

Birch Evan Bayh was born in Terre Haute in 1928. He attended the public schools; served in the United States Army 1946–1948; graduated Purdue University School of Agriculture at Lafayette in 1951; and attended Indiana State University, 1952–1953. Bayh graduated from the Indiana University School of Law in 1960; and was admitted to the Indiana bar in 1961.

He worked as a lawyer and farmer in Terre Haute, and served as a representative to the Indiana General Assembly from 1954 to 1962. In the Assembly, he rose to become minority leader in 1957 and 1961 and Speaker of the House in 1959. Senator Bayh was first elected to the U.S. Senate in 1962; reelected in 1968 and 1974; and served from January 3, 1963, to January 3, 1981.

I am pleased to introduce this companion legislation in the Senate at the request of Representative CARSON who introduced a bill in the House of Representatives. I hope this measure will be approved by the Congress.

By Mr. CAMPBELL (for himself, Mr. LEAHY, and Mr. HATCH):

S. 764. A bill to extend the authorization of the Bulletproof Vest Partnership Grant Program; to the Committee on the Judiciary.

Mr. CAMPBELL. Mr. President, today Senator LEAHY and I are introducing the Bulletproof Vest Partnership Grant Act of 2003, a bill to reauthorize an existing matching grant program to help State, tribal, and local jurisdictions purchase armor vests for use by law enforcement officers. This bill represents another in a series of law enforcement initiatives on which I have had the privilege to work with my friend and colleague from Vermont, Senator LEAHY. The Senator brings to the table invaluable experience in this area, from his distinguished service as a State's attorney in Vermont, a nationally recognized prosecutor, and as the ranking member of the Chairman of the Senate Judiciary Committee. We are pleased to be joined in this effort by the distinguished Chairman of the Senate Judiciary Committee, Senator HATCH.

Two years ago, Congress passed, and the President signed into law, the Bulletproof Vest Partnership Grant Act of 2000 (P.L. 106–517), and before that in 1998, P.L. 105–181, which we were privileged to introduce. Since its inception in 1999, this highly successful Department of Justice grant program has provided law enforcement officers in 16,000 jurisdictions with nearly 500,000 vests.

There are far too many law enforcement officers who patrol our streets and neighborhoods without the proper protective gear against violent criminals. Each year, on average, more than 60 law enforcement officers are killed by gunfire in the line of duty. The felonious use of guns and the increased use of larger caliber handguns and assault rifles has created an even greater risk for law enforcement officers and an increasing need for higher threat level, better quality, and more comfortable vests that can be worn in a variety of circumstances. The use of body armor to provide protection against the use of deadly force and assaults as well as its demonstrated value in protecting officers involved in vehicle accidents, provides compelling reasons for officers to be equipped with and to wear body armor.

In 2002, 149 Federal, State and local law enforcement officers gave their lives in the line of duty, well below the decade-long average of 165 deaths annually, and a major drop from 2001 when a total of 230 officers were killed. A number of factors contributed to this reduction including the availability of better equipment and the increased use of bullet-resistant vests.

As a former deputy sheriff, I know first-hand the risks which law enforcement officers face every day on the front lines, protecting our communities. Currently, more than 850,000 men and women who serve this nation as our guardians of law and order do so at a great personal risk. Every year, about 1 in 15 officers is assaulted, 1 in 46 officers is injured, and 1 in 5,255 officers is killed in the line of duty somewhere in America every other day. There are few communities in this country that have not been impacted by the words ''officer down.''

The evidence is clear that a bulletproof vest is one of the most important pieces of equipment that any law enforcement officer can have. Since the introduction of modern bulletproof material, the lives of more than 2,700 officers have been saved by bulletproof vests. In fact, the Federal Bureau of Investigation has concluded that officers who do not wear bulletproof vests are 14 times more likely to be killed by a firearm than those officers who do wear vests. Simply put, bulletproof vests save lives.

Unfortunately, many police departments do not have the resources to purchase vests on their own, especially in America's smaller communities. The Bulletproof Vest Partnership Grant Act of 2003 would continue the partnership with State and local law enforcement agencies to make sure that every police officer who needs a bulletproof vest gets one. It would do so by continuing to authorize up to $50 million per year for the grant program within the U.S. Department of Justice. In addition, the program provides 50–50 matching grants to State and local law enforcement agencies and Indian tribes with under 100,000 residents to assist in purchasing bulletproof vests and body armor.

While we know that there is no way to end the risks inherent to a career in law enforcement, we must do everything possible to ensure that officers who put their lives on the line every day also put on a vest. Body armor is one of the most important pieces of equipment an officer can have and often means the difference between life and death. The United States Senate can help, and I urge our colleagues to support prompt passage of this legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 764

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Bulletproof Vest Partnership Grant Act of 2003''.

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

Section 1001(a)(23) of title I of the Omnibus Crime Control and Safe Streets Act of 1968

(42 U.S.C. 3793(a)(23)) is amended by striking ''2004'' and inserting ''2007''.

By Mr. NELSON of Florida (for himself and Mr. MILLER):

S. 766. A bill to direct the Secretary of Veterans Affairs to establish a national cemetery for veterans in the Jacksonville, Florida, metropolitan area; to the Committee on Veterans Affairs.

Mr. NELSON of Florida. Mr. President, it is a central element of our national character to pay solemn tribute to the service of those who have worn the uniform of our Armed Forces and placed themselves in harm's way to defend our freedom and way of life. We raise monuments to the deeds of our great wartime leaders as well as the countless, often nameless heroes of those battles fought throughout our history. We also set aside special days to remember the sacrifice of generations of Americans who have stepped forward in America's defense.

This Nation also sets aside special places, hallowed ground, where we lay to rest those who have served us in our hour of greatest need. Our National Cemetery system is not only hallowed ground, National Cemeteries are monuments to military service, the places where we go on those special days to pay tribute to the sacrifice of so many in our history. National Cemeteries remind us of where we have been as a Nation, and inspires future generations to uphold the legacy of our veterans' devotion and sacrifice.

Today I offer legislation to establish a National Cemetery near Jacksonville, Florida to meet the needs of thousands of veterans who have chosen to live out their lives in Northeast Florida and Southeast Georgia. Florida's veteran population is the second largest in the Nation. Right now in Northern Florida and Southern Georgia, there are nearly half-a-million veterans. Florida has the Nation's oldest veteran population and one of the largest remaining populations of World War II veterans. We are all aware that this greatest of generations is passing away at higher and higher rates.

Unfortunately for these hundreds of thousands of veterans in Florida and Georgia, the nearest National Cemetery is located in Bushnell, FL, which is a three-hour drive from Jacksonville. The National Cemetery in St. Augustine is full and closed. The nearest National Cemetery in Georgia is in Marietta just north of Atlanta.

Our veterans have defended our country in her days of peril, and certainly deserve to rest in honored respect in a National Cemetery. To meet our obligations to the veterans of Northeast Florida and Southeast Georgia, we must act now, in order to have this facility established by 2006 when our World War II veterans' deaths are expected to reach their peak.

I am proud to sponsor this important bill, and look forward to the support of my colleagues as we provide for our veterans who have given so much for our country.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 766

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

SECTION 1. ESTABLISHMENT.

(a) IN GENERAL.—The Secretary of Veterans Affairs shall establish, in accordance with chapter 24 of title 38, United States Code, a national cemetery in the Jacksonville, Florida, metropolitan area to serve the needs of veterans and their families.

(b) CONSULTATION IN SELECTION OF SITE.—Before selecting the site for the national cemetery established under subsection (a), the Secretary shall consult with—

(1) appropriate officials of the State of Florida and local officials of the Jacksonville metropolitan area; and

(2) appropriate officials of the United States, including the Administrator of General Services, with respect to land belonging to the United States in that area that would be suitable to establish the national cemetery under subsection (a).

(c) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the establishment of the national cemetery under subsection (a). The report shall set forth a schedule for such establishment of the national cemetery and an estimate of the costs associated with such establishment of the national cemetery.

By Mr. SMITH (for himself, Mr. BAYH, Mr. CHAMBLISS, Mr. MILLER, and Mr. WARNER):

S. 767. A bill to amend the Internal Revenue Code of 1986 to repeal the increase in the tax on social security benefits; to the Committee on Finance.

Mr. SMITH. Mr. President, on behalf of myself and my friend and colleague Senator BAYH of Indian, I rise today to introduce legislation that will repeal a ten year old tax increase on our senior citizens. We are joined by Sens. CHAMBLISS, MILLER, and WARNER. This tax increase was passed in 1993 and has been an onerous and unjust tax on the Social Security benefits of America's seniors.

I am pleased to have the support of the following organizations for this important legislation: United Seniors Association, National Taxpayers Union, The Seniors Coalition, Americans for Tax Reform, The 60 Plus Association.

Mr. President, I ask unanimous consent that their letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

UNITED SENIORS ASSOCIATION,
Fairfax, VA, March 13, 2003.

Hon. EVAN BAYH,
Senate Russell Building,
Washington, DC.

Hon. GORDON SMITH,
Senate Russell Building,
Washington, DC.

DEAR SENATORS: On behalf of United Seniors Association's 1.5 million-plus nationwide grassroots network, we enthusiastically support your legislation, the Social Security Tax Equity Act of 2003.

For over a decade, United Seniors Association has led the charge to eliminate all taxes on Social Security benefits. Your legislation will substantially lift financial burdens from millions of Seniors and I commend you for your leadership.

Before 1984, no one paid federal income taxes on their Social Security benefits. President Clinton signed the Omnibus Budget Reconciliation Act of 1993, which raised to 85 percent the amount of Social Security benefits subject to income taxes. Each year since 1993, more and more Seniors have been hit by this Seniors-only tax. Proponents of the tax hike maintained that it would only affect ''rich Seniors.'' However, that was not true. The tax has hit Seniors with moderate incomes most heavily.

The taxation of benefits is confusing, unfair, and makes middle class Seniors pay higher marginal tax rates than many millionaires. Every year, more Seniors feel the tax pinch because the income thresholds are not indexed for inflation. Over 9 million Seniors now pay this unfair tax. This tax is not only bad policy, but it is a disincentive for continuing a productive work-life after age 65.

Again, we applaud both of you for your efforts. United Seniors Association stands ready to help you pass this important piece of legislation not only for Seniors, but for their children, and their grandchildren.

Sincerely,

CHARLES W. JARVIS,
Chairman and Chief Executive.

NATIONAL TAXPAYERS UNION,
Alexandria, VA, March 12, 2003.

Hon. GORDON SMITH,
U.S. Senate, Russell Senate Office Building, Washington, DC.

Hon. EVAN BAYH,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATORS SMITH AND BAYH: On behalf of our 335,000 members, the National Taxpayers Union (NTU) strongly supports, in addition to the urgently needed tax relief contained in the President's plan (S. 2 by Senators Nickles and Miller), your proposed legislation to repeal the 1993 imposed upon Social Security recipients. While NTU would prefer the repeal of all taxes on Social Security benefits, we are pleased to endorse your proposal as a good first step.

As you know, prior to 1993, seniors paid taxes on half of their Social Security benefits if their combined income exceeded certain levels. In 1993 the taxable portion of Social Security benefits was increased to 85% for individuals with income exceeding $34,000 and couples with incomes exceeding $44,000. This punishing level of taxation applies to almost a fourth of all Social Security recipients. It penalizes seniors who choose to save their money or keep working. For many seniors, just as in the case of dividend income, this taxation is clearly double taxation.

Again, in addition to the critical need for the Senate to pass the ''Jobs and Growth Act of 2003,'' we would urge your Senate colleagues to pass your repeal of the 1993 tax on Social Security benefits as an important first step on the road to total repeal of all such taxes on Social Security income for retirees.

Sincerely,

AL CORS, Jr.,
Vice President, Government Affairs.

THE SENIORS COALITION,
Springfield, VA, March 18, 2002.

Hon. GORDON H. SMITH,
U.S. Senate, Russell Senate Office Building, Washington, DC.

Hon. EVAN BAYH
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATORS SMITH & BAYH: On behalf of our four million senior members and supporters nationwide, I commend you for introducing the Social Security benefits that unfairly targets seniors and results in a disincentive for them to work, invest and save. We likewise applaud you for your commitment to a more equitable and nondiscriminatory tax system for older Americans.

As you know, Congress passed a law in 1983 that required Social security beneficiaries to pay taxes on 50 percent of their benefits when they exceeded certain income levels. In 1993, Congress increased the threshold to 85 percent of Social Security benefits for single retirees with income above $34,000 and for couples with income over $44,000. Since Social Security taxes are only 50 percent deductible (the employer's share), and seniors have already paid taxes on their payroll tax contribution, they are currently taxed twice when they pay taxes on more than 50 percent of benefits.

Seniors have spent a lifetime saving and investing in America in order to enjoy financial independence and security in retirement and to accrue assets for their children. Sadly, however, the double tax on Social Security punishes years spent exercising financial discipline. Worse yet, this tax ultimately forces seniors to limit their non-Social Security income or face the financial burdens it imposes at certain levels of earned and investment income.

While this double tax on Social Security clearly targets seniors, our entire society bears an incalculable economic penalty as an experienced and knowledgeable senior workforce opts to sit on the sidelines rather than work and invest for substandard returns. In the midst of this current economic downturn, America would greatly benefit from the faithful investment practices and the productive work habits of its senior citizens.

Your bill would put an end to the unfair and discriminatory practice of double taxation of seniors' Social Security benefits and encourage senior Americans to continue contributing to the nation's growth. We therefore strongly support the ''Social Security Tax Equity Act of 2003'' and are ready to assist you in securing its passage.

Sincerely,

MARY M. MARTIN,
Executive Director.

AMERICANS FOR TAX REFORM,
Washington, DC, March 12, 2003.

Hon. GORDON SMITH,
Russell Senate Building, Washington, DC.

DEAR CONGRESSMAN SMITH: On behalf of Americans for Tax Reform (ATR), I want to thank you for introducing the Social Security Tax Equity Act of 2003. ATR pledges full support for this critically important legislation.

As you know, the 1993 Clinton tax increase levied on Social Security was on attack on senior citizens and workers. Worker payroll contributions finance Social Security benefits. Yet the benefits that senior citizens receive are again taxed—a second time—if these citizens have incomes above a threshold amount. This is an unjust form of double taxation and it must be eliminated.

Before the 1993 tax increase, single retirees with incomes above $25,000 and $32,000 for couples paid taxes on half of Social Security benefits. The 1993 increase, however, raised the threshold income for single retirees to $34,000 and $44,000 for couples. The increase also imposed levies on 85 percent of Social Security benefits—a 35 percent increase on benefits. Roughly a quarter of Social Security recipients now pay higher taxes.

ATR is encouraged by your bold leadership to roll back this unfair form of double taxation. Repealing the 1993 tax increase will yield economic benefits that will grow our economy and reward productive behavior. We applaud your effort to fight for working men and women and especially for our elderly citizens.

Sincerely,

GROVER NORQUIST.

THE 60 PLUS ASSOCIATION,
Arlington, VA, March 25, 2003.

Hon. GORDON H. SMITH,
Hon. EVAN BAYH,
U.S. Senate, Washington, DC.

DEAR SENATOR SMITH AND BAYH: On behalf of the 60 Plus Association, I want you both to know you have our complete support for legislation you soon plan to introduce, the Social Security Tax Equity Act of 2003.

Increased taxes for Social Security benefits are a crystal clear example of government greed at the expense of America's seniors. Social Security benefits are already financed by worker payroll tax contributions—but to tax senior citizens a second time on their Social Security benefits should they elect to continue working only burdens retired Americans unfairly.

The 60 Plus Association stands foursquare with any group or individual dedicated to maintaining and strengthening Social Security. This vital program ought not be the catalyst for exacting tax revenues on hard-earned retirement benefits.

Working allows seniors to earn income that in turn boosts economic growth. Tax penalties on these additional retirement incomes discourage seniors from continuing to lead active, productive lives according to their ability and choosing. That's wrong and needs to be remedied.

Senior, the 60 Plus Association is with you in eliminating this double taxation of Social Security benefits.

Kind regards,

JAMES L. MARTIN,
President.

Senior citizens pay Federal taxes on a portion of their Social Security benefits if they receive additional income from savings or from work. As ludicrous as it seems, our seniors who have worked hard their lives, and planned and saved for their retirement are being taxed a second time, when they need their income the most.

One of the most unfair tax increases occurred in the 1993 tax bill. Before 1993, seniors paid taxes on half their Social Security benefits if their combined income—which includes adjusted gross income and one-half of their Social Security benefits—exceeded $25,000 for individuals or $32,000 for couples. In 1993 this tax was increased—individuals with incomes above $34,000 and couples with income above $44,000 now had a portion of their Social Security benefits taxes at 85 percent.

I strongly believe that this increase in the taxable portion of Social Security benefits violated the contract seniors had with the United States government. This tax increase was unfair and it provided a disincentive to our seniors who chose to save or chose to work. This single provision increased taxes for almost one-quarter of Social Security recipients.

Seniors have spent a lifetime saving and investing in America in order to enjoy financial independence and security in retirement and to accrue assets for their children. Sadly, the double tax on Social Security punishes years spent exercising financial discipline. Worse yet, this tax ultimately forces seniors to limit their non-Social Security income or face the financial burden it imposes at certain levels of earned income.

This tax hits middle income seniors, kicking in as soon as that senior crosses the $34,000 mark.

While this double tax clearly targets seniors, our entire society carries the economic burden as an experienced and knowledgeable senior workforce chooses to sit on the sidelines rather than work and invest for substandard returns. In the middle of the current economic downturn, America would greatly benefit from the faithful investment practices and the productive work habits of its senior citizens.

I have been a cosponsor of various bills in the past few Congresses to repeal this unfair tax. As a member of the Senate Finance Committee, I am pleased to announce the introduction of the Social Security Tax Equity Act of 2003.

I believe that we must do everything possible to turn back this 10 year old tax increase and return some small measure of equity and fair play to those senior citizens affected by that tax. I urge you all to join me and my fellow senators by becoming cosponsors of this legislation, and roll back this unfair form of double taxation on our senior citizens and encourage them to continue contributing to the Nation's growth. Those who have helped build this great country through their lifetimes deserve our support now.

I ask unanimous consent that the text of the Social Security Tax Equity Act of 2003 be printed in the RECORD.

S. 767

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

SECTION 1. REPEAL OF INCREASE IN TAX ON SOCIAL SECURITY BENEFITS.

(a) REPEAL OF INCREASE IN TAX ON SOCIAL SECURITY BENEFITS.—

(1) IN GENERAL.—Paragraph (2) of section 86(a) of the Internal Revenue Code of 1986 (relating to social security and tier 1 railroad retirement benefits) is amended by adding at the end the following new flush sentence:

''This paragraph shall not apply to any taxable year beginning after December 31, 2002.''

(2) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2002.

(b) REVENUE OFFSET.—The Secretary of the Treasury shall transfer, for each fiscal year, from the general fund in the Treasury to the Federal Hospital Insurance Trust Fund established under section 1817 of the Social Security Act (42 U.S.C. 1395i) an amount equal to the decrease in revenues to the Treasury for such fiscal year by reason of the amendment made by this section.

By Mr. LEVIN (for himself, Mr. ALEXANDER, Mr. LIEBERMAN, Mr. MCCONNELL, and Mr. SCHUMER):

S. 769. A bill to permit reviews of criminal records of applicants for private security officer employment; to the Committee on the Judiciary.

Mr. LEVIN. Mr. President, today I am joined by Senators ALEXANDER, LIEBERMAN, MCCONNELL and SCHUMER in introducing the Private Security Officer Employment Authorization Act of 2003, a bill that would provide private security firms an opportunity to have national criminal history information searches undertaken to determine whether or not employees or applicants for employment pose a threat to the facilities and persons they are supposed to protect. There would be no expense to the government and the searches would require the consent of the employee or applicant for employment.

Large numbers of critical non-governmental facilities from power plants to schools to hospitals are protected by private security firms and their civilian security officers. Keeping these facilities secure from terrorism or other forms of violent attack is critical to our national security. Yet currently most private security employers cannot request timely national criminal background check information on the very people they need to hire to protect these key facilities. This legislation seeks to correct that. This bill would authorize private security firms to request Federal background checks on current or prospective employees through the appropriate state agencies, thereby permitting relevant criminal history information to be considered in the licensing and employment of private security officers.

The Criminal Justice Information Services Division of the FBI maintains complete criminal history records for both Federal and State crimes on individuals with criminal records in the United States. Searches are most effectively conducted using fingerprints to ensure efficiency and accuracy. We have already passed legislation specifically permitting other industries—for instance, the banking, nursing home, and child care industries—to check their prospective employees against the FBI's comprehensive records. Many of the reasons that supported passage of those laws, particularly the desire to ensure that those who provide certain important services have a background commensurate with their responsibilities, support passage of this bill as well.

This legislation will enhance our Nation's security. As an adjunct to our Nation's law enforcement officers, private security guards are responsible for the protection of numerous critical components of our Nation's infrastructure, including power generation facilities, hazardous materials manufacturing facilities, water supply and delivery facilities, oil and gas refineries, and food processing plants. The approximately 13,000 private security companies in the United States employ about 1.5 million persons nationwide. Given the critical nature of the facilities private security officers are hired to protect, it is imperative that we provide sufficient access to information that might disclose who is unsuitable for protecting these resources.

Currently we do not. Relying upon a Federal bill passed in the early 1970's, 37 states and the District of Columbia have passed legislation authorizing State agencies to request both State and Federal criminal history record searches. Despite this authorization, security firms report that searches of both State and Federal databases for private security officers are the exception rather than the rule. That is because only 20 States plus the District of Columbia regularly access the Federal database for private security officers, and only two—California and Illinois—do so in a way that ensures a timely response. In many jurisdictions with authorizing statutes, reviews of the Federal database are conducted sporadically, if at all. Indeed, in approximately 17 of the 37 States with authorizing statutes, typically only State databases are searched for private security officers. An additional 13 States have not even passed legislation authorizing any form of Federal criminal background check. What that means is that in approximately 30 States neither the State agencies nor the private security employers typically have any access to any Federal criminal database information. In these 30 States, an employment applicant in one State could have a serious criminal conviction in another State and still be permitted to perform sensitive security work. The state reviewing the applicant would have no idea a conviction in another State existed without access to the Federal database.

Further, even in those few States that actually conduct Federal records searches, the Federal searches conducted on new employees often take 90 to 120 days, if not longer. While checks are pending, security guards frequently are provided temporary licenses. This 90 to 120 day period is more than enough time for a guard with a temporary license to perpetrate dangerous acts. In light of our urgent need to strengthen the security of our homeland, this lack of timely access to criminal history information is unacceptable. An article that appeared earlier this year in USA Today entitled ''Private Security Guards Are Homeland's Weak Link'' got it right when it said, ''more often than not, private security guards who protect millions of lives and billions of dollars in real estate offer a false sense of security.'' We need to act in order to make it easier for States and employers to gain timely access to this crucial criminal history information.

This bill strikes the appropriate balance between the interests of all parties involved.

First, the bill permits private security employers to request a prompt search of the FBI criminal history database for prospective or existing employees. Requests must be made by the employers through their state's identification bureau or similar state agency designated by the Attorney General. Employers will not be granted direct access to the FBI records. Instead, states will serve as intermediaries between employers and the FBI to: 1. ensure that employment suitability determinations are made pursuant to applicable State law; 2. prevent disclosure of the raw FBI criminal history information to the employers and the public; and 3. minimize the FBI's administrative burden of having to respond to background check requests from countless different sources. The program will not cost the Federal Government anything. The legislation allows the FBI, and states if they so choose, to charge reasonable fees to security firms to recover their costs of carrying out this act.

Second, the bill protects employee and prospective employee privacy. Before an FBI background check can be conducted, the employee or applicant for employment must grant an employer written consent to request the FBI database search. In addition, the criminal history reports received by the States will not be disseminated to employers. Instead, in States that have standards regulating private security guard employment, designated State agencies will simply be required to use the information provided by the FBI in applying their State standards. For those States that have no standards, the States will be instructed to inform requesting employers whether or not employees or applicants have been convicted of either: 1. a felony; 2. a violent misdemeanor within the past ten years; or 3. a crime of dishonesty within the past ten years. Thus, in these situations, only the fact that a particular conviction exists or not will be provided by States to employers, and the privacy of the records themselves will be maintained. All information provided to employers pursuant to this act must be provided to the employees or prospective employees. Furthermore, the bill establishes strong criminal penalties for those who might falsely certify they are authorized security firms or otherwise use information obtained pursuant to this act beyond the act's intended purposes.

Third, the bill protects States' interests. The bill does not impose an unfunded mandate on the states. It reserves the right of States to charge reasonable fees to employers for their costs in administering this act. Moreover, if a State wishes to opt out of this statutory regime, it may do so at any time.

This legislation is long overdue. It strikes the right balance between the need for States and employers to gain access to this critical information and the privacy rights of current and prospective security guards. We have

worked with the FBI to expedite the administrative process, and it will cost the Federal Government nothing. There is no undue burden being placed on our States. Most importantly, passage of this act will plug a hole in our homeland defense. I urge my colleagues to support this legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 769

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Private Security Officer Employment Authorization Act of 2003''.

SEC. 2. FINDINGS.

Congress finds that—

(1) employment of private security officers in the United States is growing rapidly;

(2) private security officers function as an adjunct to, but not a replacement for, public law enforcement by helping to reduce and prevent crime;

(3) such private security officers protect individuals, property, and proprietary information, and provide protection to such diverse operations as banks, hospitals, research and development centers, manufacturing facilities, defense and aerospace contractors, high technology businesses, nuclear power plants, chemical companies, oil and gas refineries, airports, communication facilities and operations, office complexes, schools, residential properties, apartment complexes, gated communities, and others;

(4) sworn law enforcement officers provide significant services to the citizens of the United States in its public areas, and are supplemented by private security officers;

(5) the threat of additional terrorist attacks requires cooperation between public and private sectors and demands professional, reliable, and responsible security officers for the protection of people, facilities, and institutions;

(6) the trend in the Nation toward growth in such security services has accelerated rapidly;

(7) such growth makes available more public sector law enforcement officers to combat serious and violent crimes, including terrorism;

(8) the American public deserves the employment of qualified, well-trained private security personnel as an adjunct to sworn law enforcement officers; and

(9) private security officers and applicants for private security officer positions should be thoroughly screened and trained.

SEC. 3. DEFINITIONS.

In this Act:

(1) EMPLOYEE.—The term ''employee'' includes both a current employee and an applicant for employment as a private security officer.

(2) AUTHORIZED EMPLOYER.—The term ''authorized employer'' means any person that—

(A) employs private security officers; and

(B) is authorized by regulations promulgated by the Attorney General to request a criminal history record information search of an employee through a State identification bureau pursuant to this section.

(3) PRIVATE SECURITY OFFICER.— The term ''private security officer''—

(A) means an individual other than an employee of a Federal, State, or local government, whose primary duty is to perform security services, full- or part-time, for consideration, whether armed or unarmed and in uniform or plain clothes; but

(B) does not include—

(i) employees whose duties are primarily internal audit or credit functions;

(ii) employees of electronic security system companies acting as technicians or monitors; or

(iii) employees whose duties primarily involve the secure movement of prisoners.

(4) SECURITY SERVICES.—The term ''security services'' means acts to protect people or property as defined by regulations promulgated by the Attorney General.

(5) STATE IDENTIFICATION BUREAU.—The term ''State identification bureau'' means the State entity designated by the Attorney General for the submission and receipt of criminal history record information.

SEC. 4. CRIMINAL HISTORY RECORD INFORMATION SEARCH.

(a) IN GENERAL.—

(1) SUBMISSION OF FINGERPRINTS.—An authorized employer may submit to the State identification bureau of a participating State, fingerprints or other means of positive identification, as determined by the Attorney General, of an employee of such employer for purposes of a criminal history record information search pursuant to this Act.

(2) EMPLOYEE RIGHTS.—

(A) PERMISSION.—An authorized employer shall obtain written consent from an employee to submit to the State identification bureau of a participating State the request to search the criminal history record information of the employee under this Act.

(B) ACCESS.—An authorized employer shall provide to the employee confidential access to any information relating to the employee received by the authorized employer pursuant to this Act.

(3) PROVIDING INFORMATION TO THE STATE IDENTIFICATION BUREAU.—Upon receipt of a request for a criminal history record information search from an authorized employer pursuant to this Act, submitted through the State identification bureau of a participating State, the Attorney General shall—

(A) search the appropriate records of the Criminal Justice Information Services Division of the Federal Bureau of Investigation; and

(B) promptly provide any resulting identification and criminal history record information to the submitting State identification bureau requesting the information.

(4) USE OF INFORMATION.—

(A) IN GENERAL.—Upon receipt of the criminal history record information from the Attorney General by the State identification bureau, the information shall be used only as provided in subparagraph (B).

(B) TERMS.—In the case of—

(i) a participating State that has no State standards for qualification to be a private security officer, the State shall notify an authorized employer as to the fact of whether an employee has been convicted of a felony, an offense involving dishonesty or a false statement if the conviction occurred during the previous 10 years, or an offense involving the use or attempted use of physical force against the person of another if the conviction occurred during the previous 10 years; or

(ii) a participating State that has State standards for qualification to be a private security officer, the State shall use the information received pursuant to this Act in applying the State standards and shall only notify the employer of the results of the application of the State standards.

(5) FREQUENCY OF REQUESTS.—An authorized employer may request a criminal history record information search for an employee only once every 12 months of continuous employment by that employee unless the authorized employer has good cause to submit additional requests.

(b) REGULATIONS.—Not later than 180 days after the date of enactment of this Act, the Attorney General shall issue such final or interim final regulations as may be necessary to carry out this Act, including—

(1) measures relating to the security, confidentiality, accuracy, use, submission, dissemination, destruction of information and audits, and recordkeeping;

(2) standards for qualification as an authorized employer; and

(3) the imposition of reasonable fees necessary for conducting the background checks.

(c) CRIMINAL PENALTY.—Whoever falsely certifies that he meets the applicable standards for an authorized employer or who knowingly and intentionally uses any information obtained pursuant to this Act other than for the purpose of determining the suitability of an individual for employment as a private security officer shall be fined under title 18, United States Code, or imprisoned for not more than 2 years, or both.

(d) USER FEES.—

(1) IN GENERAL.—The Director of the Federal Bureau of Investigation may—

(A) collect fees pursuant to regulations promulgated under subsection (b) to process background checks provided for by this Act; and

(B) establish such fees at a level to include an additional amount to defray expenses for the automation of fingerprint identification and criminal justice information services and associated costs.

(2) LIMITATIONS.—Any fee collected under this subsection—

(A) shall be credited as offsetting collections to finance the activities and services for which the fee is imposed;

(B) shall be available for expenditure only to pay the costs of such activities and services; and

(C) shall remain available until expended.

(3) STATE COSTS.—Nothing in this Act shall be construed as restricting the right of a State to assess a reasonable fee on an authorized employer for the costs to the State of administering this Act.

(e) STATE OPT OUT.—A State may decline to participate in the background check system authorized by this Act by enacting a law or issuing an order by the Governor (if consistent with State law) providing that the State is declining to participate pursuant to this subsection.

By Mr. FEINGOLD (for himself, Mr. KENNEDY, and Ms. LANDRIEU):

S. 770. A bill to amend part A of title IV of the Social Security Act to ensure fair treatment and due process protections under the temporary assistance to needy families program, to facilitate enhanced data collection and reporting requirements under that program, and for other purposes; to the Committee on Finance.

Mr. FEINGOLD. Mr. President, later this year, the Senate will consider the first reauthorization of the 1996 Personal Opportunity and Work Responsibility Reconciliation Act. This law ended the Aid to Families with Dependent Children program and created our current federal welfare program, the Temporary Assistance for Needy Families, TANF, program.

I supported the legislation that created TANF because I believed that the

welfare system was failing recipients and their families and that we needed to do better. Now, seven years later, the welfare rolls are again on the rise and it is clear that improvements need to be made to the TANF program in order to achieve the goal of breaking the cycle of poverty and moving recipients into well-paying, sustainable jobs.

As we all know, each State's welfare program is different, and the implementation of these programs often varies from provider to provider and from county to county. While we encouraged state-level innovation with the 1996 law and should continue to encourage it with our reauthorization legislation, we should also ensure that all State plans conform to uniform Federal fair treatment and due process protections for all applicants and clients.

I am deeply concerned that a client who applies for or receives benefits in one part of Wisconsin may not be getting the same treatment as another applicant or client in a different part of my State.

The bill that I introduce today, the Fair Treatment and Due Process Protection Act, would improve Federal fair treatment and due process protections for applicants to and clients of State TANF programs by addressing gaps in current law in three areas: access to translation services and English as a Second Language education programs, sanction notification and due process protections, and data collection and analysis.

I am pleased to be joined in this effort by the Senator from Massachusetts, Mr. KENNEDY, and the Senator from Louisiana, Ms. LANDRIEU.

In order for low-income parents whose primary language is not English to understand their rights with respect to availability of benefits, to comply with Federal and State TANF program rules, and to move from welfare to work, we should ensure that translation services and English as a Second Language classes are available.

My bill would require states to provide interpretation and translation services to low-income parents who do not speak English, and provides that the standards currently used in the food stamp program would be used to determine when the requirement to provide such services would be triggered for TANF-funded programs.

States would also be required to advise adults who lack English proficiency of available programs in the community to help them learn English, and to allow individuals who elect to enroll in such programs to participate in them. Individuals who participate in such activities on a satisfactory basis would be considered to be engaged in work activities and these activities would be counted towards the work participation rates.

If we are not only to reduce the welfare rolls but to reduce poverty and to ensure that low-income parents find sustainable jobs, we must ensure that these parents have access to education and training, including ESL classes, and that this training counts toward the work requirement. I support efforts to expand the number of activities that TANF clients are permitted to count as work, and my bill would add ESL classes to that list.

In addition, I am concerned about reports of unfair sanctioning and case closures across the country. We should make every effort to minimize discrimination in the application of sanctions and the termination of benefits. My bill would require that, prior to imposing a sanction, States inform individuals of the reasons for the sanction and what individuals may do to come into compliance with program rules to avoid the sanction. It also would stipulate that sanctions may not continue after individuals have come into compliance with program rules, and that individuals be informed of all other services and benefits for which they may be eligible during the period of the sanction, and of their rights under applicable State and Federal laws.

Finally, this bill would require States to perform enhanced data collection and analysis so that we can get a better picture of the people who apply for and receive TANF benefits and those who leave the welfare rolls.

I share the concern that has been expressed by a number of my constituents regarding the lack of comprehensive, uniform data about State welfare programs, including information on those who apply for benefits and those who have left the welfare rolls. My bill would require States to collect and manage data in a uniform way; to disaggregate the data based on a larger number of subgroups, including race, ethnicity/national origin, gender, primary language, and educational level of recipient; to include information on work participation and about applicants who are diverted to other programs; and to track clients whose cases are closed.

In addition, the federal Department of Health and Human Services would be required to include a comprehensive analysis broken down by these same data groups in its annual report on the TANF program. The Department would also be required to perform a longitudinal study of program outcomes that includes data on applicants for assistance, families that receive assistance, and families that leave assistance during the period of the study. The Secretary of Health and Human Services would be required to protect the privacy of individuals and families applying for or receiving assistance under state TANF programs when data on such individuals and families is publicly disclosed by the Secretary.

These enhanced requirements are not meant to impose an additional burden on the states. Rather, they are intended to measure the success of the program in a more comprehensive and transparent manner.

This legislation is supported by a broad array of more than 40 organizations, including the Leadership Conference on Civil Rights, the NAACP, the AFL-CIO, the American Association of University Women, the American Bar Association, the American Civil Liberties Union, the Center for Community Change, Hmong National Development, Inc., the National Association of Social Workers, the National Campaign for Jobs and Income Support, the National Council of Churches, the National Council of La Raza, the National Organization for Women, the National Partnership for Women and Families, the National Urban League, Nine to Five, and the Welfare Law Center.

I ask unanimous consent that the text of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 770

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

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

(a) SHORT TITLE.—This Act may be cited as the ''Fair Treatment and Due Process Protection Act of 2003''.

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

Sec. 1. Short title; table of contents; references.

TITLE I—ACCESS TO TRANSLATION SERVICES AND LANGUAGE EDUCATION PROGRAMS

Sec. 101. Provision of interpretation and translation services.

Sec. 102. Assisting families with limited English proficiency.

TITLE II—SANCTIONS AND DUE PROCESS PROTECTIONS

Sec. 201. Sanctions and due process protections.

TITLE III—DATA COLLECTION AND REPORTING REQUIREMENTS

Sec. 301. Data collection and reporting requirements.

Sec. 302. Enhancement of understanding of the reasons individuals leave State TANF programs.

Sec. 303. Longitudinal studies of TANF applicants and recipients.

Sec. 304. Protection of individual privacy.

TITLE IV—EFFECTIVE DATE

Sec. 401. Effective date.

(c) REFERENCES.—Except as otherwise expressly provided, wherever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the amendment or repeal shall be considered to be made to a section or other provision of the Social Security Act.

TITLE I—ACCESS TO TRANSLATION SERVICES AND LANGUAGE EDUCATION PROGRAMS

SEC. 101. PROVISION OF INTERPRETATION AND TRANSLATION SERVICES.

(a) IN GENERAL.—Section 408(a) (42 U.S.C. 608(a) is amended by adding at the end the following:

''(12) PROVISION OF INTERPRETATION AND TRANSLATION SERVICES.—A State to which a grant is made under section 403(a) for a fiscal year shall, with respect to the State program funded under this part and all programs funded with qualified State expenditures (as

defined in section 409(a)(7)(B)(i)), provide appropriate interpretation and translation services to individuals who lack English proficiency if the number or percentage of persons lacking English proficiency meets the standards established under section 272.4(b) of title 7 of the Code of Federal Regulations (as in effect on the date of enactment of this paragraph).''.

(b) PENALTY.—Section 409(a) (42 U.S.C. 609(a)) is amended by adding at the end the following:

''(15) PENALTY FOR FAILURE TO PROVIDE INTERPRETATION AND TRANSLATION SERVICES.—

''(A) IN GENERAL.—If the Secretary determines that a State to which a grant is made under section 403 in a fiscal year has violated section 408(a)(12) during the fiscal year, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to up to 5 percent of the State family assistance grant.

''(B) PENALTY BASED ON SEVERITY OF FAILURE.—The Secretary shall impose reductions under subparagraph (A) with respect to a fiscal year based on the degree of noncompliance.''.

SEC. 102. ASSISTING FAMILIES WITH LIMITED ENGLISH PROFICIENCY.

(a) IN GENERAL.—Section 407(c)(2) (42 U.S.C. 607(c)(2)) is amended by adding at the end the following:

''(E) INDIVIDUALS WITH LIMITED ENGLISH PROFICIENCY.—In the case of an adult recipient who lacks English language proficiency, as defined by the State, the State shall—

''(i) advise the adult recipient of available programs or activities in the community to address the recipient's education needs;

''(ii) if the adult recipient elects to participate in such a program or activity, allow the recipient to participate in such a program or activity; and

''(iii) consider an adult recipient who participates in such a program or activity on a satisfactory basis as being engaged in work for purposes of determining monthly participation rates under this section, except that the State—

''(I) may elect to require additional hours of participation or activity if necessary to ensure that the recipient is participating in work-related activities for a sufficient number of hours to count as being engaged in work under this section; and

''(II) shall attempt to ensure that any additional hours of participation or activity do not unreasonably interfere with the education activity of the recipient.''.

(b) PENALTY.—Section 409(a) (42 U.S.C. 609(a)), as amended by section 101(b), is amended by adding at the end the following:

''(16) PENALTY FOR FAILURE TO PROVIDE INTERPRETATION AND TRANSLATION SERVICES.—

''(A) IN GENERAL.—If the Secretary determines that a State to which a grant is made under section 403 in a fiscal year has violated section 407(c)(2)(E) during the fiscal year, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to up to 5 percent of the State family assistance grant.

''(B) PENALTY BASED ON SEVERITY OF FAILURE.—The Secretary shall impose reductions under subparagraph (A) with respect to a fiscal year based on the degree of noncompliance.''.

TITLE II—SANCTIONS AND DUE PROCESS PROTECTIONS

SEC. 201. SANCTIONS AND DUE PROCESS PROTECTIONS.

(a) IN GENERAL.—Section 408(a) (42 U.S.C. 608(a)), as amended by section 101(a), is amended by adding at the end the following:

''(13) SANCTION PROCEDURES.—

''(A) PRE-SANCTION REVIEW PROCESS.—Prior to the imposition of a sanction against an individual or family receiving assistance under the State program funded under this part or under a program funded with qualified State expenditures (as defined in section 409(a)(7)(B)(i)) for failure to comply with program requirements, the State shall take the following steps:

''(i) Provide or send notice to the individual or family, and, if the recipient's native language is not English, through a culturally competent translation, of the following information:

''(I) The specific reason for the proposed sanction.

''(II) The amount of the proposed sanction.

''(III) The length of time during which the proposed sanction would be in effect.

''(IV) The steps required to come into compliance or to show good cause for noncompliance.

''(V) That the agency will provide assistance to the individual in determining if good cause for noncompliance exists, or in coming into compliance with program requirements.

''(VI) That the individual may appeal the determination to impose a sanction, and the steps that the individual must take to pursue an appeal.

''(ii)(I) Ensure that, subject to clause (iii)—

''(aa) an individual other than the individual who determined that a sanction be imposed shall review the determination and have the authority to take the actions described in subclause (II); and

''(bb) the individual or family against whom the sanction is to be imposed shall be afforded the opportunity to meet with the individual who, as provided for in item (aa), is reviewing the determination with respect to the sanction.

''(II) An individual to which this subclause applies may—

''(aa) modify the determination to impose a sanction;

''(bb) determine that there was good cause for the individual or family's failure to comply;

''(cc) recommend modifications to the individual's individual responsibility or employment plan; and

''(dd) make such other determinations and take such other actions as may be appropriate under the circumstances.

''(iii) The review required under clause (ii) shall include consideration of the following:

''(I) To the extent applicable, whether barriers to compliance exist, such as a physical or mental impairment, including mental illness, substance abuse, mental retardation, a learning disability, domestic or sexual violence, limited proficiency in English, limited literacy, homelessness, or the need to care for a child with a disability or health condition, that contributed to the noncompliance of the person.

''(II) Whether the individual or family's failure to comply resulted from failure to receive or have access to services previously identified as necessary in an individual responsibility or employment plan.

''(III) Whether changes to the individual responsibility or employment plan should be made in order for the individual to comply with program requirements.

''(IV) Whether the individual or family has good cause for any noncompliance.

''(V) Whether the State's sanction policies have been applied properly.

''(B) SANCTION FOLLOW-UP REQUIREMENTS.—If a State imposes a sanction on a family or individual for failing to comply with program requirements, the State shall—

''(i) provide or send notice to the individual or family, in language calculated to be understood by the individual or family, and, if the individual's or family's native language is not English, through a culturally competent translation, of the reason for the sanction and the steps the individual or family must take to end the sanction;

''(ii) resume the individual's or family's full assistance, services, or benefits provided under this program (provided that the individual or family is otherwise eligible for such assistance, services, or benefits) once the individual who failed to meet program requirements that led to the sanction complies with program requirements for a reasonable period of time, as determined by the State and subject to State discretion to reduce such period;

''(iii) if assistance, services, or benefits have not resumed, as of the period that begins on the date that is 60 days after the date on which the sanction was imposed, and end on the date that is 120 days after such date, provide notice to the individual or family, in language calculated to be understood by the individual or family, of the steps the individual or family must take to end the sanction, and of the availability of assistance to come into compliance or demonstrate good cause for noncompliance with program requirements.''.

(b) PENALTY.—Section 409(a) (42 U.S.C. 609(a)), as amended by section 102(b), is amended by adding at the end the following:

''(17) PENALTY FOR FAILURE TO FOLLOW SANCTION PROCEDURES.—

''(A) IN GENERAL.—If the Secretary determines that a State to which a grant is made under section 403 in a fiscal year has violated section 408(a)(13) during the fiscal year, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to up to 5 percent of the State family assistance grant.

''(B) PENALTY BASED ON SEVERITY OF FAILURE.—The Secretary shall impose reductions under subparagraph (A) with respect to a fiscal year based on the degree of noncompliance.''.

(c) STATE PLAN REQUIREMENT TO DESCRIBE HOW STATES WILL NOTIFY APPLICANTS AND RECIPIENTS OF THEIR RIGHTS UNDER THE PROGRAM AND OF POTENTIAL BENEFITS AND SERVICES AVAILABLE UNDER THE PROGRAM.—Section 402(a)(1)(B)(iii) (42 U.S.C. 602(a)(1)(B)(iii)) is amended by inserting '', and will notify applicants and recipients of assistance under the program of the rights of individuals under all laws applicable to program activities and of all potential benefits and services available under the program'' before the period.

(d) REQUIREMENT TO PROVIDE NOTICE TO APPLICANTS AND RECIPIENTS OF RIGHTS AND OF POTENTIAL PROGRAM BENEFITS AND SERVICES, AND TO TRAIN PROGRAM PERSONNEL TO RESPECT SUCH RIGHTS.—

(1) IN GENERAL.—Section 408(a) (42 U.S.C. 608(a)), as amended by subsection (a), is amended by adding at the end the following:

''(14) REQUIREMENT TO PROVIDE NOTICE TO APPLICANTS AND RECIPIENTS OF RIGHTS AND OF POTENTIAL PROGRAM BENEFITS AND SERVICES, AND TO TRAIN PROGRAM PERSONNEL TO RESPECT SUCH RIGHTS.—A State to which a grant is made under section 403 shall—

''(A) notify each applicant for, and each recipient of, assistance under the State program funded under this part or under a program funded with qualified State expenditures (as defined in section 409(a)(7)(B)(i)) of the rights of applicants and recipients under all laws applicable to the activities of such program (including the right to claim good cause exceptions to program requirements), and shall provide the notice—

''(i) to a recipient when the recipient first receives assistance, benefits, or services under the program;

''(ii) to all such recipients on a semiannual basis; and

''(iii) orally and in writing, in the native language of the recipient and at not higher than a 6th grade level, and, if the recipient's native language is not English, through a culturally competent translation; and

''(B) train all program personnel on a regular basis regarding how to carry out the program consistent with such rights.''.

(2) PENALTY.—Section 409(a) (42 U.S.C. 609(a)), as amended by subsection (b), is amended by adding at the end the following:

''(18) PENALTY FOR FAILURE TO PROVIDE NOTICE TO APPLICANTS AND RECIPIENTS OF RIGHTS AND OF POTENTIAL PROGRAM BENEFITS AND SERVICES, AND TO TRAIN PROGRAM PERSONNEL TO RESPECT SUCH RIGHTS.—

''(A) IN GENERAL.—If the Secretary determines that a State to which a grant is made under section 403 in a fiscal year has violated section 408(a)(14) during the fiscal year, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to up to 5 percent of the State family assistance grant.

''(B) PENALTY BASED ON SEVERITY OF FAILURE.—The Secretary shall impose reductions under subparagraph (A) with respect to a fiscal year based on the degree of noncompliance.''.

TITLE III—DATA COLLECTION AND REPORTING REQUIREMENTS

SEC. 301. DATA COLLECTION AND REPORTING REQUIREMENTS.

Section 411(a)(1) (42 U.S.C. 611(a)(1)) is amended—

(1) in subparagraph (A)—

(A) in the matter preceding clause (i), by striking ''(except for information relating to activities carried out under section 403(a)(5))'' and inserting '', and, in complying with this requirement, shall ensure that such information is reported in a manner that permits analysis of the information by race, ethnicity or national origin, primary language, gender, and educational level, including analysis using a combination of these factors, and that all data, including Federal, State, and local data (whether collected by public or private local agencies or entities that administer or operate the State program funded under this part) is made public and easily accessible'';

(B) by striking clause (v) and inserting the following:

''(v) The employment status, occupation (as defined by the most current Federal Standard Occupational Classification system, as of the date of the collection of the data), and earnings of each employed adult in the family.'';

(C) in clause (vii), by striking ''and educational level'' and inserting '', educational level, and primary language'';

(D) in clause (viii), by striking ''and educational level'' and inserting '', educational level, and primary language''; and

(E) in clause (xi), in the matter preceding subclause (I), by inserting '', including, to the extent such information is available, information on the specific type of job, or education or training program'' before the semicolon;

(2) by redesignating subparagraph (B) as subparagraph (C); and

(3) by inserting after subparagraph (A), the following:

''(B) INFORMATION REGARDING APPLICANTS.—

''(i) IN GENERAL.—Each eligible State shall collect on a monthly basis, and report to the Secretary on a quarterly basis, disaggregated case record information on the number of individuals who apply for but do not receive assistance under the State program funded under this part, the reason such assistance were not provided, and the overall percentage of applications for assistance that are approved compared to those that are disapproved with respect to such month.

''(ii) REQUIREMENT.—In complying with clause (i), each eligible State shall ensure that the information required under that clause is reported in a manner that permits analysis of such information by race, ethnicity or national origin, primary language, gender, and educational level, including analysis using a combination of these factors.''.

SEC. 302. ENHANCEMENT OF UNDERSTANDING OF THE REASONS INDIVIDUALS LEAVE STATE TANF PROGRAMS.

(a) CASE CLOSURE REASONS.—Section 411(a)(1) (42 U.S.C. 611(a)(1)), as amended by section 301, is amended—

(1) by redesignating subparagraph (C) (as redesignated by such section 301) as subparagraph (D); and

(2) by inserting after subparagraph (B) (as added by such section 301) the following:

''(C) DEVELOPMENT OF COMPREHENSIVE LIST OF CASE CLOSURE REASONS.—

''(i) IN GENERAL.—The Secretary shall develop, in consultation with States and individuals or organizations with expertise related to the provision of assistance under the State program funded under this part, a comprehensive list of reasons why individuals leave State programs funded under this part. In developing such list, the Secretary shall consider the full range of reasons for case closures, including the following:

''(I) Lack of access to specific programs or services, such as child care, transportation, or English as a second language classes for individuals with limited English proficiency.

''(II) The medical or health problems of a recipient.

''(III) The family responsibilities of a recipient, such as caring for a family member with a disability.

''(IV) Changes in eligibility status.

''(V) Other administrative reasons.

''(ii) OTHER REQUIREMENTS.—The list required under clause (i) shall be developed with the goal of substantially reducing the number of case closures under the State programs funded under this part for which a reason is not known.

''(iii) PUBLIC COMMENT.—The Secretary shall promulgate for public comment regulations that—

''(I) list the case closure reasons developed under clause (i);

''(II) require States, not later than October 1, 2004, to use such reasons in accordance with subparagraph (A)(xvi); and

''(III) require States to report on efforts to improve State tracking of reasons for case closures, including the identification of additional reasons for case closures not included on the list developed under clause (i).

''(iv) REVIEW AND MODIFICATION.—The Secretary, through consultation and analysis of quarterly State reports submitted under this paragraph, shall review on an annual basis whether the list of case closure reasons developed under clause (i) requires modification and, to the extent the Secretary determines that modification of the list is necessary, shall publish proposed modifications for notice and comment, prior to the modifications taking effect.''.

(b) INCLUSION IN QUARTERLY STATE REPORTS.—Section 411 (a)(1)(A) (42 U.S.C. 611(a)(1)(A)) is amended—

(1) in clause (xvi)—

(A) in subclause (IV), by striking ''or'' at the end;

(B) in subclause (V), by striking the period and inserting ''; or''; and

(C) by adding at the end the following:

''(VI) a reason specified in the list developed under subparagraph (C), including any modifications of such list.'';

(2) by redesignating clause (xvii) as clause (xviii); and

(3) by inserting after clause (xvi), the following:

''(xvii) The efforts the State is undertaking, and the progress with respect to such efforts, to improve the tracking of reasons for case closures.''.

SEC. 303. LONGITUDINAL STUDIES OF TANF APPLICANTS AND RECIPIENTS.

(a) IN GENERAL.—Section 413 (42 U.S.C. 613) is amended by striking subsection (d) and inserting the following:

''(d) LONGITUDINAL STUDIES OF APPLICANTS AND RECIPIENTS TO DETERMINE THE FACTORS THAT CONTRIBUTE TO POSITIVE EMPLOYMENT AND FAMILY OUTCOMES.—

''(1) IN GENERAL.—The Secretary, directly or through grants, contracts, or interagency agreements, shall conduct longitudinal studies in at least 5, and not more than 10, States (or sub-State areas, except that no such area shall be located in a State in which a Statewide study is being conducted under this paragraph) of a representative sample of families that receive, and applicants for, assistance under a State program funded under this part or under a program funded with qualified State expenditures (as defined in section 409(a)(7)(B)(i)).

''(2) REQUIREMENTS.—The studies conducted under this subsection shall—

''(A) follow families that cease to receive assistance, families that receive assistance throughout the study period, and families diverted from assistance programs; and

''(B) collect information on—

''(i) family and adult demographics (including race, ethnicity or national origin, primary language, gender, barriers to employment, educational status of adults, prior work history, prior history of welfare receipt);

''(ii) family income (including earnings, unemployment compensation, and child support);

''(iii) receipt of assistance, benefits, or services under other needs-based assistance programs (including the food stamp program, the medicaid program under title XIX, earned income tax credits, housing assistance, and the type and amount of any child care);

''(iv) the reasons for leaving or returning to needs-based assistance programs;

''(v) work participation status and activities (including the scope and duration of work activities and the types of industries and occupations for which training is provided);

''(vi) sanction status (including reasons for sanction);

''(vii) time limit for receipt of assistance status (including months remaining with respect to such time limit);

''(viii) recipient views regarding program participation; and

''(ix) measures of income change, poverty, extreme poverty, food security and use of food pantries and soup kitchens, homelessness and the use of shelters, and other measures of family well-being and hardship over a 5-year period.

''(3) COMPARABILITY OF RESULTS.—The Secretary shall, to the extent possible, ensure that the studies conducted under this subsection produce comparable results and information.

''(4) REPORTS.—

''(A) INTERIM REPORTS.—Not later than October 1, 2006, the Secretary shall publish interim findings from at least 12 months of longitudinal data collected under the studies conducted under this subsection.

''(B) SUBSEQUENT REPORTS.—Not later than October 1, 2008, the Secretary shall publish findings from at least 36 months of longitudinal data collected under the studies conducted under this subsection.''.

(b) ANNUAL REPORT TO CONGRESS.—

(1) IN GENERAL.—Section 411(b) (42 U.S.C. 611(b)) is amended—

(A) in paragraph (2)—

(i) by inserting ''(including types of sanctions or other grant reductions)'' after ''financial characteristics''; and

(ii) by inserting '', disaggregated by race, ethnicity or national origin, primary language, gender, education level, and, with respect to closed cases, the reason the case was closed'' before the semicolon;

(B) in paragraph (3), by striking ''and'' at the end;

(C) in paragraph (4), by striking the period and inserting ''; and''; and

(D) by adding at the end the following:

''(5) the economic well-being of children and families receiving assistance under the State programs funded under this part and of children and families that have ceased to receive such assistance, using longitudinal matched data gathered from federally supported programs, and including State-by-State data that details the distribution of earnings and stability of employment of such families and (to the extent feasible) describes, with respect to such families, the distribution of income from known sources (including employer-reported wages, assistance under the State program funded under this part, and benefits under the food stamp program), the ratio of such families' income to the poverty line, and the extent to which such families receive or received noncash benefits and child care assistance, disaggregated by race, ethnicity or national origin, primary language, gender, education level, whether the case remains open, and, with respect to closed cases, the reason the case was closed.''.

(2) CONFORMING AMENDMENTS.—Section 411(a) (42 U.S.C. 611(a)) is amended—

(A) by redesignating paragraph (7) as paragraph (8); and

(B) by inserting after paragraph (6), the following:

''(7) REPORT ON ECONOMIC WELL-BEING OF CURRENT AND FORMER RECIPIENTS.—The report required by paragraph (1) for a fiscal quarter shall include for that quarter such information as the Secretary may specify in order for the Secretary to include in the annual reports to Congress required under subsection (b) the information described in paragraph (5) of that subsection.''.

SEC. 304. PROTECTION OF INDIVIDUAL PRIVACY.

Section 411 of the Social Security Act (42 U.S.C. 611) is amended by adding at the end the following:

''(c) PROTECTION OF INDIVIDUAL PRIVACY.—With respect to any information concerning individuals or families receiving assistance, or applying for assistance, under the State programs funded under this part that is publicly disclosed by the Secretary, the Secretary shall ensure that such disclosure is made in a manner that protects the privacy of such individuals and families.''.

TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

The amendments made by this Act take effect on October 1, 2003.

Mr. KENNEDY. Mr. President, it is a privilege to join Senator FEINGOLD and Senator LANDRIEU in introducing the Fair Treatment and Due Process Protection Act of 2003, which will benefit low-income families across the Nation by providing inportant civil rights protections to welfare recipients.

Many families who apply for welfare benefits do not speak English or have limited English proficiency. Yet when they arrive at the welfare office, there is no interpreter or translator to assist them. Too often, eligible families leave the welfare office not enrolled in the program and without access to needed benefits and services. Even those who succeed in enrolling often leave the welfare office without understanding the rules for participation, and are later penalized and lose benefits.

In virtually all of these cases, families want to play by the rules, but barriers such as limited English language skills prevent them from doing so. By helping to eliminate the language barriers, we can help them to play by the rules.

Under the Food Stamp program, States are already required to evaluate applicants' English language skills and provide translation and interpreter services when necessary. Our bill will extend this same requirement to the welfare program to ensure that families who need benefits actually get them and can understand how to comply with the program.

States would also be required to advise adults on the programs available in their community to help them learn English. For individuals who elect to participate in an English language program, states would be able to count these activities toward the federal work requirements.

Clearly, families must be able to play by the rules, but the rules must be fair, especially when children are at risk. Today, however, when States impose penalties, they often penalize the entire family. Even money to support the childern in these families is suspended. Our bill provides important protections against unnecessary penalties.

States would be required to inform families of the specific reasons for imposing a penalty and what the families can do to avoid it. States would also be prohibited from continuing a penalty after the family has come into compliance. It is unfair to penalize families for noncompliance because they did not understand the rules. The children in these families deserve to be cared for.

An additional provision in this bill encourages States to collect data on welfare outcomes, including why families leave welfare and how they fare over the long term. It also encourages States to collect data by race, ethnic background, and primary language, so that disparities in access, use, or well-being become known and can be addressed by changes in policy and programs. The knowledge obtained from these data will help to ensure that welfare policies help more people in better ways.

Protecting families from discrimination because of their native language, safeguarding them from unnecessary and harmful penalties, and understanding how policies affect families are important parts of genuine and fair welfare reform. The Fair Treatment and Due Process Protection Act of 2003 will help many more families to obtain the support they so desperately need, and I urge my colleagues to approve these important protections.

By Mr. BIDEN.

S. 771. A bill to improve the investigation and prosecution of child abuse cases through Children Advocacy Centers; to the Committee on the Judiciary.

Mr. BIDEN. Mr. President, I rise today to introduce a bill that I believe will bring renewed focus to the battle against child abuse and the services we provide child victims of crimes. Today, I am introducing the Victims of Child Abuse Act of 2003, which reauthorizes the Children's Advocacy Centers. These centers bring together law enforcement, prosecutors, child protective services and medical and mental health professionals to provide comprehensive, child-focused services to child victims of crimes. Operating in all 50 States, Children's Advocacy Centers served over 116,000 child victims last year. Of these victims, 26,934 received onsite medical exams, 27,684 received counseling and 69,443 went through a forensic interview process specially designed for children. Seventy-six percent of the children they serviced were under the age of 12.

In 1994, this body passed a piece of legislation that I authored and had been advocating for a number of years, the Violence Against Women Act. When we passed this landmark legislation, what we said as a Congress, and were saying as a Nation as a whole, was that domestic violence is not a family problem to be dealt with quietly behind the scenes, but a national crisis in need of a coordinated response from law enforcement, courts and the medical community. Backed by a nearly $1½ billion commitment of Federal funds, the Violence Against Women Act spurred a sea change on the Federal, State and local levels in how police, prosecutors, judges, medical personnel and others, process and handle cases of domestic abuse. The Violence Against Women Act made it clear that victims of domestic violence were, in fact, victims: Victims in need of the full extent of this nation's medical and legal resources. The bill I am introducing today is designed to bring this same type of concentrated focus, general awareness, and coordinated response to victims of child abuse, the most heinous and incomprehensible form of violence against the most vulnerable and innocent people in our lives.

In 1987 Congressman BUD CRAMER, then District Attorney of Madison, County, AL, founded the Nation's first Children's Advocacy Center. As stated earlier, these centers bring together law enforcement, prosecutors, child protective services and medical and mental health professionals to provide comprehensive, coordinated services to child victims of crimes. Congress responded several years later. As Chairman of the Judiciary Committee, I

sponsored, along with Senator THURMOND, the Crime Control Act of 1990, P.L. 101–647, which created the Court Appointed Special Advocates, (CASA), program, to provide for the appointment of advocates on behalf of abused and neglected children. Two years later, Congress created the Children's Advocacy Centers as part of the 1992 reauthorization of the Juvenile Justice and Delinquency Prevention Act of 1974, P.L. 102–586. The 1992 legislation amended the Victims of Child Abuse Act to include Child Advocacy Centers with a fiscal year 1993 total authorization level of $20 million and such sums as necessary for fiscal years 1994 through 1996. In particular, Senator NICKLES and Representative CRAMER were instrumental in championing the Children's Advocacy Centers. The Child Abuse Prevention and Treatment Act of 1996, P.L. 104–235, reauthorized the Children's Advocacy Centers through fiscal year 2000 but made no substantive changes to the program, nor did it provide specific authorization levels.

The Children's Advocacy Centers were a logical complement to the CASA program I authored in 1990, by bringing together law enforcement, prosecutors, child protective services and medical and mental health professionals to provide comprehensive, child-focused services to child victims of crimes. The centers provide immediate attention to the young victims of sexual and physical abuse, so that they are not ''twice abused,'' first by the perpetrator and second by a system which used to shuttle them from a medical clinic to a counseling center to the police station to the D.A.'s office.

Communities with Children's Advocacy Centers report increased successful prosecution of perpetrators, more consistent follow-up to child abuse reports, increased medical and mental health referrals for victims, and more compassionate support for child victims and their families. Widely cited as an efficient, cost-effective mechanism of handling child abuse cases, these centers are widely supported by police, prosecutors and the courts. In a May 1998 publication titled, New Directions from the Field, the Department of Justice included Children's Advocacy Centers as their number one recommendation for improving services to children who directly experience or witness violence in their homes, neighborhoods and schools—number one.

Today in my state of Delaware, there are two operational Children's Advocacy Centers. One is located in Wilmington and one is located in Milford. A third center is scheduled to open in Dover. These centers provide a safe, comfortable setting in which cross-trained professionals interview alleged victims and begin initial investigation and evidence collection. Like other centers they offer on-site physical exams by specially trained pediatricians, prosecutors on hand to make immediate contact with victims and families, referrals to mental health services and most importantly, one-time minimally intrusive taped interviews of child victims. This last service, one-time minimally intrusive taped interviews, is particularly important. Let me read to you from a letter I received from John Humphrey, a retired police officer who now acts as executive director of the Delaware Children's Advocacy Centers, to demonstrate why:

I am a retired New Castle County Police Lieutenant that for 12 of my 21 years investigated child abuse and child death cases. One of the most important pieces of the entire case is the interview of the child victim. . . . Often times I saw children subjected to at least 3–4 interviews by 3 or 4 different interviewers, all with varying levels of interviewing expertise. The end result is three or four versions of events . . . answers vary because of the manner in which questions are asked and the skills of the interviewer. . . . Defense attorneys use that alone to poke holes in a child's story. . . . Children's Advocacy Centers bring all of the involved parties to the table at the same time to work as a team. . . . We use forensic interviewers specially trained in interviewing children. . . . This results in video taped interviews of such quality that most defense attorneys are asking for pleas to escape trial. We are getting good pleas with good sentences. Most importantly, this process minimizes the trauma a child victim and witness must endure by doing one interview of such quality that the child may be spared from walking into a courtroom full of strangers to tell what happened. I would have given anything as a police detective to have a children's advocacy center. It expedites the process, minimizes the problems associated with duplicative and unnecessary interviews, opens the lines of combination between agencies, and provides the best professional assessment of a case.

Last year Children's Advocacy Centers in Delaware handled 1,000 cases where child victims as young as 3 alleged physical or sexual abuse. Mr. Humphrey estimates that the centers eliminated 2,500 unnecessary interviews by using the multidisciplinary approach.

The child abuse and crime statistics in this country are outrageous. Nationally, 3.9 million of the nation's 22.3 million children between the ages of 12 and 17 have been seriously physically assaulted and one in three girls and one in five boys are sexually abused before the age of 18. We have to do more to protect our children, by reauthorizing Children's Advocacy Centers we can.

I want to believe that we are doing everything we can to prevent crimes against children and, if God forbid they do occur, that we are doing everything we can to treat the victims. This piece of legislation would do just that.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD as follows:

S. 771

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Victims of Child Abuse Act of 2003''.

SEC. 2. AMENDMENTS TO THE VICTIMS OF CHILD ABUSE ACT OF 1990.

The Victims of Child Abuse Act of 1990 (42 U.S.C. 13001 et seq.) is amended—

(1) in section 211 (42 U.S.C. 13001) by—

(A) redesignating paragraphs (6) and (7) as paragraphs (9) and (10), respectively; and

(B) inserting after paragraph (5) the following:

''(6)(A) the National Children's Alliance (NCA) is a nationwide not-for-profit membership organization whose members are local Children's Advocacy Centers;

''(B) the NCA's mission is to assist communities seeking to improve their response to child abuse by supporting the development, growth, and continuation of Children's Advocacy Centers (CACs); and

''(C) the NCA provides training, technical assistance, and networking opportunities to CACs nationally;

''(7)(A) CACs are community partnerships committed to a multidisciplinary team approach by professionals pursuing the truth in child abuse investigations; and

''(B) CACs are based in child-friendly facilities that enable law enforcement, prosecutors, child protective services, and the medical and mental health communities to work as a team to investigate, prosecute, and treat child abuse;

''(8)(A) working in partnership with the National Children's Alliance, Regional Children's Advocacy Centers were established by the Office of Juvenile Justice and Delinquency Prevention to provide outreach and assistance to communities seeking to develop a Children's Advocacy Center; and

''(B) Regional Children's Advocacy Centers provide information, consultation, training, and technical assistance helping to establish child-focused programs that facilitate and support coordination among agencies responding to child abuse. Regional Children's Advocacy Centers also provide regional services to help Children's Advocacy Centers already in existence;'';

(2) in section 212 (42 U.S.C. 13001a)—

(A) by striking paragraphs (3) and (6);

(B) redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively; and

(C) redesignating paragraphs (7), (8), and (9) as paragraphs (5), (6), and (7), respectively;

(3) in section 213 (42 U.S.C. 13001b)—

(A) by striking the caption for the section and inserting ''CHILDREN'S ADVOCACY CENTERS''; and

(B) in subsection (a), by striking beginning with ''the Administrator'' through paragraph (1) and inserting the following: ''The Administrator of the Office of Juvenile Justice and Delinquency Prevention shall establish Regional Children's Advocacy Centers to—

''(1) focus attention on child victims by assisting communities to develop and maintain local Children's Advocacy Centers which are child-focused community-oriented facility based programs designed to improve the resources available to children and families affected by child abuse and neglect;'';

(C) in subsection (b)(1), by striking '', in coordination with the Director,'';

(D) in subsection (c)—

(i) in paragraph (1), by striking the text and inserting ''The Administrator, in consultation with the National Children's Alliance, shall solicit proposals for assistance under this section when existing contracts with Regional Children's Advocacy Centers are close to expiration.''; and

(ii) in paragraph (4)(B), by striking the matter before clause (i) and inserting the following: ''The Administrator shall select proposals for funding that—'';

(E) in subsection (d)—

(i) in paragraph (1), by striking '', in coordination with the Director,''; and

(ii) in paragraph (2), by striking ''and the Director''; and

(F) by striking subsection (e);

(4) in section 214 (42 U.S.C. 13002)—

(A) by amending subsection (a) to read as follows:

''(a) IN GENERAL.—The Administrator, in consultation with the officials from the Office of Victims of Crime, shall make grants to develop and implement local multidisciplinary child abuse investigations and prosecution programs. The National Children's Alliance shall serve as the subgrantor of these funds.''; and

(B) in subsection (b)(1), by striking '', in coordination with the Director,''; and

(5) in section 214B (42 U.S.C. 13004), by amending the text to read as follows:

''(a) SECTIONS 213 AND 214.—There are authorized to be appropriated to carry out sections 213 and 214, $15,000,000 for each of fiscal years 2004 through 2008.

''(b) SECTION 214A.—There are authorized to be appropriated to carry out section 214A, $5,000,000 for each of fiscal years 2004 through 2008.''.

By Mr. LEAHY (for himself, Mr. HATCH, Mr. KENNEDY, Mr. DEWINE, Mr. BIDEN, Mr. SHELBY, and Mrs. LINCOLN):

S. 773. A bill to reauthorize funding for the National Center for Missing and Exploited Children, and for other purposes; to the Committee on the Judiciary.

Mr. LEAHY. Mr. President, I rise today to introduce the ''Protecting Our Children Comes First Act of 2003,'' which will double funding for the National Center for Missing and Exploited Children, NCMEC, reauthorize the Center through fiscal year 2007, and increase Federal support to help NCMEC programs to find missing children across the Nation.

I am pleased that Senators HATCH, KENNEDY, DEWINE, BIDEN, SHELBY and LINCOLN join me as the original cosponsors of this bipartisan legislation. Today, Senators DEWINE, LINCOLN and SHELBY launched the new Senate Caucus on Missing, Exploited and Runaway Children. I am honored to join the Caucus co-chairs as a founding member of the Caucus, and thank them for their leadership in this area.

It pains us all to see on TV, in the newspapers or milk cartons photo after photo of missing children from every corner of the Nation. As a father and grandfather, I know that an abducted child is the worst nightmare. Unfortunately, it is a nightmare that happens all too often. Indeed, the Justice Department estimates that 2,200 children are reported missing each day. There are approximately 114,600 attempted stranger abductions every year, with 3,000 to 5,000 of those attempts succeeding. Experts estimate that children and youth comprise between 85 and 90 percent of missing person reports. These families deserve the assistance of the American people and helping hand of the Congress.

As the Nation's top resource center for child protection, the National Center for Missing and Exploited Children spearheads national efforts to locate and recover missing children and raises public awareness about ways to prevent child abduction, molestation, and sexual exploitation.

NCMEC works to make our children safer by being a national voice and advocate for those too young to vote or speak up for their own rights. The Center operates under a Congressional mandate and works in cooperation with the U.S. Department of Justice's (DOJ) Office of Juvenile Justice and Delinquency Prevention to coordinate the efforts of law enforcement officers, social service agencies, elected officials, judges, prosecutors, educators, and the public and private sectors to break the cycle of violence that historically has perpetuated these needless crimes against children.

The Center's professionals have disturbingly busy jobs—they have worked on more than 90,000 cases of missing and exploited children since its 1984 founding, helping to recover more than 70,000 children, and raised its recovery rate from 60 percent in the 1980s to 94 percent today. The Center has set up a nationwide, toll free, 24-hour telephone hotline to take reports about missing children and clues that might lead to their recovery, a National Child Pornography Tipline to handle calls from individuals reporting the sexual exploitation of children through the production and distribution of pornography, and a CyberTipline to process online leads from individuals reporting the sexual exploitation of children. It has taken the lead in circulating millions of photographs of missing children, and serves as a vital resource for the 17,000 law enforcement agencies located throughout the U.S. in the search for missing children and the quest for child protection.

NCMEC is headquartered in Alexandria, Virginia and operates branch offices in five other locations throughout the country to provide hands-on assistance to families of missing children, advocating legislative changes to better protect children, conducting an array of prevention and awareness programs, and motivating individuals to become personally involved in child-protection issues. It has also grown into an international organization, establishing the International Division of the National Center for Missing and Exploited Children, which has been working to fulfill the Hague Convention on the Civil Aspects of International child Abduction. The International Division provides assistance to parents, law enforcement, attorneys, nonprofit organizations, and other concerned individuals who are seeking assistance in preventing or resolving international child abductions.

NCMEC manages to do all of this good work with a $10 million annual DOJ grant, which expires after fiscal year 2003. We must act now both to extend its authorization and increase the Center's funding to $20 million each year through fiscal year 2007 so that it can continue to help keep children safe and families intact around the Nation. There is so much more to be done to ensure the safety of our children, and the bipartisan legislation we introduce today will help the Center in its efforts to prevent crimes that are committed against them.

The Protecting Our children Comes First Act also increases Federal support for NCMEC programs to find missing children by allowing the U.S. Secret Service to provide forensic and investigating assistance to the NCMEC, as well as any State or local law enforcement agency, in any investigation involving missing or exploited children.

The bill also amends of the Missing Children's assistance Act to coordinate the operation of the Center's CyberTipline to provide all online users an effective means of reporting Internet-related child sexual exploitation, including the distribution of child pornography, online enticement of children for sexual acts, and child prostitution. Since its creation in 1998, the CyberTipline has fielded almost 100,000 reports, which has allowed Internet users to quickly and easily report suspicious activities linked to the Internet.

We have before us the type of bipartisan legislation that should be moved easily through the Senate and House. Efforts to protect our children do not deserve to be used as pawns by groups who play politics by attaching it to more controversial measures. I applaud the ongoing work of the Center and hope both the Senate and the House will promptly pass this bill to provide more Federal supply for the NCMEC to continue to find missing children and protect exploited children across the country.

I ask unanimous consent that the text of the bill printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 773

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Protecting Our Children Comes First Act of 2003''.

SEC. 2. FORENSIC AND INVESTIGATIVE SUPPORT OF MISSING AND EXPLOITED CHILDREN.

Section 3056 of title 18, United States Code, is amended by adding at the end the following:

''(f) Under the direction of the Secretary of Homeland Security, officers and agents of the Secret Service are authorized, at the request of any State or local law enforcement agency or the National Center for Missing and Exploited Children, to provide forensic and investigative assistance in support of any investigation involving missing or exploited children.''.

SEC. 3. CREATION OF CYBER TIPLINE.

Section 404(b)(1) of the Missing Children's Assistance Act (42 U.S.C. 5773(b)(1)) is amended—

(1) in subparagraph (F), by striking ''and'' at the end;

(2) in subparagraph (G), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(H) coordinate the operation of a cyber tipline to provide online users an effective means of reporting Internet-related child sexual exploitation in the areas of—

''(i) distribution of child pornography;

''(ii) online enticement of children for sexual acts; and

''(iii) child prostitution.''.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Section 408(a) of the Missing Children's Assistance Act (42 U.S.C. 5777(a)) is amended by striking ''fiscal years 2000 through 2003'' and inserting ''fiscal years 2004 through 2007.''.

(b) ANNUAL GRANT TO NATIONAL CENTER FOR MISSING AND EXPLOITED CHILDREN.—Section 404(b)(2) of the Missing Children's Assistance Act (42 U.S.C. 5773(b)(2)) is amended by striking ''$10,000,000 for each of fiscal years 2000, 2001, 2002, and 2003'' and inserting ''$20,000,000 for each of the fiscal years 2004 through 2007''.

Mr. HATCH. Mr. President, the National Center for Missing and Exploited Children is a critical component of our Nation's battle against child pornography and child exploitation. It is absolutely dedicated to eradicating these evils, and its members work tirelessly towards this end. The Center deserves more than just kind words for these heroic efforts; Federal funding is necessary for it to continue this good work. Indeed, Congress has tasked the Center with many missions, including maintaining the cyber-tipline that receives reports of on-line child pornography, which the Center forwards to appropriate law enforcement officials. In this, as well as many other areas, the Center forms a valuable partnership with both Federal and State law enforcement officials and prosecutors in redressing a host of crimes against children.

The Center's cause is just and its history of performance is excellent. I am pleased to be the lead cosponsor of legislation that will continue to authorize funding for the National Center for Missing and Exploited Children for the next four years. Senator LEAHY and I introduced this legislation in the 107th Congress, and our bipartisan effort continues in this new Congress. Our bill again authorizes funding at $20 million per year—twice the previous authorization—in recognition of the severity of the problem and the increased duties the Center has taken on.

As the Chairman of the Judiciary Committee, I am confident that this bill will become law very soon. I hope all of my colleagues will join Senator LEAHY and me in supporting this bill.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 103—TO AUTHORIZE REPRESENTATION BY THE SENATE LEGAL COUNSEL IN THE CASE OF JOHN JENKEL V. DANIEL K. AKAKA, ET AL.

Mr. FRIST (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 103

Whereas, in the case of John Jenkel v. Daniel K. Akaka, et al., No. C 03–0381 (JCS), pending in the United States District Court for the Northern District of California, the plaintiff has named as defendants ninety-four Members of the Senate;

Whereas, pursuant to sections 703(a) and 704(a)(1) of the ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(1), the Senate may direct its counsel to defend Members of the Senate in civil actions relating to their official responsibilities: Now therefore, be it

Resolved, That the Senate Legal Counsel is authorized to represent the Members of the Senate who are defendants in the case of John Jenkel v. Daniel K. Akaka, et al.

SENATE CONCURRENT RESOLUTION 32—EXPRESSING THE SENSE OF CONGRESS REGARDING THE PROTECTION OF RELIGIOUS SITES AND THE FREEDOM OF ACCESS AND WORSHIP

Mr. GRAHAM of South Carolina (for himself, Mr. SANTORUM, Mr. BUNNING, Mr. NICKLES, Mr. CRAIG, and Mr. CRAPO) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 32

Whereas throughout time various groups have felt special attachment to places that they considered sacred and holy, and the sacred texts of the great historical religions include accounts of specific places where individuals or groups experienced significant encounters with God;

Whereas holy places create a memory of these encounters with the divine and are a part of the character of every religious tradition;

Whereas holy places are as much a common feature of the religious traditions of humanity as are sacred time, ceremonies, and prayer;

Whereas one of the results of the identification of locations as sacred is that these places can become the focus for the tensions between the members of different religious communities;

Whereas a place that is considered holy by one group can come to be claimed by adherents of another tradition, and as a result holy places can become the source of conflict as much as of spiritual expression;

Whereas when religious communities tragically fall into estrangement or antagonism, the holy places of each community often become the target of violence or vengeance instead of veneration and reverence, and people act out their contempt and anger through occupation, desecration, and destruction;

Whereas the location of many holy sites of the three main monotheistic religions are located in the State of Israel and in the Palestinian territory;

Whereas this region is especially important to the followers of Judaism, Islam, and Christianity, and many visitors from around the world travel to these sites for personal and religious inspiration;

Whereas under British control the Palestine Mandate of 1922 contained a number of provisions ensuring freedom of religion and conscience and protection of holy places, as well as prohibiting discrimination on religious grounds;

Whereas the Palestine Order in Council of that same year provided that ''all persons . . . shall enjoy full liberty of conscience and free exercise of their forms of worship, subject only to the maintenance of public order and morals'' and ''no ordinance shall be promulgated which shall restrict complete freedom of conscience and the free exercise of all forms of worship.'';

Whereas these provisions of the Mandate and the Palestine Orders in Councils have been recognized in the Israeli legal system and are instructive of Israeli policy in safeguarding freedom of conscience and religion;

Whereas the Israeli Declaration of Independence of 1948 is another legal source that guarantees freedom of religion and conscience, and equality of social and political rights irrespective of religion;

Whereas this document states ''the State of Israel . . . will be based on freedom, justice, and peace as envisaged by the Prophets of Israel; it will ensure complete equality of social and political rights to all its inhabitants irrespective of religion, race, or sex; it will guarantee freedom of religion, conscience, language, education, and culture.'';

Whereas this document expresses Israel's vision and its credo, and adherence to these principles is guaranteed by law;

Whereas each religious community within Israel is free to exercise its faith, observe its own holy days and weekly day of rest, and administer its own internal affairs;

Whereas the Israeli Protection of Holy Places Law of 1967 states that freedom of access and worship is ensured at all places of worship and religious significance;

Whereas this law states ''the Holy Places shall be protected from desecration and any other violation and from anything likely to violate the freedom of access of members of the various religions to the places sacred to them, or their feelings with regard to those places.'';

Whereas Israel has worked to abolish discriminatory laws and adopt standards of safeguarding access to holy sites;

Whereas in the past fifty-five years Israel has striven to assure the safety of all religions;

Whereas the holy sites in Israel and Palestinian regions should be protected from desecration and any other violation;

Whereas two years ago, in Nablus, the Tomb of Joseph was ransacked and set on fire on live television, and in retaliation a group twice attempted to burn a mosque in the center of Tiberias;

Whereas these actions were followed by attempts to destroy an ancient Jewish synagogue in Jericho;

Whereas last spring, during the Easter season, heavy unrest in the West Bank resulted in a stalemate between Israeli soldiers and over 100 Palestinian fighters in the Church of the Nativity in Bethlehem; and

Whereas this deadlock lasted over a month and prevented anyone from visiting this church of great historical and religious importance: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) holy sites around the world, particularly in the Israeli and Palestinian region, should be protected from desecration and any other violation;

(2) the freedom of access of members of the various religions to the holy sites sacred to them should not be hindered;

(3) to assure the safety of American citizens, the holy sites currently under the sovereignty of the State of Israel should remain under Israeli protection, and that all holy sites in the region remain open to visitors of all faiths;

(4) the Department of State should continue to warn and protect Americans overseas at holy sites and regions of historical and religious significance; and

(5) we should condemn all violence directed against holy sites.

SEC. 2. DEFINITION OF HOLY SITE.

As used in this resolution, ''holy site'' means a historic location specifically set apart for religious purposes.

AMENDMENTS SUBMITTED & PROPOSED

SA 435. Mr. STEVENS proposed an amendment to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes.

SA 436. Mr. STEVENS (for himself, Mr. INOUYE, Mr. DURBIN, Mr. WARNER, Mr. CHAMBLISS, Ms. MIKULSKI, Mrs. DOLE, Mr. DASCHLE, Mr. CORZINE, Mr. LEVIN, Mrs. BOXER, and Mrs. CLINTON) proposed an amendment to the bill S. 762, supra.

SA 437. Mr. DURBIN (for himself and Mr. LEVIN) proposed an amendment to amendment SA 436 proposed by Mr. STEVENS (for himself, Mr. INOUYE, Mr. DURBIN, Mr. WARNER, Mr. CHAMBLISS, Ms. MIKULSKI, Mrs. DOLE, Mr. DASCHLE, Mr. CORZINE, Mr. LEVIN, Mrs. BOXER, and Mrs. CLINTON) to the bill S. 762, supra.

SA 438. Mrs. CLINTON (for herself and Mr. LEAHY) submitted an amendment intended to be proposed by her to the bill S. 762, supra; which was ordered to lie on the table.

SA 439. Mrs. FEINSTEIN (for herself, Ms. MIKULSKI, Mr. DODD, and Mr. DAYTON) submitted an amendment intended to be proposed by her to the bill S. 762, supra; which was ordered to lie on the table.

SA 440. Mr. REID (for himself, Mrs. CLINTON, Mr. SCHUMER, Mr. LIEBERMAN, and Ms. STABENOW) proposed an amendment to the bill S. 762, supra.

SA 441. Mr. LEAHY (for himself, Mr. CRAIG, Mr. KERRY, Mr. SCHUMER, Ms. MIKULSKI, Mr. BINGAMAN, Mrs. LINCOLN, Mr. HARKIN, Mr. PRYOR, Mr. SARBANES, Mrs. MURRAY, Mr. WARNER, Mr. GRASSLEY, Mr. FEINGOLD, Mr. JEFFORDS, Mr. CRAPO, Ms. CANTWELL, Mr. KENNEDY, Mr. KOHL, Mrs. FEINSTEIN, Mr. WYDEN, Mr. ALLEN, Mr. BAUCUS, Mr. CORZINE, Mr. LAUTENBERG, Mr. JOHNSON, Mr. REID, Mrs. CLINTON, Mr. CAMPBELL, Mr. LIEBERMAN, Mr. DAYTON, Mr. COLEMAN, Ms. SNOWE, Mr. CHAFEE, Mr. REED, Mr. ALLARD, Mr. BURNS, Mr. DORGAN, Mr. LUGAR, Mr. DURBIN, Mr. NELSON of Nebraska, Mr. ROBERTS, Ms. LANDRIEU, Mr. LEVIN, and Ms. COLLINS) submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 442. Mr. EDWARDS submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 443. Mr. ENSIGN submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 444. Mr. BUNNING submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 445. Mr. HOLLINGS (for himself, Ms. STABENOW, Mrs. BOXER, Mr. SCHUMER, Mr. GRAHAM of Florida, Mr. KERRY, and Mr. BREAUX) proposed an amendment to the bill S. 762, supra.

SA 446. Mr. EDWARDS submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 447. Mr. REID submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 448. Mr. KERRY (for himself, Ms. SNOWE, and Mr. BENNETT) submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 449. Mrs. FEINSTEIN (for herself, Mr. BINGAMAN, and Mr. SCHUMER) submitted an amendment intended to be proposed by her to the bill S. 762, supra; which was ordered to lie on the table.

SA 450. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 451. Mr. ALLARD (for himself, Mr. WARNER, Mr. PRYOR, Mr. MCCAIN, Mr. GRAHAM of Florida, Mr. GRAHAM of South Carolina, Mrs. DOLE, Mr. CHAMBLISS, Mr. NELSON of Florida, Mr. CORZINE, Mr. CORNYN, Mrs. CLINTON, Ms. COLLINS, Mr. LIEBERMAN, and Mr. DODD) proposed an amendment to the bill S. 762, supra.

SA 452. Ms. LANDRIEU proposed an amendment to the bill S. 762, supra.

SA 453. Mr. ALLEN (for himself, Mr. HARKIN, and Mr. HOLLINGS) submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 454. Mr. WYDEN submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 455. Mr. KOHL (for himself, Mr. LEAHY, Mr. BYRD, Mr. BIDEN, Mrs. MURRAY, Mr. HARKIN, and Mr. NELSON of Florida) submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 456. Mr. MCCAIN proposed an amendment to the bill S. 762, supra.

SA 457. Mr. EDWARDS submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 458. Mr. WYDEN (for himself and Mr. SMITH) submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 459. Mr. GRAHAM of Florida (for himself, Mr. KERRY, Ms. MIKULSKI, Mrs. MURRAY, Mr. DORGAN, Mr. DAYTON, Mr. DASCHLE, Mr. JOHNSON, Ms. LANDRIEU, Mr. LAUTENBERG, and Mrs. CLINTON) submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 460. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 461. Mr. COCHRAN submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 462. Mr. CORZINE (for himself and Mr. EDWARDS) proposed an amendment to the bill S. 762, supra.

SA 463. Mr. WYDEN submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 464. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 465. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 466. Mr. SMITH (for himself and Mr. HATCH) submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 467. Mr. KYL (for himself and Mr. CAMPBELL) submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 468. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 762, supra; which was ordered to lie on the table.

SA 469. Mr. FRIST (for Ms. COLLINS (for himself, Mr. CARPER, and Mr. LIEBERMAN)) proposed an amendment to the bill S. 380, to amend chapter 83 of title 5, United States Code, to reform the funding of benefits under the Civil Service Retirement System for employees of the United States Postal Service, and for other purposes.

SA 470. Mr. BAYH submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 435. Mr. STEVENS proposed an amendment to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; as follows:

Section 3101 of title 31, United States Code, is amended by adding at the end the following new subsection:

''(d) The National Debt Ceiling of the United States shall be increased by the total amount of funds appropriated by Act of Congress for the Department of Defense, Department of Homeland Security or any other Agency of government to prosecute the war against terrorism, the war in Afghanistan, the war in Iraq, since September 11, 2001.

SA 436. Mr. STEVENS (for himself, Mr. INOUYE, Mr. DURBIN, Mr. WARNER, Mr. CHAMBLISS, Ms. MIKULSKI, Mrs. DOLE, Mr. DASCHLE, Mr. CORZINE, Mr. LEVIN, Mrs. BOXER, and Mrs. CLINTON) proposed an amendment to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; as follows:

At the end of chapter 3 of title I add the following:

(a) INCREASE IN IMMINENT DANGER SPECIAL PAY.—Section 310(a) of title 37, United States Code, is amended by striking ''$150'' and inserting ''$225''.

(b) INCREASE IN FAMILY SEPARATION ALLOWANCE.—Section 427(a)(1) of title 37, United States Code, is amended by striking ''$100'' and inserting ''$250''.

(c) EXPIRATION.—(1) The amendment made by subsections (a) and (b) shall expire on September 30, 2003.

(2) Effective on September 30, 2003, sections 310(a) of title 37, United States Code, and 427(a)(1) of title 37, United States Code, as in effect on the day before the date of the enactment of this Act are hereby revived.

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on Oct. 1, 2002 and shall apply with respect to months beginning on or after that date.

SA 437. Mr. DURBIN (for himself and Mr. LEVIN) proposed an amendment to amendment SA 436 proposed by Mr. STEVENS (for himself, Mr. INOUYE, Mr. DURBIN, Mr. WARNER, Mr. CHAMBLISS, Ms. MIKULSKI, Mrs. DOLE, Mr. DASCHLE, Mr. CORZINE, Mr. LEVIN, Mrs. BOXER, and Mrs. CLINTON) to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; as follows:

In the amendment strike all after the first word and insert the following:

(a) INCREASE IN IMMINENT DANGER SPECIAL PAY.—Section 310(a) of title 37, United States Code, is amended by striking ''$150'' and inserting ''$250''.

(b) INCREASE IN FAMILY SEPARATION ALLOWANCE.—Section 427(a)(1) of title 37, United States Code, is amended by striking ''$100'' and inserting ''$250''.

(c) EXPIRATION.—(1) The amendment made by subsections (a) and (b) shall expire on September 30, 2003.

(2) Effective on September 30, 2003, sections 310(a) of title 37, United States Code, and 427(a)(1) of title 37, United States Code, as in effect on the day before the date of the enactment of this Act are hereby revived.

SA 438. Mrs. CLINTON (for herself and Mr. LEAHY) submitted an amendment intended to be proposed by her to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

On page ____, between lines ____ and ____, insert the following:

SEC. ___. REPORTING REQUIREMENT.

(a) IN GENERAL.—Any Federal agency, including the Department of Defense and the Agency for International Development, which contracts with a private company for a reconstruction project in Iraq shall submit a report to Congress not later than 30 days after the execution each such contract if—

(1) the amount of the contract is greater than $10,000,000; and

(2) the procurement process underlying the contract was not subject to standard competitive bidding procedures.

(b) CONTENTS.—The report required under subsection (a) shall include—

(1) the terms of the contract;

(2) the reasons the agency did not use standard competitive bidding procedures; and

(3) a description of how the agency identified and solicited companies to perform the functions required by the contract.

SA 439. Mrs. FEINSTEIN (for herself, Ms. MIKULSKI, Mr. DODD, and Mr. DAYTON) submitted an amendment intended to be proposed by her to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

On page 38, after line 10, insert the following:

ADDITIONAL AMOUNTS

SEC. ____. For an additional amount, not otherwise provided for, to carry out activities under the National Flood Insurance Act of 1968 and the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001 et seq.), the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7701 et seq.), the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2201 et seq.), the Defense Production Act of 1950 (50 U.S.C. App. 2061 et seq.), sections 107 and 303 of the National Security Act of 1947 (50 U.S.C. 404–405), and Reorganization Plan No. 3 of 197, $200,000,000, to remain available until expended. *Provided*, That this amount shall be for grants to improve public safety communications and interoperability.

SEC. ____. For an additional amount, not otherwise provided for, to carry out activities authorized by the Violent Crime Control and Law Enforcement Act of 1994, Public Law 103–322 (including administrative costs), $200,000,000, to remain available until expended. *Provided*, That this amount shall be for the COPS Interoperable Communications Technology Program to provide grants to improve public safety communications and interoperability.

SA 440. Mr. REID (for himself, Mrs. CLINTON, Mr. SCHUMER, Mr. LIEBERMAN, and Ms. STABENOW) proposed an amendment to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; as follows:

On page 18, line 8, strike all that follows through page 20, line 10 and insert the following:

CHAPTER

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

Operations and Maintenance, General

For an additional amount for homeland security expenses, for ''Operations and Maintenance, General'', $29,000,000, to remain available until expended.

DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

WATER AND RELATED RESOURCES

For an additional amount for homeland security expenses, for ''Water and Related Resources'', $25,000,000, to remain available until expended.

DEPARTMENT OF ENERGY

ENERGY PROGRAMS

SCIENCE

For an additional amount for ''Science'' for emergency expenses necessary to support safeguard and security activities, $10,000,000, to remain available until expended.

ATOMIC ENERGY DEFENSE ACTIVITIES

NATIONAL NUCLEAR SECURITY ADMINISTRATION

WEAPONS ACTIVITIES

For an additional amount for ''Weapons Activities'' for emergency expenses necessary to safeguard nuclear weapons and nuclear material $70,000,000 to remain available until expended: *Provided*, That $30,000,000 of the funds provided shall be available for secure transportation asset activities: *Provided further*, That $40,000,000 of the funds provided shall be available to meet increased safeguards and security needs throughout the nuclear weapons complex, including at least $15,000,000 for cyber security.

NUCLEAR NONPROLIFERATION

For an additional amount for ''Nuclear Nonproliferation'' for emergency expenses necessary to safeguard fissile nuclear material, $300,000,000, to remain available until expended: *Provided*, That $135,000,000 of the funds provided shall be available for the development of nuclear detectors at mega seaports, in coordination with the Department of Homeland Security Bureau of Customs and Border Protection: *Provided further*, That $40,000,000 of the funds provided shall be available for detection and deterrence of radiological dispersal devices: *Provided further*, That $20,000,000 of the funds provided shall be available for nonproliferation assistance to nations other than the Former Soviet Union: *Provided further*, That $20,000,000 of the funds provided shall be available for nonproliferation forensics and attribution: *Provided further*, That $15,000,000 of the funds provided shall be available for nuclear nonproliferation verification program, including $2,500,000 for the Caucasus Seismic Network: *Provided further*, That $12,000,000 of the funds provided shall be available for nonproliferation assistance to Russian strategic rocket forces: *Provided further*, That $10,000,000 of the funds provided shall be available for the packaging and disposition of any nuclear material found in Iraq: *Provided further*, That $10,000,000 of the funds provided shall be available for nuclear material detection materials and devices: *Provided further*, That $10,000,000 of the funds provided shall be available for lower yield nuclear detection: *Provided further*, That $10,000,000 of the funds provided shall be available for nuclear material characterization: *Provided further*, That $5,000,000 of the funds provided shall be available for a radionuclide deployable analysis system: *Provided further*, That $5,000,000 of the funds provided shall be available for U.S. export control nuclear security: *Provided further*, That $5,000,000 of the funds provided shall be available for international export control cooperation activities: *Provided further*, That $2,000,000 of the funds provided shall be available for support of proliferation analyses in post-war Iraq: *Provided further*, That $1,000,000 of the funds provided shall be available for vulnerability assessments of spent nuclear fuel casks.

ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES

DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT

For an additional amount for ''Defense Environmental Restoration and Waste Management'', or emergency expenses necessary to support safeguards and security activities at nuclear and other facilities, $15,000,000, to remain available until expended.

DEFENSE FACILITY CLOSURE PROJECTS

For an additional amount for ''Defense Facility Closure Projects'' for emergency expenses necessary to support safeguard and security activities at nuclear and other facilities, $5,000,000, to remain available until expended.

OTHER DEFENSE ACTIVITIES

For an additional amount for ''Other Defense Activities'', $18,000,000, to remain available until expended, for increased safeguard and security of Department of Energy facilities and personnel, including intelligence and counterintelligence activities: *Provided*, That this amount shall be available for transfer to other accounts within the Department of Energy for other expenses necessary to support elevated security conditions 15 days after notification to the Congress of the proposed transfers.

SA 441. Mr. LEAHY (for himself, Mr. CRAIG, Mr. KERRY, Mr. SCHUMER, Ms. MIKULSKI, Mr. BINGAMAN, Mrs. LINCOLN, Mr. HARKIN, Mr. PRYOR, Mr. SARBANES, Mrs. MURRAY, Mr. WARNER, Mr. GRASSLEY, Mr. FEINGOLD, Mr. JEFFORDS, Mr. CRAPO, Ms. CANTWELL, Mr. KENNEDY, Mr. KOHL, Mrs. FEINSTEIN, Mr. WYDEN, Mr. ALLEN, Mr. BAUCUS, Mr. CORZINE, Mr. LAUTENBERG, Mr. JOHNSON, Mr. REID, Mrs. CLINTON, Mr. CAMPBELL, Mr. LIEBERMAN, Mr. DAYTON, Mr. COLEMAN, Ms. SNOWE, Mr. CHAFEE, Mr. REED, Mr. ALLARD, Mr. BURNS, Mr. DORGAN, Mr. LUGAR, Mr. DURBIN, Mr. NELSON of Nebraska, Mr. ROBERTS, Ms. LANDRIEU, Mr. LEVIN, and Ms. COLLINS) submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . USE OF ORGANICALLY PRODUCED FEED FOR CERTIFICATION AS ORGANIC FARM.

Section 771 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2003 (division A of Public Law 108–7) is repealed.

SA 442. Mr. EDWARDS submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

On page 47, line 5, before the ''.'' insert the following:

On page 46, line 13, strike ''$106,060,000'' and insert ''$117,060,000''.

Provided further, That of the amount made available under this heading, $10,000,000 to remain available until September 30, 2004, shall only be available for incorporation of additional technologies for disseminating terrorism warnings within the All Hazards Warning Network.

SA 443. Mr. ENSIGN submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

At an appropriate place, insert the following:

SEC. __. (a) None of the funds appropriated or otherwise made available by this Act for purposes of reconstruction in Iraq may be obligated or expended to pay any person who is a citizen of a country named in subsection (b), any person that is organized under the laws of such a country, any person that is affiliated with a person organized under the laws of such a country, or any person that is owned by a person organized under the laws of such a country.

(b) Subsection (a) applies with respect to France and Germany.

(c) Subsection (a) does not apply to an individual employed by the United Nations or any other international organization, or by a nongovernmental organization operated on a not-for-profit basis, with respect to the performance of the duties of the individual's position of employment with the United Nations, such other international organization, or such nongovernmental organization.

(d) Subsection (a) does not apply to a person who is a citizen of the United States or that is organized under the laws of the United States.

SA 444. Mr. BUNNING submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq. Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . For an additional amount for the law enforcement technology program under the heading ''Community Oriented Policing Services'' in the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2003, $5,000,000 for the Louisville-Jefferson County, Kentucky Public Safety Communications System to implement a common interoperable voice and data communications system for public safety organizations in the metropolitan area.

SA 445. Mr. HOLLINGS (for himself, Ms. STABENOW, Mrs. BOXER, Mr. SCHUMER, Mr. GRAHAM of Florida, Mr. KERRY, and Mr. BREAUX) proposed an amendment to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; as follows:

At the appropriate place insert the following:

DEPARTMENT OF HOMELAND SECURITY

UNITED STATES COAST GUARD

OPERATING EXPENSES

For an additional amount for ''Operating Expenses'', $93,000,000, to remain available until December 31, 2003, of which not less than $50,000,000 shall be for port vulnerability assessments and the port vulnerability assessment program, and not less than $7,000,000 shall be for the purchase of radiation detection equipment, and not less than $36,000,000 shall be for the establishment of Maritime Safety and Security Teams.

ACQUISITION, CONSTRUCTION AND IMPROVEMENTS

For an additional amount for ''Acquisition, Construction and Improvements'', $57,000,000, to remain available until December 31, 2003, to implement the Automated Identification System and other tracking systems designed to actively track and monitor vessels operating in United States waters.

BORDER AND TRANSPORTATION SECURITY

CUSTOMS AND BORDER PROTECTION

For an additional amount for ''Customs and Border Protection'', $160,000,000, to remain available until December 31, 2003, of which not less than $110,000,000 shall be for the deployment and installation of portal screening equipment at our Nation's seaports, and of which not less than $50,000,000 shall be for the evaluation and implementation, in coordination with the Transportation Security Administration, to secure systems of transportation such as the Container Security Initiative and the Customs-Trade Partnership Against Terrorism.

TRANSPORTATION SECURITY ADMINISTRATION

For an additional amount for ''Salaries and Expenses'', $680,000,000, to remain available until December 31, 2003, of which not less than $600,000,000 shall be available for port security grants for the purpose of implementing the provisions of the Maritime Transportation Security Act, and not less than $30,000,000 shall be for continued development and implementation of the Transportation Worker Identification Card as well as for background checks of transportation workers who work in secure areas or who work with sensitive cargo or information, and not less than $50,000,000 shall be for the evaluation and implementation, in coordination with the Bureau of Customs and Border Protection, of secure systems of transportation such as Operation Safe Commerce.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $10,000,000, to remain available until September 30, 2004, for the development of seaport security training programs, and for equipment and personnel to provide training to Federal, State and local law enforcement agencies and, notwithstanding any provision of law, private security personnel performing seaport security functions.

SA 446. Mr. EDWARDS submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

On page 47, line 5, before the ''.'' insert the following:

On page 46, line 13, strike ''$106,060,000'' and insert ''$117,060,000''.

Provided further, That of the amount made available under this heading, $10,000,000 to remain available until September 30, 2004, shall only be available for incorporation of additional technologies for disseminating terrorism warnings within the All Hazards Warning Network.

SA 447. Mr. REID submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

Sec.____. The Secretary of the Army, acting through the Chief of Engineers, shall use previously provided funds to expeditiously complete dam safety and seepage stability correction measures for the Waterbury Dam, VT project.

SA 448. Mr. KERRY (for himself, Ms. SNOWE, and Mr. BENNETT) submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq. Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

Insert at the appropriate place in the bill:

SEC. ____. Section 624 of division B of the Consolidated Appropriations Resolution, 2003 (Public Law 108–7), is amended by inserting before the period at the end: ''and, effective as of October 1, 2002, by inserting 'and subject to the provisions of Public Law 108–8,' after 'until expended,' ''.

SA 449. Mrs. FEINSTEIN (for herself, Mr. BINGAMAN, and Mr. SCHUMER) submitted an amendment intended to be proposed by her to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

On page 3, after line 6, insert the following:

ADDITIONAL AMOUNTS

SEC.____. For an additional amount for the Department of Justice $315,000,000 shall be made available for the State Criminal Alien Assistance Program (SCAAP) to restore funding for fiscal year 2003 to the fiscal year 2002 level of $565,000,000.

SA 450. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq. Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

On page 32, line 13 strike the period and add the following '': *Provided further*, That of the funds appropriated under this heading $4.3 million shall be made available to the Agency for International Development Office of Inspector General for the purpose of monitoring and auditing expenditures for Iraqi Reconstruction: *Provided further*, That such sums are in addition to funds otherwise made available to the Office of the Inspector General.''

SA 451. Mr. ALLARD (for himself, Mr. WARNER, Mr. PRYOR, Mr. MCCAIN, Mr. GRAHAM of Florida, Mr. GRAHAM of South Carolina, Mrs. DOLE, Mr. CHAMBLISS, Mr. NELSON of Florida, Mr. CORZINE, Mr. CORNYN, Mrs. CLINTON, Ms. COLLINS, Mr. LIEBERMAN, and Mr. DODD) proposed an amendment to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; as follows:

On page 89, between lines 4 and 5, insert the following:

TITLE V—PANEL TO REVIEW SEXUAL MISCONDUCT ALLEGATIONS AT UNITED STATES AIR FORCE ACADEMY

SEC. 501. ESTABLISHMENT OF PANEL.

(a) ESTABLISHMENT.—There is established a panel to review allegations of sexual misconduct allegations at the United States Air Force Academy.

(b) COMPOSITION.—The panel shall be composed of seven members, appointed by the Secretary of Defense from among private United States citizens who have knowledge or expertise in matters relating to sexual assault, rape, and the United States military academies.

(c) CHAIRMAN.—The Secretary of Defense shall, in consultation with the Chairmen of the Committees on Armed Services of the Senate and House of Representatives, select the Chairman of the panel from among its members under subsection (b).

(d) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the panel. Any vacancy in the panel shall be filled in the same manner as the original appointment.

(e) MEETINGS.—The panel shall meet at the call of the Chairman.

(f) INITIAL ORGANIZATION REQUIREMENTS.—(1) All original appointments to the panel shall be made not later than May 1, 2003.

(2) The Chairman shall convene the first meeting of the panel not later than May 2, 2003.

SEC. 502. DUTIES OF PANEL.

(a) IN GENERAL.—The panel established under section 501(a) shall carry out a study in order to determine responsibility and accountability for the establishment or maintenance of an atmosphere at the United States Air Force Academy that was conducive to sexual misconduct (including sexual assaults and rape) at the United States Air Force Academy.

(b) REVIEW.—In carrying out the study required by subsection (a), the panel shall—

(1) the actions taken by United States Air Force academy personnel and other Department of the Air Force officials in response to allegations of sexual assaults at the United States Air Force Academy;

(2) review directives issued by the United States Air Force pertaining to sexual misconduct at the United States Air Force Academy;

(3) review the effectiveness of the process, procedures, and policies used at the United States Air Force Academy to respond to allegations of sexual misconduct;

(4) review the relationship between—

(A) the command climate for women at the United States Air Force Academy; and

(B) the circumstances that resulted in sexual misconduct at the Academy; and

(5) review, evaluate, and assess such other matters and materials as the panel considers appropriate for the study.

(c) REPORT.—(1) Not later than 90 days after its first meeting under section 501(f)(2), the panel shall submit to the President, the Secretary of the Air Force, and Congress a report on the study required by subsection (a).

(2) The report shall include—

(A) the findings and conclusions of the panel as a result of the study; and

(B) any recommendations for legislative or administrative action that the panel considers appropriate in light of the study.

SEC. 503. PERSONNEL MATTERS.

(a) PAY OF MEMBERS.—(1) Members of the panel established under section 501(a) shall serve without pay by reason of their work on the panel.

(2) Section 1342 of title 31, United States Code, shall not apply to the acceptance of services of a member of the panel under this title.

(b) TRAVEL EXPENSES.—The members of the panel shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the panel.

SA 452. Ms. LANDRIEU proposed an amendment to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; as follows:

In chapter 3 of title I, under the heading ''PROCUREMENT'', insert after the matter relating to ''PROCUREMENT, DEFENSE-WIDE'' the following:

NATIONAL GUARD AND RESERVE EQUIPMENT

For an additional amount for ''National Guard and Reserve Equipment'', $1,047,000,000.

SA 453. Mr. ALLEN (for himself, Mr. HARKIN, and Mr. HOLLINGS) submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, add the following:

SEC. .

''28 U.S.C. Section 1605 is amended by adding, at the end, a new subsection ''(h)'' that reads:

'(h) Any United States citizen, and their immediate family at the time, shall have a claim for money damages against a foreign state, as authorized by subsection (a)(7), for death or personal injury (including economic damages, solatium, pain and suffering) caused by the foreign state's act of torture, extrajudicial killing, aircraft sabotage, or hostage taking. This subsection abrogates any other provision of law and any international agreement that purports to bar, preclude, terminate, extinguish, or suspend the claim. This subsection is retroactive to November 1, 1979.' ''

SA 454. Mr. WYDEN submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

Section 501(b) of title V of division N of the Consolidated Appropriations Resolution, 2003 is amended—

(1) by striking ''program authorized for the fishery in Sec. 211'' and inserting ''programs authorized for the fisheries in sections 211 and 212''; and

(2) by striking ''program in section 211'' and inserting ''programs in sections 211 and 212''.

SA 455. Mr. KOHL (for himself, Mr. LEAHY, Mr. BYRD, Mr. BIDEN, Mrs. MURRAY, Mr. HARKIN, and Mr. NELSON of Florida) submitted an amendment

intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

On page 2, after line 7, insert the following:

''PUBLIC LAW 480 TITLE II GRANTS

(INCLUDING TRANSFER OF FUNDS)

For additional expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior year's costs, including interest thereon, under the Agricultural Trade Development Act of 1954, $600,000,000, to remain available until expended, for commodities supplied in connection with dispositions abroad under title II of said Act. *Provided,* That of this amount, $155,000,000 shall be used to restore funding for previously approved fiscal year 2003 programs under section 204(a)(2) of the Agricultural Trade Development and Assistance Act of 1954: *Provided further,* That of the funds provided under this heading, the Secretary of Agriculture shall transfer to the Commodity Credit Corporation such sums as are necessary to acquire, and shall acquire, a quantity of commodities for use in administering the Bill Emerson Humanitarian Trust in an amount equal to the quantity allocated by the Corporation pursuant to the release of March 19, 2003, and the release of March 20, 2003. *Provided further,* That the authority contained in 7 U.S.C. 1736f–1(c)(4) shall not apply during fiscal year 2003 for any release of commodities after the date of enactment of this Act.''.

SA 456. Mr. McCAIN proposed an amendment to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; as follows:

On page 42, strike lines 16 through 22.

SA 457. Mr. EDWARDS submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

On page 46, line 13, strike ''$106,060,00'' and insert ''$117,060,000''. On page 47, line 5, before ''.'' insert the following '': *Provided further,* That of the amount made available under this heading, $10,000,000 to remain available until September 30, 2004, shall only be available for the incorporation of additional technologies for disseminating terrorism warnings within the All Hazards Warning Network''.

SA 458. Mr. WYDEN. (for himself and Mr. SMITH) submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

On page 54, line 15, insert before ''Section'' the following:

''In addition to amounts otherwise available for water and related resources, not to exceed $3,000,000, the Secretary of Interior shall make available reimbursement for operation and maintenance costs to eligible producers in the Klamath Basin, pursuant to Public Law 107–349, the Klamath Basin Emergency Operation and Maintenance Refund Act of 2002;''

SA 459. Mr. GRAHAM of Florida (for himself, Mr. KERRY, Ms. MIKULSKI, Mr. MURRAY, Mr. DORGAN, Mr. DAYTON, Mr. DASCHLE, Mr. JOHNSON, Ms. LANDRIEU, Mr. LAUTENBERG, and Mrs. CLINTON) submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

DEPARTMENT OF VETERANS AFFAIRS

VETERANS HEALTH ADMINISTRATION

MEDICAL CARE

For necessary expenses for the maintenance and operation of hospitals, nursing homes, and domiciliary facilities; for furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Department of Veterans Affairs, including care and treatment in facilities not under the jurisdiction of the department; and for furnishing recreational facilities, supplies, and equipment incident to the provision of hospital care, medical services, and nursing home care authorized by section 1710(e)(1)(D) of title 38, United States Code, $375,000,000; *Provided,* That such amount shall remain available until expended.

SA 460. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . EXTENSION OF ENERGY SAVINGS PERFORMANCE CONTRACTING AUTHORITY.

Section 801 (c) of the National Energy Conservation Policy Act (42 U.S.C. 8287(c)) is amended by striking ''October 1, 2003'' and inserting ''December 31, 2004.''

SA 461. Mr. COCHRAN submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

On page 46, between lines 3 and 4, insert the following:

(e) LIVESTOCK COMPENSATION PROGRAM.—Section 203(a) of the Agricultural Assistance Act of 2003 (title II of division N of Public Law 108–7)) is amended by adding at the end the following:

''(3) GRANTS.—

''(A) IN GENERAL.—To provide assistance to eligible applicants under paragraph (2)(B), the Secretary shall provide grants to appropriate State departments of agriculture (or other appropriate State agencies) that agree to provide assistance to eligible applicants.

''(B) AMOUNT.—The total amount of grants provided under subparagraph (A) shall be equal to the total amount of assistance that the Secretary determines all eligible applicants are eligible to receive under paragraph (2)(B).''.

SA 462. Mr. CORZINE (for himself and Mr. EDWARDS) proposed an amendment to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; as follows:

On page 89, between lines 4 and 5, insert the following:

TITLE ____—CHEMICAL SECURITY

SEC. ____01. SHORT TITLE.

This title may be cited as the ''Chemical Security Act of 2003''.

SEC. ____02. FINDINGS.

Congress finds that—

(1) the chemical industry is a crucial part of the critical infrastructure of the United States—

(A) in its own right; and

(B) because that industry supplies resources essential to the functioning of other critical infrastructures;

(2) the possibility of terrorist and criminal attacks on chemical sources (such as industrial facilities) poses a serious threat to public health, safety, and welfare, critical infrastructure, national security, and the environment;

(3) the possibility of theft of dangerous chemicals from chemical sources for use in terrorist attacks poses a further threat to public health, safety, and welfare, critical infrastructure, national security, and the environment; and

(4) there are significant opportunities to prevent theft from, and criminal attack on, chemical sources and reduce the harm that such acts would produce by—

(A)(i) reducing usage and storage of chemicals by changing production methods and processes; and

(ii) employing inherently safer technologies in the manufacture, transport, and use of chemicals;

(B) enhancing secondary containment and other existing mitigation measures; and

(C) improving security.

SEC. ____03. DEFINITIONS.

In this title:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Environmental Protection Agency.

(2) CHEMICAL SOURCE.—The term ''chemical source'' means a stationary source (as defined in section 112(r)(2) of the Clean Air Act (42 U.S.C. 7412(r)(2))) that contains a substance of concern.

(3) COVERED SUBSTANCE OF CONCERN.—The term ''covered substance of concern'' means a substance of concern that, in combination with a chemical source and other factors, is designated as a high priority category by the Administrator under section ____04(a)(1).

(4) EMPLOYEE.—The term ''employee'' means—

(A) a duly recognized collective bargaining representative at a chemical source; or

(B) in the absence of such a representative, other appropriate personnel.

(5) FIRST RESPONDER.—The term ''first responder'' includes a firefighter.

(6) FUND.—The term ''Fund'' means the Technology Transition Fund Established under section ___08(a).

(7) SAFER DESIGN AND MAINTENANCE.—The term ''safer design and maintenance'' includes, with respect to a chemical source that is within a high priority category designated under section ___04(a)(1), implementation, to the extent practicable, of the practices of—

(A) preventing or reducing the vulnerability of the chemical source to a release of a covered substance of concern through use of inherently safer technology;

(B) reducing any vulnerability of the chemical source to a release of a covered substance of concern through use of well-maintained secondary containment, control, or mitigation equipment;

(C) reducing any vulnerability of the chemical source to a release of a covered substance of concern by implementing security measures; and

(D) reducing the potential consequences of any vulnerability of the chemical source to a release of a covered substance of concern through the use of buffer zones between the chemical source and surrounding populations (including buffer zones between the chemical source and residences, schools, hospitals, senior centers, shopping centers and malls, sports and entertainment arenas, public roads and transportation routes, and other population centers).

(8) SECRETARY.—The term ''Secretary'' means the Secretary of Homeland Security.

(9) SECURITY MEASURE.—

(A) IN GENERAL.—The term ''security measure'' means an action carried out to increase the security of a chemical source.

(B) INCLUSIONS.—The term ''security measure'', with respect to a chemical source, includes—

(i) employee training and background checks;

(ii) the limitation and prevention of access to controls of the chemical source;

(iii) protection of the perimeter of the chemical source;

(iv) the installation and operation of an intrusion detection sensor; and

(v) a measure to increase computer or computer network security.

(10) SUBSTANCE OF CONCERN.—

(A) IN GENERAL.—The term ''substance of concern'' means—

(i) any regulated substance (as defined in section 112(r) of the Clean Air Act (42 U.S.C. 7412(r))); and

(ii) any substance designated by the Administrator under section ___04(a).

(B) EXCLUSION.—The term ''substance of concern'' does not include liquefied petroleum gas that is used as fuel or held for sale as fuel at a retail facility as described in section 112(r)(4)(B) of the Clean Air Act (42 U.S.C. 7412(r)(4)(B)).

(11) UNAUTHORIZED RELEASE.—The term ''unauthorized release'' means—

(A) a release from a chemical source into the environment of a covered substance of concern that is caused, in whole or in part, by a criminal act;

(B) a release into the environment of a covered substance of concern that has been removed from a chemical source, in whole or in part, by a criminal act; and

(C) a release or removal from a chemical source of a covered substance of concern that is unauthorized by the owner or operator of the chemical source.

(12) USE OF INHERENTLY SAFER TECHNOLOGY.—

(A) IN GENERAL.—The term ''use of inherently safer technology'', with respect to a chemical source, means use of a technology, product, raw material, or practice that, as compared with the technologies, products, raw materials, or practices currently in use—

(i) reduces or eliminates the possibility of a release of a substance of concern from the chemical source prior to secondary containment, control, or mitigation; and

(ii) reduces or eliminates the threats to public health and the environment associated with a release or potential release of a substance of concern from the chemical source.

(B) INCLUSIONS.—The term ''use of inherently safer technology'' includes input substitution, catalyst or carrier substitution, process redesign (including reuse or recycling of a substance of concern), product reformulation, procedure simplification, and technology modification so as to—

(i) use less hazardous substances or benign substances;

(ii) use a smaller quantity of covered substances of concern;

(iii) reduce hazardous pressures or temperatures;

(iv) reduce the possibility and potential consequences of equipment failure and human error;

(v) improve inventory control and chemical use efficiency; and

(vi) reduce or eliminate storage, transportation, handling, disposal, and discharge of substances of concern.

SEC. ___04. DESIGNATION OF AND REQUIREMENTS FOR HIGH PRIORITY CATEGORIES.

(a) DESIGNATION AND REGULATION OF HIGH PRIORITY CATEGORIES.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary and the Administrator, in consultation with State and local agencies responsible for planning for and responding to unauthorized releases and providing emergency health care, shall promulgate regulations to designate certain combinations of chemical sources and substances of concern as high priority categories based on the severity of the threat posed by an unauthorized release from the chemical sources.

(2) FACTORS TO BE CONSIDERED.—In designating high priority categories under paragraph (1), the Secretary and the Administrator shall consider—

(A) the severity of the harm that could be caused by an unauthorized release;

(B) the proximity to population centers;

(C) the threats to national security;

(D) the threats to critical infrastructure;

(E) threshold quantities of substances of concern that pose a serious threat; and

(F) such other safety or security factors as the Secretary and the Administrator determine to be appropriate.

(3) REQUIREMENTS FOR HIGH PRIORITY CATEGORIES.—

(A) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary and the Administrator, in consultation with the United States Chemical Safety and Hazard Investigation Board, and State and local agencies described in paragraph (1), shall promulgate regulations to require each owner and each operator of a chemical source that is within a high priority category designated under paragraph (1), in consultation with local law enforcement, first responders, and employees, to—

(i) conduct an assessment of the vulnerability of the chemical source to a terrorist attack or other unauthorized release;

(ii) using appropriate hazard assessment techniques, identify hazards that may result from an unauthorized release of a covered substance of concern; and

(iii) prepare a prevention, preparedness, and response plan that incorporates the results of those vulnerability and hazard assessments.

(B) ACTIONS AND PROCEDURES.—A prevention, preparedness, and response plan required under subparagraph (A)(iii) shall include actions and procedures, including safer design and maintenance of the chemical source, to eliminate or significantly lessen the potential consequences of an unauthorized release of a covered substance of concern.

(C) THREAT INFORMATION.—To the maximum extent permitted by applicable authorities and the interests of national security, the Secretary, in consultation with the Administrator, shall provide owners and operators of chemical sources with threat information relevant to the assessments and plans required under subsection (b).

(4) REVIEW AND REVISIONS.—Not later than 5 years after the date of promulgation of regulations under each of paragraphs (1) and (3), the Secretary and the Administrator shall review the regulations and make any necessary revisions.

(5) ADDITION OF SUBSTANCES OF CONCERN.—For the purpose of designating high priority categories under paragraph (1) or any subsequent revision of the regulations promulgated under paragraph (1), the Secretary and the Administrator may designate additional substances that pose a serious threat as substances of concern.

(b) CERTIFICATION.—

(1) VULNERABILITY AND HAZARD ASSESSMENTS.—Not later than 1 year after the date of promulgation of regulations under subsection (a)(3), each owner and each operator of a chemical source that is within a high priority category designated under subsection (a)(1) shall—

(A) certify to the Secretary that the chemical source has conducted assessments in accordance with the regulations; and

(B) submit to the Secretary written copies of the assessments.

(2) PREVENTION, PREPAREDNESS, AND RESPONSE PLANS.—Not later than 18 months after the date of promulgation of regulations under subsection (a)(3), the owner or operator shall—

(A) certify to the Secretary that the chemical source has completed a prevention, preparedness, and response plan that incorporates the results of the assessments and complies with the regulations; and

(B) submit to the Secretary a written copy of the plan.

(3) 5-YEAR REVIEW.—Not later than 5 years after each of the date of submission of a copy of an assessment under paragraph (1) and a plan under paragraph (2), and not less often than every 3 years thereafter, the owner or operator of the chemical source covered by the assessment or plan, in coordination with local law enforcement and first responders, shall—

(A) review the adequacy of the assessment or plan, as the case may be; and

(B)(i) certify to the Secretary that the chemical source has completed the review; and

(ii) as appropriate, submit to the Administrator any changes to the assessment or plan.

(4) PROTECTION OF INFORMATION.—

(A) DISCLOSURE EXEMPTION.—Except with respect to certifications specified in paragraphs (1) through (3) of this subsection and section ___05(a), all information provided to the Administrator under this subsection, and all information derived from that information, shall be exempt from disclosure under section 552 of title 5, United States Code.

(B) DEVELOPMENT OF PROTOCOLS.—

(i) IN GENERAL.—The Secretary, shall develop such protocols as are necessary to protect the copies of the assessments and plans required to be submitted under this subsection (including the information contained in those assessments and plans) from unauthorized disclosure.

(ii) REQUIREMENTS.—The protocols developed under clause (i) shall ensure that—

(I) each copy of an assessment or plan, and all information contained in or derived from the assessment or plan, is maintained in a secure location;

(II) except as provided in subparagraph (C), only the Administrator (or a designee) and individuals designated by the Secretary may have access to the copies of the assessments and plans; and

(III) no copy of an assessment or plan or any portion of an assessment or plan, and no information contained in or derived from an assessment or plan, shall be available to any person other than an individual designated by the Secretary.

(iii) DEADLINE.—As soon as practicable, but not later than 1 year after the date of enactment of this Act, the Secretary shall complete the development of protocols under clause (i) so as to ensure that the protocols are in place before the date on which the Secretary receives any assessment or plan under this subsection.

(C) FEDERAL OFFICERS AND EMPLOYEES.—An individual referred to in subparagraph (B)(ii) who is an officer or employee of the United States may discuss with a State or local official the contents of an assessment or plan described in that subparagraph.

SEC. ___05. ENFORCEMENT.

(a) REVIEW OF PLANS.—

(1) IN GENERAL.—The Secretary, in consultation with the head of the Administrator, shall review each assessment and plan submitted under section ___04(b) to determine the compliance of the chemical source covered by the assessment or plan with regulations promulgated under paragraphs (1) and (3) of section ___04(a).

(2) CERTIFICATION OF COMPLIANCE.—

(A) IN GENERAL.—The Secretary shall certify in writing each determination of the Secretary under paragraph (1).

(B) INCLUSIONS.—A certification of the Secretary shall include a checklist indicating consideration by a chemical source of the use of 4 elements of safer design and maintenance described in subparagraphs (A) through (D) of section ___03(6).

(C) EARLY COMPLIANCE.—

(i) IN GENERAL.—The Secretary, in consultation with the head of the Administrator, shall—

(I) before the date of publication of proposed regulations under section ___04(a)(3), review each assessment or plan submitted to the Secretary under section ___04(b); and

(II) before the date of promulgation of final regulations under section ___04(a)(3), determine whether each such assessment or plan meets the consultation, planning, and assessment requirements applicable to high priority categories under section ___04(a)(3).

(ii) AFFIRMATIVE DETERMINATION.—If the Secretary, in consultation with the Administrator, makes an affirmative determination under clause (i)(II), the Secretary shall certify compliance of an assessment or plan described in that clause without requiring any revision of the assessment or plan.

(D) SCHEDULE FOR REVIEW AND CERTIFICATION.—

(i) IN GENERAL.—The Secretary, after taking into consideration the factors described in section ___04(a)(2), shall establish a schedule for the review and certification of assessments and plans submitted under section ___04(b).

(ii) DEADLINE FOR COMPLETION.—Not later than 3 years after the deadlines for the submission of assessments and plans under paragraph (1) or (2), respectively, of section ___04(b), the Secretary shall complete the review and certification of all assessments and plans submitted under those sections.

(b) COMPLIANCE ASSISTANCE.—

(1) DEFINITION OF DETERMINATION.—In this subsection, the term ''determination'' means a determination by the Secretary that, with respect to an assessment or plan described in section ___04(b)—

(A) the assessment or plan does not comply with regulations promulgated under paragraphs (1) and (3) of section ___04(a); or

(B)(i) a threat exists beyond the scope of the submitted plan; or

(ii) current implementation of the plan is insufficient to address—

(I) the results of an assessment of a source; or

(II) a threat described in clause (i).

(2) DETERMINATION BY SECRETARY.—If the Secretary, after consultation with the Administrator, makes a determination, the Secretary shall—

(A) notify the chemical source of the determination; and

(B) provide such advice and technical assistance, in coordination with the head of the Office and the United States Chemical Safety and Hazard Investigation Board, as is appropriate—

(i) to bring the assessment or plan of a chemical source described in section ___04(b) into compliance; or

(ii) to address any threat described in clause (i) or (ii) of paragraph (1)(B).

(c) COMPLIANCE ORDERS.—

(1) IN GENERAL.—If, after the date that is 30 days after the later of the date on which the Secretary first provides assistance, or a chemical source receives notice, under subsection (b)(2)(B), a chemical source has not brought an assessment or plan for which the assistance is provided into compliance with regulations promulgated under paragraphs (1) and (3) of section ___04(a), or the chemical source has not complied with an entry or information request under section ___06, the Secretary may issue an order directing compliance by the chemical source.

(2) NOTICE AND OPPORTUNITY FOR HEARING.—An order under paragraph (1) may be issued only after notice and opportunity for a hearing.

(d) ABATEMENT ACTION.—

(1) IN GENERAL.—Notwithstanding a certification under section ___05(a)(2), if the Secretary, in consultation with local law enforcement officials and first responders, determines that a threat of a terrorist attack exists that is beyond the scope of a submitted prevention, preparedness, and response plan of 1 or more chemical sources, or current implementation of the plan is insufficient to address the results of an assessment of a source or a threat described in subsection (b)(1)(B)(i), the Secretary shall notify each chemical source of the elevated threat.

(2) INSUFFICIENT RESPONSE.—If the Secretary determines that a chemical source has not taken appropriate action in response to a notification under paragraph (1), the Secretary shall notify the chemical source, the Administrator, and the Attorney General that actions taken by the chemical source in response to the notification are insufficient.

(3) RELIEF.—

(A) IN GENERAL.—On receipt of a notification under paragraph (2), the Secretary or the Attorney General may secure such relief as is necessary to abate a threat described in paragraph (1), including such orders as are necessary to protect public health or welfare.

(B) JURISDICTION.—The district court of the United States for the district in which a threat described in paragraph (1) occurs shall have jurisdiction to grant such relief as the Secretary or Attorney General requests under subparagraph (A).

SEC. ___06. RECORDKEEPING AND ENTRY.

(a) RECORDS MAINTENANCE.—A chemical source that is required to certify to the Secretary assessments and plans under section ___04 shall maintain on the premises of the chemical source a current copy of those assessments and plans.

(b) RIGHT OF ENTRY.—In carrying out this title, the Secretary or the Administrator (or an authorized representative of the Secretary or the Administrator), on presentation of credentials—

(1) shall have a right of entry to, on, or through any premises of an owner or operator of a chemical source described in subsection (a) or any premises in which any records required to be maintained under subsection (a) are located; and

(2) may at reasonable times have access to, and may copy, any records, reports, or other information described in subsection (a).

(c) INFORMATION REQUESTS.—In carrying out this title, the Secretary or the Administrator may require any chemical source to provide such information as is necessary to—

(1) enforce this title; and

(2) promulgate or enforce regulations under this title.

SEC. ___07. PENALTIES.

(a) CIVIL PENALTIES.—Any owner or operator of a chemical source that violates, or fails to comply with, any order issued may, in an action brought in United States district court, be subject to a civil penalty of not more than $25,000 for each day in which such violation occurs or such failure to comply continues.

(b) CRIMINAL PENALTIES.—Any owner or operator of a chemical source that knowingly violates, or fails to comply with, any order issued shall—

(1) in the case of a first violation or failure to comply, be fined not less than $2,500 nor more than $25,000 per day of violation, imprisoned not more than 1 year, or both; and

(2) in the case of a subsequent violation or failure to comply, be fined not more than $50,000 per day of violation, imprisoned not more than 2 years, or both.

(c) ADMINISTRATIVE PENALTIES.—

(1) PENALTY ORDERS.—If the amount of a civil penalty determined under subsection (a) does not exceed $125,000, the penalty may be assessed in an order issued by the Secretary.

(2) NOTICE AND HEARING.—Before issuing an order described in paragraph (1), the Secretary shall provide to the person against which the penalty is to be assessed—

(A) written notice of the proposed order; and

(B) the opportunity to request, not later than 30 days after the date on which the notice is received by the person, a hearing on the proposed order.

SEC. ___08. TECHNOLOGY TRANSITION FUND.

(a) ESTABLISHMENT.—The Secretary and the Administrator shall establish and administer a fund to be known as the ''Technology Transition Fund'', consisting of the amount transferred to the Fund under subsection (c)(1).

(b) USE OF AMOUNTS IN FUND.—Amounts in the Fund shall be used by the Secretary and the Administrator to provide grants to chemical facilities that demonstrate financial hardship to assist those chemical facilities in transitioning to use of inherently safer technology.

(c) FUNDING.—

(1) IN GENERAL.—Notwithstanding any other provision of law, out of any funds in

the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Fund, for use by the Secretary and the Administrator in carrying out this section, not later than 30 days after the date of enactment of this Act, $50,000,000.

(2) RECEIPT AND ACCEPTANCE.—The Secretary and the Administrator shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred to the Fund under paragraph (1), without further appropriation.

(3) AVAILABILITY OF FUNDS.—Funds transferred under paragraph (1) shall remain available until expended.

SEC. ___09. NO EFFECT ON REQUIREMENTS UNDER OTHER LAW.

Nothing in this title affects any duty or other requirement imposed under any other Federal or State law.

SEC. ___10. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this title.

SA 463. Mr. WYDEN submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place; insert the following:

Sec.___.

Section 501(b) of title V of division N of the Consolidated Appropriations Resolution, 2003 is amended—

(1) by striking ''program authorized for the fishery in Sec. 211'' and inserting ''programs authorized for the fisheries in sections 211 and 212''; and

(2) by striking ''program in section 211'' and inserting ''programs in sections 211 and 212''.

SA 464. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. ADJUSTED PAY DIFFERENTIALS FOR FEDERAL LAW ENFORCEMENT OFFICERS.

(a) ADJUSTED DIFFERENTIALS.—

(1) IN GENERAL.—Paragraph (1) of section 404(b) of the Federal Law Enforcement Pay Reform Act of 1990 (5 U.S.C. 5305 note) is amended by striking the matter after ''follows:'' and inserting the following:

''Area	Differential
Atlanta Consolidated Metropolitan Statistical Area	16.82%
Boston-Worcester-Lawrence, MA-NH-ME-CT-RI Consolidated Metropolitan Statistical Area	24.42%
Chicago-Gary-Kenosha, IL-IN-WI Consolidated Metropolitan Statistical Area	25.68%
Cincinnati-Hamilton, OH-KY-IN Consolidated Metropolitan Statistical Area	21.47%
Cleveland Consolidated Metropolitan Statistical Area	17.83%
Columbus Consolidated Metropolitan Statistical Area	16.90%
Dallas Consolidated Metropolitan Statistical Area	18.51%
Dayton Consolidated Metropolitan Statistical Area	15.97%
Denver-Boulder-Greeley, CO Consolidated Metropolitan Statistical Area	22.78%
Detroit-Ann Arbor-Flint, MI Consolidated Metropolitan Statistical Area	25.61%
Hartford, CT Consolidated Metropolitan Statistical Area	24.47%
Houston-Galveston-Brazoria, TX Consolidated Metropolitan Statistical Area	30.39%
Huntsville Consolidated Metropolitan Statistical Area	13.29%
Indianapolis Consolidated Metropolitan Statistical Area	13.38%
Kansas City Consolidated Metropolitan Statistical Area	14.11%
Los Angeles-Riverside-Orange County, CA Consolidated Metropolitan Statistical Area	27.25%
Miami-Fort Lauderdale, FL Consolidated Metropolitan Statistical Area	21.75%
Milwaukee Consolidated Metropolitan Statistical Area	17.45%
Minneapolis-St. Paul, MN-WI Consolidated Metropolitan Statistical Area	20.27%
New York-Northern New Jersey-Long Island, NY-NJ-CT-PA Consolidated Metropolitan Statistical Area	27.11%
Orlando, FL Consolidated Metropolitan Statistical Area	14.22%
Philadelphia-Wilmington-Atlantic City, PA-NJ-DE-MD Consolidated Metropolitan Statistical Area	21.03%
Pittsburgh Consolidated Metropolitan Statistical Area	14.89%
Portland-Salem, OR-WA Consolidated Metropolitan Statistical Area	20.96%
Richmond Consolidated Metropolitan Statistical Area	16.46%
Sacramento-Yolo, CA Consolidated Metropolitan Statistical Area	20.77%
San Diego, CA Consolidated Metropolitan Statistical Area	22.13%
San Francisco-Oakland-San Jose, CA Consolidated Metropolitan Statistical Area	32.98%
Seattle-Tacoma-Bremerton, WA Consolidated Metropolitan Statistical Area	21.18%
St. Louis Consolidated Metropolitan Statistical Area	14.69%
Washington-Baltimore, DC-MD-VA-WV Consolidated Metropolitan Statistical Area	19.48%
Rest of United States Consolidated Metropolitan Statistical Area	14.19%''.

(2) SPECIAL RULES.—For purposes of the provision of law amended by paragraph (1)—

(A) the counties of Providence, Kent, Washington, Bristol, and Newport, RI, the counties of York and Cumberland, ME, and the city of Concord, NH, shall be treated as if located in the Boston-Worcester-Lawrence, MA-NH-ME-CT-RI Consolidated Metropolitan Statistical Area; and

(B) members of the Capitol Police shall be considered to be law enforcement officers within the meaning of section 402 of the Federal Law Enforcement Pay Reform Act of 1990.

(3) EFFECTIVE DATE.—The amendment made by paragraph (1)—

(A) shall take effect as if included in the Federal Law Enforcement Pay Reform Act of 1990 on the date of the enactment of such Act; and

(B) shall be effective only with respect to pay for service performed in pay periods beginning on or after the date of the enactment of this Act.

Paragraph (2) shall be applied in a manner consistent with the preceding sentence.

(b) SEPARATE PAY, EVALUATION, AND PROMOTION SYSTEM FOR FEDERAL LAW ENFORCEMENT OFFICERS.—

(1) STUDY.—Not later than 6 months after the date of the enactment of this Act, the Office of Personnel Management shall study and submit to Congress a report which shall contain its findings and recommendations regarding the need for, and the potential benefits to be derived from, the establishment of a separate pay, evaluation, and promotion system for Federal law enforcement officers. In carrying out this paragraph, the Office of Personnel Management shall take into account the findings and recommendations contained in the September 1993 report of the Office entitled ''A Plan to Establish a New Pay and Job Evaluation System for Federal Law Enforcement Officers''.

(2) DEMONSTRATION PROJECT.—

(A) IN GENERAL.—If, after completing its report under paragraph (1), the Office of Personnel Management considers it to be appropriate, the Office shall implement, within 12 months after the date of the enactment of this Act, a demonstration project to determine whether a separate system for Federal law enforcement officers (as described in paragraph (1)) would result in improved Federal personnel management.

(B) APPLICABLE PROVISIONS.—Any demonstration project under this paragraph shall be conducted in accordance with the provisions of chapter 47 of title 5, United States Code, except that a project under this paragraph shall not be taken into account for purposes of the numerical limitation under section 4703(d)(2) of such title.

(C) PERMANENT CHANGES.—Not later than 6 months before the demonstration project's scheduled termination date, the Office of Personnel Management shall submit to Congress—

(i) its evaluation of the system tested under the demonstration project; and

(ii) recommendations as to whether or not that system (or any aspects of that system) should be continued or extended to other Federal law enforcement officers.

(3) FEDERAL LAW ENFORCEMENT OFFICER DEFINED.—In this subsection, the term ''Federal law enforcement officer'' means a law enforcement officer as defined under section 8331(20) or 8401(17) of title 5, United States Code.

(c) LIMITATION ON PREMIUM PAY.—

(1) IN GENERAL.—Section 5547 of title 5, United States Code, is amended—

(A) in subsection (a), by striking ''5545a,'';

(B) in subsection (c), by striking ''or 5545a''; and

(C) in subsection (d), by striking the period and inserting ''or a criminal investigator who is paid availability pay under section 5545a.''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in the enactment of section 1114 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1239).

(d) APPROPRIATIONS.—There are appropriated out of any money in the Treasury not otherwise appropriated for the fiscal year ending September 30, 2003, $125,000,000, for purposes of subsection (a) of this section.

SA 465. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

In chapter 6 of title I under the heading ''BORDER AND TRANSPORTATION SECURITY'' under the heading ''OFFICE FOR DOMESTIC PREPAREDNESS'', increase the amount appropriated by $150,000,000.

In chapter 6 of title I, add at the end the following:

GENERAL PROVISIONS, THIS CHAPTER

SEC. 601. (a) AVAILABILITY OF FUNDS FOR FIRE PREVENTION AND CONTROL.—Of the amount appropriated by this chapter under the heading ''BORDER AND TRANSPORTATION SECURITY'' under the heading ''OFFICE FOR DOMESTIC PREPAREDNESS'', $150,000,000 shall be available to carry out activities under section 33 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2229).

(b) RELATIONSHIP TO OTHER FUNDS.—The amount available under subsection (a) for the activities referred to in that subsection is in addition to any other amounts available in fiscal year 2003 for such activities.

SA 466. Mr. SMITH (for himself and Mr. HATCH) submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

On page 89, between lines 4 and 5, insert the following:

TITLE V—GENERAL PROVISIONS, THIS ACT

SEC. 501. (a) None of the funds made available during fiscal year 2003 by this or any other Act may be made available to the Government of the Russian Federation unless the President determines and certifies in writing to the appropriate congressional committees that such Government is not enforcing any statute, executive order, regulation, or other government policy that would discriminate, or would have as its principal effect discrimination, against a religious group or a religious community in violation of an international agreement on human rights or religious freedoms to which the Russian Federation is a party.

(b) In this section the term ''appropriate congressional committees'' means the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives.

(c) The prohibition in subsection (a) shall take effect on the date that is 45 days after the date of the enactment of this Act.

SA 467. Mr. KYL (for himself and Mr. CAMPBELL) submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

On page 89, between lines 4 and 5, insert the following:

TITLE V—GENERAL PROVISIONS, THIS ACT

PROHIBITION ON PROVIDING FUNDS FOR RECONSTRUCTION IN IRAQ TO ENTITIES FROM COUNTRIES THAT DID NOT PUBLICLY SUPPORT A UNITED NATIONS RESOLUTION AUTHORIZING THE USE OF FORCE IN IRAQ

SEC. 501. (a) No funds made available in this Act for purposes of reconstruction in Iraq may be provided, directly or indirectly through a subcontract or otherwise, to a person that is a resident of or is organized under the laws of a country that did not publicly commit to vote in favor of the draft resolution introduced in the United Nations Security Council by the United Kingdom, Spain, and the United States on March 7, 2003.

(b) The President may waive the prohibition described in subsection (a) for a person if the President determines that—

(1) such person possesses unique capabilities or expertise that are critical to the reconstruction of Iraq; and

(2) it is in the national interest of the United States to grant the waiver.

SA 468. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; which was ordered to lie on the table; as follows:

On page 42, strike lines 16 through 22.

SA 469. Mr. FRIST (for Ms. COLLINS (for herself, Mr. CARPER, and Mr. LIEBERMAN)) proposed an amendment to the bill S. 280, to amend chapter 83 of title 5, United States Code, to reform the funding of benefits under the Civil Service Retirement System for employees of the United States Postal Service, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Postal Civil Service Retirement System Funding Reform Act of 2003''.

SEC. 2. CIVIL SERVICE RETIREMENT SYSTEM.

(a) DEFINITIONS.—Section 8331 of title 5, United States Code, is amended—

(1) in paragraph (17)—

(A) by striking '' 'normal cost' '' and inserting '' 'normal-cost percentage' ''; and

(B) by inserting ''and standards (using dynamic assumptions)'' after ''practice'';

(2) by amending paragraph (18) to read as follows:

''(18) 'Fund balance' means the current net assets of the Fund available for payment of benefits, as determined by the Office in accordance with appropriate accounting standards, but does not include any amount attributable to—

''(A) the Federal Employees' Retirement System; or

''(B) contributions made under the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 by or on behalf of any individual who became subject to the Federal Employees' Retirement System;''; and

(3) by striking ''and'' at the end of paragraph (27), by striking the period at the end of paragraph (28) and inserting ''; and'', and by adding at the end the following:

''(29) 'dynamic assumptions' means economic assumptions that are used in determining actuarial costs and liabilities of a retirement system and in anticipating the effects of long-term future—

''(A) investment yields;

''(B) increases in rates of basic pay; and

''(C) rates of price inflation.''.

(b) DEDUCTIONS AND CONTRIBUTIONS.—

(1) IN GENERAL.—Section 8334(a)(1) of title 5, United States Code, is amended—

(A) by striking ''(a)(1)'' and inserting ''(a)(1)(A)'';

(B) by designating the matter following the first sentence as subparagraph (B)(i) and aligning the text accordingly;

(C) in subparagraph (B)(i) (as so designated by subparagraph (B)), by striking ''An equal'' and inserting ''Except as provided in clause (ii), an equal''; and

(D) by adding at the end the following:

''(ii) In the case of an employee of the United States Postal Service, the amount to be contributed under this subparagraph shall (instead of the amount described in clause (i)) be equal to the product derived by multiplying the employee's basic pay by the percentage equal to—

''(I) the normal-cost percentage for the applicable employee category listed in subparagraph (A), minus

''(II) the percentage deduction rate that applies with respect to such employee under subparagraph (A).''.

(2) CONFORMING AMENDMENTS.—Section 8334(k) of title 5, United States Code, is amended—

(A) in paragraph (1)(A), by striking ''the first sentence of subsection (a)(1) of this section'' and inserting ''subsection (a)(1)(A)'';

(B) in paragraph (1)(B)—

(i) by striking ''the second sentence of subsection (a)(1) of this section'' and inserting ''subparagraph (B) of subsection (a)(1)''; and

(ii) by striking ''such sentence'' and inserting ''such subparagraph''; and

(C) in paragraph (2)(C)(iii), by striking ''the first sentence of subsection (a)(1)'' and inserting ''subsection (a)(1)(A)''.

(c) POSTAL SUPPLEMENTAL LIABILITY.—Subsection (h) of section 8348 of title 5, United States Code, is amended to read as follows:

''(h)(1)(A) For purposes of this subsection, 'Postal supplemental liability' means the estimated excess, as determined by the Office, of—

''(i) the actuarial present value of all future benefits payable from the Fund under this subchapter attributable to the service of current or former employees of the United States Postal Service, over

''(ii) the sum of—

''(I) the actuarial present value of deductions to be withheld from the future basic pay of employees of the United States Postal Service currently subject to this subchapter pursuant to section 8334;

''(II) the actuarial present value of the future contributions to be made pursuant to section 8334 with respect to employees of the United States Postal Service currently subject to this subchapter;

''(III) that portion of the Fund balance, as of the date the Postal supplemental liability is determined, attributable to payments to the Fund by the United States Postal Service and its employees, including earnings on those payments; and

''(IV) any other appropriate amount, as determined by the Office in accordance with generally accepted actuarial practices and principles.

''(B)(i) In computing the actuarial present value of future benefits, the Office shall include the full value of benefits attributable to military and volunteer service for United

States Postal Service employees first employed after June 30, 1971, and a prorated share of the value of benefits attributable to military and volunteer service for United States Postal Service employees first employed before July 1, 1971.

''(ii) Military service so included shall not be included in the computation of any amount under subsection (g)(2).

''(2)(A) Not later than June 30, 2004, the Office shall determine the Postal supplemental liability as of September 30, 2003. The Office shall establish an amortization schedule, including a series of equal annual installments commencing September 30, 2004, which provides for the liquidation of such liability by September 30, 2043.

''(B) The Office shall redetermine the Postal supplemental liability as of the close of the fiscal year, for each fiscal year beginning after September 30, 2003, through the fiscal year ending September 30, 2038, and shall establish a new amortization schedule, including a series of equal annual installments commencing on September 30 of the subsequent fiscal year, which provides for the liquidation of such liability by September 30, 2043.

''(C) The Office shall redetermine the Postal supplemental liability as of the close of the fiscal year for each fiscal year beginning after September 30, 2038, and shall establish a new amortization schedule, including a series of equal annual installments commencing on September 30 of the subsequent fiscal year, which provides for the liquidation of such liability over 5 years.

''(D) Amortization schedules established under this paragraph shall be set in accordance with generally accepted actuarial practices and principles, with interest computed at the rate used in the most recent dynamic actuarial valuation of the Civil Service Retirement System.

''(E) The United States Postal Service shall pay the amounts so determined to the Office, with payments due not later than the date scheduled by the Office.

''(F) An amortization schedule established under subparagraph (B) or (C) shall supersede any amortization schedule previously established under this paragraph.

''(3) Notwithstanding any other provision of law, in computing the amount of any payment under any other subsection of this section that is based upon the amount of the unfunded liability, such payment shall be computed disregarding that portion of the unfunded liability that the Office determines will be liquidated by payments under this subsection.

''(4) Notwithstanding any other provision of this subsection, any determination or redetermination made by the Office under this subsection shall, upon request of the Postal Service, be subject to reconsideration and review (including adjustment by the Board of Actuaries of the Civil Service Retirement System) to the same extent and in the same manner as provided under section 8423(c).''.

(d) REPEALS.—

(1) IN GENERAL.—The following provisions of law are repealed:

(A) Subsection (m) of section 8348 of title 5, United States Code.

(B) Subsection (c) of section 7101 of the Omnibus Budget Reconciliation Act of 1990 (5 U.S.C. 8348 note).

(2) RULE OF CONSTRUCTION.—Nothing in this subsection shall be considered to affect any payments made before the date of the enactment of this Act under either of the provisions of law repealed by paragraph (1).

(e) MILITARY SERVICE PROPOSALS.—

(1) PROPOSALS.—The United States Postal Service, the Department of the Treasury, and the Office of Personnel Management shall, by September 30, 2003, each prepare and submit to the President, the Congress, and the General Accounting Office proposals detailing whether and to what extent the Department of the Treasury or the Postal Service should be responsible for the funding of benefits attributable to the military service of current and former employees of the Postal Service that, prior to the date of the enactment of this Act, were provided for under section 8348(g)(2) of title 5, United States Code.

(2) GAO REVIEW AND REPORT.—Not later than 60 days after the Postal Service, the Department of the Treasury, and the Office of Personnel Management have submitted their proposals under paragraph (1), the General Accounting Office shall prepare and submit a written evaluation of each such proposal to the Committee on Government Reform of the House of Representatives and the Committee on Governmental Affairs of the Senate.

SEC. 3. DISPOSITION OF SAVINGS ACCRUING TO THE UNITED STATES POSTAL SERVICE.

(a) IN GENERAL.—Savings accruing to the United States Postal Service as a result of the enactment of this Act—

(1) shall, to the extent that such savings are attributable to fiscal year 2003 or 2004, be used to reduce the postal debt (in consultation with the Secretary of the Treasury), and the Postal Service shall not incur additional debt to offset the use of the savings to reduce the postal debt in fiscal years 2003 and 2004;

(2) shall, to the extent that such savings are attributable to fiscal year 2005, be used to continue holding postage rates unchanged and to reduce the postal debt, to such extent and in such manner as the Postal Service shall specify (in consultation with the Secretary of the Treasury); and

(3) to the extent that such savings are attributable to any fiscal year after fiscal year 2005, shall be considered to be operating expenses of the Postal Service and, until otherwise provided for by law, shall be held in escrow and may not be obligated or expended.

(b) AMOUNTS SAVED.—

(1) IN GENERAL.—The amounts representing any savings accruing to the Postal Service in any fiscal year as a result of the enactment of this Act shall be computed by the Office of Personnel Management for each such fiscal year in accordance with paragraph (2).

(2) METHODOLOGY.—Not later than July 31, 2003, the Office of Personnel Management shall—

(A) formulate a plan specifically enumerating the actuarial methods and assumptions by which the Office shall make its computations under paragraph (1); and

(B) submit such plan to the Committee on Government Reform of the House of Representatives and the Committee on Governmental Affairs of the Senate.

(3) REQUIREMENTS.—The plan shall be formulated in consultation with the Postal Service and shall include the opportunity for the Postal Service to request reconsideration of computations under this subsection, and for the Board of Actuaries of the Civil Service Retirement System to review and make adjustments to such computations, to the same extent and in the same manner as provided under section 8423(c) of title 5, United States Code.

(c) REPORTING REQUIREMENT.—The Postal Service shall include in each report rendered under section 2402 of title 39, United States Code, the amount applied toward reducing the postal debt, and the size of the postal debt before and after the application of subsection (a), during the period covered by such report.

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

(1) the savings accruing to the Postal Service as a result of the enactment of this Act will be sufficient to allow the Postal Service to fulfill its commitment to hold postage rates unchanged until at least 2006;

(2) because the Postal Service still faces substantial obligations related to postretirement health benefits for its current and former employees, some portion of the savings referred to in paragraph (1) should be used to address those unfunded obligations; and

(3) none of the savings referred to in paragraph (1) should be used in the computation of any bonuses for Postal Service executives.

(e) POSTAL SERVICE PROPOSAL.—

(1) IN GENERAL.—The United States Postal Service shall, by September 30, 2003, prepare and submit to the President, the Congress, and the General Accounting Office its proposal detailing how any savings accruing to the Postal Service as a result of the enactment of this Act, which are attributable to any fiscal year after fiscal year 2005, should be expended.

(2) MATTERS TO CONSIDER.—In preparing its proposal under this subsection, the Postal Service shall consider—

(A) whether, and to what extent, those future savings should be used to address—

(i) debt repayment;

(ii) prefunding of postretirement healthcare benefits for current and former postal employees;

(iii) productivity and cost saving capital investments;

(iv) delaying or moderating increases in postal rates; and

(v) any other matter; and

(B) the work of the President's Commission on the United States Postal Service under section 5 of Executive Order 13278 (67 Fed. Reg. 76672).

(3) GAO REVIEW AND REPORT.—Not later than 60 days after the Postal Service submits its proposal pursuant to paragraph (1), the General Accounting Office shall prepare and submit a written evaluation of such proposal to the Committee on Government Reform of the House of Representatives and the Committee on Governmental Affairs of the Senate.

(4) LEGISLATIVE ACTION.—Not later than 180 days after it has received both the proposal of the Postal Service and the evaluation of such proposal by the General Accounting Office under this subsection, Congress shall revisit the question of how the savings accruing to the Postal Service as a result of the enactment of this Act should be used.

(f) DETERMINATION AND DISPOSITION OF SURPLUS.—

(1) IN GENERAL.—If, as of the date under paragraph (2), the Office of Personnel Management determines (after consultation with the Postmaster General) that the computation under section 8348(h)(1)(A) of title 5, United States Code, yields a negative amount (hereinafter referred to as a ''surplus'')—

(A) the Office shall inform the Postmaster General of its determination, including the size of the surplus so determined; and

(B) the Postmaster General shall submit to the Congress a report describing how the Postal Service proposes that such surplus be used, including a draft of any legislation that might be necessary.

(2) DETERMINATION DATE.—The date to be used for purposes of paragraph (1) shall be September 30, 2025, or such earlier date as, in the judgment of the Office, is the date by which all postal employees under the Civil Service Retirement System will have retired.

(g) DEFINITIONS.—For purposes of this section—

(1) the savings accruing to the Postal Service as a result of the enactment of this Act shall, for any fiscal year, be equal to the amount (if any) by which—

(A) the contributions that the Postal Service would otherwise have been required to make to the Civil Service Retirement and Disability Fund for such fiscal year if this Act had not been enacted, exceed

(B) the contributions made by the Postal Service to such Fund for such fiscal year; and

(2) the term ''postal debt'' means the outstanding obligations of the Postal Service, as determined under chapter 20 of title 39, United States Code.

SEC. 4. EFFECTIVE DATE.

This Act and the amendments made by this Act shall become effective on the date of the enactment of this Act, except that the amendments made by section 2(b) shall apply with respect to pay periods beginning on or after such date.

SA 470. Mr. BAYH submitted an amendment intended to be proposed to the bill S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, and for other purposes; as follows:

In chapter 3 of title I, add at the end the following:

SEC. 314. Of the amount appropriated by this chapter under the heading ''OPERATION AND MAINTENANCE'' under the heading ''OPERATION AND MAINTENANCE, ARMY'', $6,000,000 shall be available for the reactivation of two bomb lines at Crane Army Ammunition Activity, Indiana, in order to provide additional support and production for the Joint Munitions command bomb manufacturing capability.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. INHOFE. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation, Subcommittee on Science, Technology, and Space, be authorized to meet on Wednesday, April 2, 2003, at 2:30 p.m., in SR–253, for a hearing on human space flight.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. INHOFE. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet on Wednesday, April 2 at 9:30 a.m. to conduct an oversight hearing to examine issues relating to military encroachment.

The meeting will be held in SD–406.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. INHOFE. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet in open Executive Session during the session on Wednesday, April 2, 2003, at 10 a.m., to mark up original bills, entitled, the Energy Tax Incentives Act of 2003; the Clean Diamond Trade Act; and the Tax Court Modernization Act. The Committee may also consider any or all of the following nominees: Mark Everson, to be Commissioner of Internal Revenue; Diane L. Kroupa, to be Judge of the United States Tax Court; Harry A. Haines, to be Judge of the United States Tax Court; Robert Allen Wherry, Jr., to be Judge of the United States Tax Court; Joseph Robert Goeke, to be Judge of the United States Tax Court; and, Raymond T. Wagner, Jr., to be Member of the Oversight Board, U.S. Department of Treasury.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. INHOFE. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, April 2, 2003 at 9:30 a.m. to hold a hearing on Foreign Assistance Oversight

Witnesses

AF Panel (Senator Alexander to Chair): Mr. William A. Bellamy, Principal Deputy Assistant Secretary, Bureau of African Affairs, Department of State, Washington, DC; The Honorable Constance Berry Newman, Assistant Administrator, Bureau for Africa, United States Agency for International Development, Washington, DC.

EUR Panel (Senator Allen to Chair): Mr. Charles P. Ries, Acting Assistant Secretary of State, Bureau of Europe and Eurasian Affairs, Department of State, Washington, DC; The Honorable Kent R. Hill, Assistant Administrator, Bureau of Europe and Eurasian Affairs, United States Agency for International Development, Washington, DC.

WHA Panel (Senator Coleman to Chair): Mr. J. Curtis Struble, Acting Assistant Secretary of State, Bureau of Western Hemisphere Affairs, Department of State, Washington, DC; The Honorable Adolfo A. Franco, Assistant Administrator, Bureau for Latin America and the Caribbean, United States Agency for International Development, Washington, DC.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. INHOFE. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Wednesday, April 2, 2003 at 10:00 a.m. to consider the nominations of the Clay Johnson, III to be Deputy Director for Management, Office of Management and Budget and Albert Casey and James C. Miller, III to be Governors for the United States Postal Service.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. INHOFE. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet in Executive Session during the session of the Senate on Wednesday, April 2, 2003.

The following agenda will be considered: S. Genetics Information Nondiscrimination Act of 2003; S. Smallpox Emergency Personnel Protection Act of 2003; S. The Improved Vaccine Affordability and Availability Act; S. Caring for Children Act of 2003; S. 231, the ADAM Act.

Any nominees that have been cleared for action.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. INHOFE. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Wednesday, April 2, 2003, at 10 a.m. in Room 485 of the Hart Senate Office Building to conduct a hearing on S. 556, a bill to Reauthorize the Indian Health Care Improvement Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON COMMUNICATIONS

Mr. INHOFE. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation, Subcommittee on Communications, be authorized to meet on Wednesday, April 2, 2003, at 9:30 a.m., in SR–253, for a hearing on Universal Service.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC FORCES

Mr. INHOFE. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Forces of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, April 2, 2003, at 10 a.m., in open session to receive testimony on the Department of Energy's Office of Environmental Management and Office of Legacy Management in review of the Defense Authorization Request for Fiscal Year 2004.

The PRESIDING OFFICER. Without objection, it is so ordered.

POSTAL CIVIL SERVICE RETIREMENT SYSTEM FUNDING ACT OF 2003

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of calendar No. 58, S. 380.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (S. 380) to amend chapter 83 of title 5, United States Code, to reform the funding of benefits under the Civil Service Retirement System for employees of the United States Postal Service, and for other purposes.

There being no objection, the Senate proceeded to consider the bill, which was reported from the Committee on Governmental Affairs, with an amendment.

[Strike out all after the enacting clause and insert the part printed in italic.]

S. 380

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

[SECTION 1. SHORT TITLE.

[This Act may be cited as the ''Postal Civil Service Retirement System Funding Reform Act of 2003''.

[SEC. 2. CIVIL SERVICE RETIREMENT SYSTEM.

[(a) DEFINITIONS.—Section 8331 of title 5, United States Code, is amended—

[(1) in paragraph (17)—

[(A) by striking ''normal cost'' the first place that term appears and inserting ''normal cost percentage''; and

[(B) by inserting ''and standards (using dynamic assumptions)'' after ''practice'';

[(2) by striking paragraph (18) and inserting the following:

[''(18) 'Fund balance'—

[''(A) means the current net assets of the Fund available for payment of benefits, as determined by the Office in accordance with appropriate accounting standards; and

[''(B) shall not include any amount attributable to—

[''(i) the Federal Employees' Retirement System; or

[''(ii) contributions made under the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 by or on behalf of any individual who became subject to the Federal Employees' Retirement System;'';

[(3) in paragraph (27), by striking ''and'' at the end;

[(4) in paragraph (28), by striking the period and inserting ''; and''; and

[(5) by adding at the end the following:

[''(29) 'dynamic assumptions' means economic assumptions that are used in determining actuarial costs and liabilities of a retirement system and in anticipating the effects of long-term future—

[''(A) investment yields;

[''(B) increases in rates of basic pay; and

[''(C) rates of price inflation.''.

[(b) DEDUCTIONS, CONTRIBUTIONS, AND DEPOSITS.—Section 8334 of title 5, United States Code, is amended by striking the matter following the section heading through paragraph (1) and inserting the following:

[''(a)(1)(A) The employing agency shall deduct and withhold from the basic pay of an employee, Member, congressional employee, law enforcement officer, firefighter, bankruptcy judge, judge of the United States Court of Appeals for the Armed Forces, United States magistrate judge, Court of Federal Claims judge, member of the Capitol Police, member of the Supreme Court Police, or nuclear materials courier, as the case may be, the percentage of basic pay applicable under subsection (c).

[''(B)(i) Except in the case of an employee of the United States Postal Service, an equal amount shall be contributed from the appropriation or fund used to pay the employee or, in the case of an elected official, from an appropriation or fund available for payment of other salaries of the same office or establishment. When an employee in the legislative branch is paid by the Chief Administrative Officer of the House of Representatives, the Chief Administrative Officer may pay from the applicable accounts of the House of Representatives the contribution that otherwise would be contributed from the appropriation or fund used to pay the employee.

[''(ii) In the case of an employee of the United States Postal Service, an amount shall be contributed from the appropriation or fund used to pay the employee equal to the difference between—

[''(I) the product of—

[''(aa) the basic pay of that employee; and

[''(bb) the normal cost percentage applicable to the employee category of that employee under paragraph (1)(A); and

[''(II) the product of—

[''(aa) the basic pay of that employee; and

[''(bb) the percentage applicable to that employee under subsection (c) deducted from basic pay under paragraph (1)(A).''.

[(c) CIVIL SERVICE RETIREMENT AND DISABILITY FUND.—

[(1) IN GENERAL.—Section 8348 of title 5, United States Code, is amended by striking subsection (h) and inserting the following:

[''(h)(1)(A) In this subsection, the term 'Postal supplemental liability' means the estimated excess, as determined by the Office of Personnel Management, of the difference between—

[''(i) the actuarial present value of all future benefits payable from the Fund under this subchapter attributable to the service of current or former employees of the United States Postal Service; and

[''(ii) the sum of—

[''(I) the actuarial present value of deductions to be withheld from the future basic pay of employees of the United States Postal Service currently subject to this subchapter under section 8334;

[''(II) the actuarial present value of the future contributions to be made under section 8334 with respect to employees of the United States Postal Service currently subject to this subchapter;

[''(III) that portion of the Fund balance, as of the date the Postal supplemental liability is determined, attributable to payments to the Fund by the United States Postal Service and employees of the United States Postal Service, including earnings on those payments; and

[''(IV) any other appropriate amount, as determined by the Office in accordance with generally accepted actuarial practices and principles.

[''(B)(i) In computing the actuarial present value of future benefits, the Office shall include the full value of benefits attributable to military and volunteer service for United States Postal Service employees first employed after June 30, 1971, and a prorated share of the value of benefits attributable to military and volunteer service for United States Postal Service employees first employed before July 1, 1971.

[''(ii) Military service included in the computation under clause (i) shall not be included in computation of the payment required under subsection (g)(2).

[''(2)(A) Not later than June 30, 2004, the Office of Personnel Management shall determine the Postal supplemental liability, as of September 30, 2003. The Office shall establish an amortization schedule, including a series of equal annual installments commencing September 30, 2004, which provides for the liquidation of such liability by September 30, 2043.

[''(B) The Office shall redetermine the Postal supplemental liability as of the close of the fiscal year, for each fiscal year beginning after September 30, 2003, through the fiscal year ending September 30, 2038, and shall establish a new amortization schedule, including a series of equal annual installments commencing on September 30 of the subsequent fiscal year, which provides for the liquidation of such liability by September 30, 2043.

[''(C) The Office shall redetermine the Postal supplemental liability as of the close of the fiscal year for each fiscal year beginning after September 30, 2038, and shall establish a new amortization schedule, including a series of equal annual installments commencing on September 30 of the subsequent fiscal year, which provides for the liquidation of such liability over 5 years.

[''(D) Amortization schedules established under this paragraph shall be set in accordance with generally accepted actuarial practices and principles, with interest computed at the rate used in the most recent valuation of the Civil Service Retirement System.

[''(E) The United States Postal Service shall pay the amounts determined under this paragraph for deposit in the Fund, with payments due not later than the date scheduled by the Office.

[''(3) Notwithstanding any other provision of law, in computing the amount of any payment under any provision other than this subsection that is based upon the amount of the unfunded liability, such payment shall be computed disregarding that portion of the unfunded liability that the Office determines will be liquidated by payments under this subsection.''.

[(2) TECHNICAL AND CONFORMING AMENDMENT.—Section 8334 of title 5, United States Code, is amended by striking subsection (m).

[(d) OTHER PAYMENTS.—

[(1) IN GENERAL.—Section 7101(c) of the Omnibus Budget Reconciliation Act of 1990 (5 U.S.C. 8348 note; Public Law 101–508; 104 Stat. 1388–331) is repealed.

[(2) EFFECT ON PRIOR PAYMENTS.—The repeal under paragraph (1) shall have no effect on payments made under the repealed provisions before the date of enactment of this Act.

[SEC. 3. DISPOSITION OF SAVINGS ACCRUING TO THE UNITED STATES POSTAL SERVICE.

[(a) IN GENERAL.—Savings accruing to the United States Postal Service as a result of the enactment of this Act shall be used to reduce the postal debt to such extent and in such manner as the Secretary of the Treasury shall specify, consistent with succeeding provisions of this section.

[(b) AMOUNTS SAVED.—

[(1) IN GENERAL.—The amounts representing any savings accruing to the Postal Service in any fiscal year as a result of the enactment of this Act shall be computed by the Office of Personnel Management in accordance with paragraph (2).

[(2) METHODOLOGY.—Not later than July 31, 2003, for fiscal year 2003, and October 1 of the fiscal year before each fiscal year beginning after September 30, 2003, and before the date specified in paragraph (4), the Office of Personnel Management shall—

[(A) formulate a plan specifically enumerating the methods by which the Office shall make its computations under paragraph (1); and

[(B) submit such plan to the Committee on Government Reform of the House of Representatives and the Committee on Governmental Affairs of the Senate.

[(3) REQUIREMENTS.—Each such plan shall be formulated in consultation with the Postal Service and shall include the opportunity for the Postal Service to request reconsideration of computations under this subsection, and for the Board of Actuaries of the Civil Service Retirement System to review and make adjustments to such computations, to the same extent and in the same manner as provided under section 8423(c) of title 5, United States Code.

[(4) DURATION.—Nothing in this subsection or subsection (a) shall be considered to apply with respect to any fiscal year beginning on or after October 1, 2007.

[(c) REPORTING REQUIREMENT.—The Postal Service shall include in each report which is rendered under section 2402 of title 39, United States Code, and which relates to any period after the date of the enactment of this Act and before the date specified in subsection (b)(4), the amount applied toward reducing the postal debt, and the size of the postal

debt before and after the application of subsection (a), during the period covered by such report.

[(d) POSTAL DEBT DEFINED.—For purposes of this section, the term ''postal debt'' means the outstanding obligations of the Postal Service, as determined under chapter 20 of title 39, United States Code.

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

[(1) the savings accruing to the Postal Service as a result of the enactment of this Act will be sufficient to allow the Postal Service to fulfill its commitment to hold postage rates unchanged until at least 2006;

[(2) because the Postal Service still faces substantial obligations related to postretirement health benefits for its current and former employees, some portion of the savings referred to in paragraph (1) should be used to address those unfunded obligations; and

[(3) none of the savings referred to in paragraph (1) should be used to pay bonuses to Postal Service executives.

[(f) REPORT RELATING TO UNFUNDED HEALTHCARE COSTS.—

[(1) IN GENERAL.—The United States Postal Service shall, by December 31, 2003, in consultation with the General Accounting Office, prepare and submit to the President and the Congress a report describing how the Postal Service proposes to address its obligations relating to unfunded postretirement healthcare costs of current and former postal employees.

[(2) PRESIDENT'S COMMISSION.—In preparing its report under this subsection, the Postal Service should consider the report of the President's Commission on the United States Postal Service under section 5 of Executive Order 13278 (67 Fed. Reg. 76672).

[(3) GAO REVIEW AND REPORT.—Not later than 30 days after the Postal Service submits its report pursuant to paragraph (1), the General Accounting Office shall prepare and submit a written evaluation of such report to the Committee on Government Reform of the House of Representatives and the Committee on Governmental Affairs of the Senate.

[(g) DETERMINATION AND DISPOSITION OF SURPLUS.—

[(1) IN GENERAL.—If, as of the date under paragraph (2), the Office of Personnel Management determines (after consultation with the Postmaster General) that the computation under section 8348(h)(1)(A) of title 5, United States Code, yields a negative amount (hereinafter referred to as a ''surplus'')—

[(A) the Office shall inform the Postmaster General of its determination, including the size of the surplus so determined; and

[(B) the Postmaster General shall submit to the Congress a report describing how the Postal Service proposes that such surplus be used, including a draft of any legislation that might be necessary.

[(2) DETERMINATION DATE.—The date to be used for purposes of paragraph (1) shall be September 30, 2025, or such earlier date as, in the judgment of the Office, is the date by which all postal employees under the Civil Service Retirement System will have retired.

[SEC. 4. EFFECTIVE DATE.

[(a) IN GENERAL.—This Act shall take effect on the date of enactment of this Act.

[(b) APPLICATION.—Section 8334(a)(1)(B)(ii) of title 5, United States Code (as added by section 2(b) of this Act), shall apply only with respect to pay periods beginning on or after the date of enactment of this Act.]

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Postal Civil Service Retirement System Funding Reform Act of 2003''.

SEC. 2. CIVIL SERVICE RETIREMENT SYSTEM.

(a) DEFINITIONS.—Section 8331 of title 5, United States Code, is amended—

(1) in paragraph (17)—

(A) by striking ''normal cost'' the first place that term appears and inserting ''normal cost percentage''; and

(B) by inserting ''and standards (using dynamic assumptions)'' after ''practice'';

(2) by striking paragraph (18) and inserting the following:

''(18) 'Fund balance'—

''(A) means the current net assets of the Fund, as determined by the Office in accordance with appropriate accounting standards; and

''(B) shall not include any amount attributable to—

''(i) the Federal Employees' Retirement System; or

''(ii) contributions made under the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 by or on behalf of any individual who became subject to the Federal Employees' Retirement System;'';

(3) in paragraph (27), by striking ''and'' at the end;

(4) in paragraph (28), by striking the period and inserting ''; and''; and

(5) by adding at the end the following:

''(29) 'dynamic assumptions' means economic assumptions that are used in determining actuarial costs and liabilities of a retirement system and in anticipating the effects of long-term future—

''(A) investment yields;

''(B) increases in rates of basic pay; and

''(C) rates of price inflation.''.

(b) DEDUCTIONS, CONTRIBUTIONS, AND DEPOSITS.—Section 8334 of title 5, United States Code, is amended by striking the matter following the section heading through paragraph (1) and inserting the following:

''(a)(1)(A) The employing agency shall deduct and withhold from the basic pay of an employee, Member, congressional employee, law enforcement officer, firefighter, bankruptcy judge, judge of the United States Court of Appeals for the Armed Forces, United States magistrate judge, Court of Federal Claims judge, member of the Capitol Police, member of the Supreme Court Police, or nuclear materials courier, as the case may be, the percentage of basic pay applicable under subsection (c).

''(B)(i) Except in the case of an employee of the United States Postal Service, an equal amount shall be contributed from the appropriation or fund used to pay the employee or, in the case of an elected official, from an appropriation or fund available for payment of other salaries of the same office or establishment. When an employee in the legislative branch is paid by the Chief Administrative Officer of the House of Representatives, the Chief Administrative Officer may pay from the applicable accounts of the House of Representatives the contribution that otherwise would be contributed from the appropriation or fund used to pay the employee.

''(ii) In the case of an employee of the United States Postal Service, an amount shall be contributed from the appropriation or fund used to pay the employee equal to the difference between—

''(I) the product of—

''(aa) the basic pay of that employee; and

''(bb) the normal cost percentage applicable to the employee category of that employee under paragraph (1)(A); and

''(II) the product of—

''(aa) the basic pay of that employee; and

''(bb) the percentage applicable to that employee under subsection (c) deducted from basic pay under paragraph (1)(A).''.

(c) CIVIL SERVICE RETIREMENT AND DISABILITY FUND.—

(1) IN GENERAL.—Section 8348 of title 5, United States Code, is amended by striking subsection (h) and inserting the following:

''(h)(1)(A) In this subsection, the term 'Postal supplemental liability' means the estimated excess, as determined by the Office of Personnel Management, of the difference between—

''(i) the actuarial present value of all future benefits payable from the Fund under this subchapter attributable to the service of current or former employees of the United States Postal Service; and

''(ii) the sum of—

''(I) the actuarial present value of deductions to be withheld from the future basic pay of employees of the United States Postal Service currently subject to this subchapter under section 8334;

''(II) the actuarial present value of the future contributions to be made under section 8334 with respect to employees of the United States Postal Service currently subject to this subchapter;

''(III) that portion of the Fund balance, as of the date the Postal supplemental liability is determined, attributable to payments to the Fund by the United States Postal Service and employees of the United States Postal Service, including earnings on those payments; and

''(IV) any other appropriate amount, as determined by the Office in accordance with generally accepted actuarial practices and principles.

''(B)(i) In computing the actuarial present value of future benefits, the Office shall include the full value of benefits attributable to military and volunteer service for United States Postal Service employees first employed after June 30, 1971, and a prorated share of the value of benefits attributable to military and volunteer service for United States Postal Service employees first employed before July 1, 1971.

''(ii) Military service included in the computation under clause (i) shall not be included in computation of the payment required under subsection (g)(2).

''(2)(A) Not later than June 30, 2004, the Office of Personnel Management shall determine the Postal supplemental liability, as of September 30, 2003. The Office shall establish an amortization schedule, including a series of equal annual installments commencing September 30, 2004, which provides for the liquidation of such liability by September 30, 2043.

''(B) The Office shall redetermine the Postal supplemental liability as of the close of the fiscal year, for each fiscal year beginning after September 30, 2003, through the fiscal year ending September 30, 2038, and shall establish a new amortization schedule, including a series of equal annual installments commencing on September 30 of the subsequent fiscal year, which provides for the liquidation of such liability by September 30, 2043.

''(C) The Office shall redetermine the Postal supplemental liability as of the close of the fiscal year for each fiscal year beginning after September 30, 2038, and shall establish a new amortization schedule, including a series of equal annual installments commencing on September 30 of the subsequent fiscal year, which provides for the liquidation of such liability over 5 years.

''(D) Amortization schedules established under this paragraph shall be set in accordance with generally accepted actuarial practices and principles based on the dynamic interest rate.

''(E) The United States Postal Service shall pay the amounts determined under this paragraph for deposit in the Fund, with payments due not later than the date scheduled by the Office.

''(3) Notwithstanding any other provision of law, in computing the amount of any payment under any provision other than this subsection that is based upon the amount of the unfunded liability, such payment shall be computed disregarding that portion of the unfunded liability that the Office determines will be liquidated by payments under this subsection.''.

(2) TECHNICAL AND CONFORMING AMENDMENT.—Section 8334 of title 5, United States Code, is amended by striking subsection (m).

(d) OTHER PAYMENTS.—

(1) IN GENERAL.—Section 7101(c) of the Omnibus Budget Reconciliation Act of 1990 (5 U.S.C. 8348 note; Public Law 101–508; 104 Stat. 1388–331) is repealed.

(2) EFFECT ON PRIOR PAYMENTS.—The repeal under paragraph (1) shall have no effect on payments made under the repealed provisions before the date of enactment of this Act.

SEC. 3. DISPOSITION OF SAVINGS ACCRUING TO THE UNITED STATES POSTAL SERVICE.

(a) DEFINITION.—In this section, the term ''postal debt'' means the outstanding obligations of the Postal Service, as determined under chapter 20 of title 39, United States Code.

(b) IN GENERAL.—Savings accruing to the United States Postal Service as a result of the enactment of this Act shall be used to reduce the postal debt to such extent and in such manner as the Secretary of the Treasury, in consultation with the United States Postal Service, shall specify, consistent with this section.

(c) AMOUNTS SAVED.—

(1) IN GENERAL.—The amounts representing any savings accruing to the Postal Service in any fiscal year as a result of the enactment of this Act shall be computed by the Office of Personnel Management in accordance with paragraph (2).

(2) METHODOLOGY.—Not later than July 31, 2003, the Office of Personnel Management shall—

(A) formulate a plan specifically enumerating the actuarial methods and assumptions by which the Office shall make its computations under paragraph (1); and

(B) submit the plan to the Committee on Governmental Affairs of the Senate and the Committee on Government Reform of the House of Representatives.

(3) REQUIREMENTS.—The plan shall be formulated in consultation with the Postal Service and shall include the opportunity for the Postal Service to request reconsideration of computations under this subsection, and for the Board of Actuaries of the Civil Service Retirement System to review and make adjustments to such computations, to the same extent and in the same manner as provided under section 8423(c) of title 5, United States Code.

(4) DURATION.—Nothing in this subsection or subsection (b) shall be considered to apply with respect to any fiscal year beginning on or after October 1, 2007.

(d) REPORTING REQUIREMENT.—The Postal Service shall include in each report which is rendered under section 2402 of title 39, United States Code, and which relates to any period after the date of the enactment of this Act and before the date specified in subsection (c)(4), the amount applied toward reducing the postal debt, and the size of the postal debt before and after the application of subsection (b), during the period covered by the report.

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

(1) the savings accruing to the Postal Service as a result of the enactment of this Act will be sufficient to allow the Postal Service to fulfill its commitment to hold postage rates unchanged until at least calendar year 2006;

(2) because the Postal Service still faces substantial obligations related to postretirement health benefits for its current and former employees, some portion of the savings referred to under paragraph (1) should be used to address those unfunded obligations; and

(3) none of the savings referred to under paragraph (1) should be used in the computation of bonuses to Postal Service executives or managers.

(f) REPORT RELATING TO UNFUNDED HEALTHCARE COSTS.—

(1) IN GENERAL.—Not later than December 31, 2003, the United States Postal Service shall prepare and submit to the President and Congress a report that—

(A) describes how the Postal Service proposes to address its obligations relating to unfunded postretirement healthcare costs of current and former postal employees; and

(B) outlines how prior and future actuarial accrued costs for postretirement healthcare benefits and the amounts necessary to prefund those costs are treated for purposes of financial statement reporting and establishing rates of postage and fees for postal services.

(2) PRESIDENT'S COMMISSION.—In preparing the report under this subsection, the Postal Service should consider the report of the President's Commission on the United States Postal Service under section 5 of Executive Order 13278 (67 Fed. Reg. 76672).

(3) GAO REVIEW AND REPORT.—Not later than 60 days after the Postal Service submits the report under paragraph (1), the General Accounting Office shall prepare and submit a written evaluation of the report to the Committee on Governmental Affairs of the Senate and the Committee on Government Reform of the House of Representatives.

(g) DETERMINATION AND DISPOSITION OF SURPLUS.—

(1) IN GENERAL.—If, as of the date under paragraph (2), the Office of Personnel Management determines (after consultation with the Postmaster General) that the computation under section 8348(h)(1)(A) of title 5, United States Code, yields a negative amount (hereinafter referred to as a ''surplus'')—

(A) the Office shall inform the Postmaster General of its determination, including the size of the surplus so determined; and

(B) the Postmaster General shall submit to Congress a report describing how the Postal Service proposes that surplus be used, including a draft of any necessary legislation.

(2) DETERMINATION DATE.—The date to be used for purposes of paragraph (1) shall be September 30, 2025, or such earlier date as, in the judgment of the Office, is the date by which all postal employees under the Civil Service Retirement System will have retired.

(h) DISPOSITION OF SAVINGS REPORTS.—

(1) IN GENERAL.—Not later than December 31, 2004, and after that date, not later than 8 months preceding the date on which the Postal Service submits any request for a recommended decision of rate adjustments under section 3622 of title 39, United States Code, the Postal Service shall submit to the Committee on Governmental Affairs of the Senate, the Committee on Government Reform of the House of Representatives, and the General Accounting Office a report (including a letter of comment on the report from the Secretary of the Treasury) on recommendations for the disposition of future savings accruing to the Postal Service as a result of the enactment of this Act that considers—

(A) whether, and to what extent, those future savings should be used to address—

(i) debt repayment;

(ii) prefunding of postretirement healthcare benefits for current and former postal employees;

(iii) productivity and cost saving capital investments;

(iv) maintaining postal rate stability; and

(v) any other matter; and

(B) the report of the President's Commission on the United States Postal Service under section 5 of Executive Order 13278 (67 Fed. Reg. 76672).

(2) GAO REVIEW AND REPORT.—Not later than 45 days after the Postal Service submits a report under paragraph (1), the General Accounting Office shall prepare and submit a written evaluation of the report to the Committee on Governmental Affairs of the Senate and the Committee on Government Reform of the House of Representatives.

(3) POSTAL SERVICE ACTION ON RECOMMENDATIONS.—The Postal Service may not take any action to implement any recommendation for the disposition of future savings in any report submitted under paragraph (1), until 90 days after the date on which that report is submitted.

SEC. 4. EFFECTIVE DATE.

(a) IN GENERAL.—This Act shall take effect on the date of enactment of this Act.

(b) APPLICATION.—Section 8334(a)(1)(B)(ii) of title 5, United States Code (as added by section 2(b) of this Act), shall apply only with respect to pay periods beginning on or after the date of enactment of this Act.

AMENDMENT NO. 469

(Purpose: To amend chapter 83 of title 5, United States Code, to reform the funding benefits under the Civil Service Retirement System for employees of the United States Postal Service, and for other purposes.)

Mr. FRIST. Mr. President, on behalf of Senators COLLINS, LIEBERMAN, and CARPER, I send a substitute amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Tennessee [Mr. FRIST], for Ms. COLLINS, for herself, Mr. LIEBERMAN, and Mr. CARPER, proposes an amendment numbered 469.

Mr. FRIST. 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 amendment is printed in today's RECORD under ''Text of Amendments.'')

Mr. FRIST. Mr. President, I ask unanimous consent that the amendment be agreed to; the committee amendment, as amended, be agreed to; the bill, as amended, be read the third time and passed; the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 469) was agreed to.

The committee amendment, as amended, was agreed to.

The bill (S. 380), as amended, was read the third time and passed.

AUTHORIZING REPRESENTATION BY SENATE LEGAL COUNSEL

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 103, which was submitted earlier today.

The PRESIDING OFFICER. The clerk will state the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 103) to authorize representation by the Senate Legal Counsel in the case of John Jenkel v. Daniel K. Akaka, et al.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the matter be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 103) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 103

Whereas, in the case of John Jenkel v. Daniel K. Akaka, et al., No. C 03–0381 (JCS), pending in the United States District Court for the Northern District of California, the plaintiff has named as defendants ninety-four Members of the Senate;

Whereas, pursuant to sections 703(a) and 704(a)(1) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(1), the Senate may direct its counsel to defend Members of the Senate in civil actions relating to their official responsibilities: Now therefore, be it

Resolved, That the Senate Legal Counsel is authorized to represent the Members of the Senate who are defendants in the case of John Jenkel v. Daniel K. Akaka, et al.

APPOINTMENTS

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, and upon the recommendation of the Majority Leader, pursuant to Public Law 100–696, appoints the following Senators as members of the United States Capitol Preservation Commission: The Senator from Utah, Mr. BENNETT, vice the Senator from Illinois, Mr. DURBIN; the Senator from Colorado, Mr. CAMPBELL, vice the Senator from Nevada, Mr. REID.

The Chair, on behalf of the Democratic Leader, pursuant to Public Law 100–696, announces the appointment of the Senator from Illinois, Mr. DURBIN, as a member of the United States Capitol Preservation Commission, vice the Senator from Utah, Mr. BENNETT.

The Chair announces, on behalf of the Majority Leader, pursuant to Public Law 101–509, the appointment of Alan C. Lowe, of Tennessee, to the Advisory Committee on the Records of Congress.

The Chair announces, on behalf of the Democratic Leader, pursuant to Public Law 101–509, the appointment of Stephen Van Buren, of South Dakota, to the Advisory Committee on the Records of Congress, vice Elizabeth Scott of South Dakota.

EXECUTIVE SESSION

JOINT CONVENTION ON SAFETY OF SPENT FUEL AND RADIOACTIVE WASTE MANAGEMENT—TREATY DOCUMENT 106–48

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider Calendar No. 5, Treaty Document No. 106–48 on today's Executive Calendar. I further ask unanimous consent that the treaty be considered as having been passed through its various parliamentary stages, up to and including the presentation of the resolution of ratification; that any statements relating to the treaty be printed in the RECORD as if read; and that the Senate immediately proceed to a vote on the resolution of ratification; further, that when the resolution of ratification is voted upon, the motion to reconsider be laid upon the table, the President be notified of the Senate's action, and that following the disposition of the treaty, the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the resolution of ratification.

Mr. FRIST. Mr. President, I ask for a division vote on the resolution of ratification.

The PRESIDING OFFICER. A division vote is requested. Senators in favor of the resolution of ratification will rise and stand until counted. (After a pause.) Those opposed will rise and stand until counted.

On a division vote, two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

The resolution of ratification was agreed to as follows:

JOINT CONVENTION ON SAFETY OF SPENT FUEL AND RADIOACTIVE WASTE MANAGEMENT

[Treaty Doc. 106–48]

Resolved (two-thirds of the Senators present concurring therein),

SECTION 1. SENATE ADVICE AND CONSENT SUBJECT TO CONDITIONS.

The Senate advises and consents to the ratification of the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management, done at Vienna on September 5, 1997 (Treaty Document 106–48), subject to the conditions of section 2.

SEC. 2. CONDITIONS.

The advice and consent of the Senate to ratification of the Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management is subject to the following conditions, which shall be binding upon the President:

(1) COMMITMENT TO REQUEST AND REVIEW REPORTS.—Not later than 45 days after the deposit of the United States instrument of ratification, the President shall certify to the appropriate committees of Congress that the United States will:

(A) request copies of all national reports submitted pursuant to Article 32 of the Convention; and

(B) comment in each review meeting held pursuant to Article 30 of the Convention (including each meeting of a subgroup) upon aspects of safety significance in any report submitted pursuant to Article 32 of the Convention by a Contracting Party that is receiving United States financial or technical assistance relating to the improvement of its nuclear and radiological safety and security practices.

(2) COMPLETE REVIEW OF INFORMATION BY THE LEGISLATIVE BRANCH OF GOVERNMENT.—

(A) UNDERSTANDING.—The United States understands that neither Article 36 nor any other provision of the Convention shall be construed as limiting the access of the legislative branch of the United States Government to any information relating to the operation of the Convention, including access to information described in Article 36 of the Convention.

(B) PROTECTION OF INFORMATION.—The Senate understands that the confidentiality of information provided by other Contracting Parties that is properly identified as protected pursuant to Article 36 of the Convention will be respected.

(C) CERTIFICATION.—Not later than 45 days after the deposit of the United States instrument of ratification, the President shall certify to the appropriate committees of Congress that the Comptroller General of the United States shall be given full and complete access to—

(i) all information in the possession of the United States Government specifically relating to the operation of the Convention that is submitted by any other Contracting Party pursuant to Article 32 of the Convention, including any report or document; and

(ii) information specifically relating to any review or analysis by any department, agency, or other entity of the United States, or any official thereof, undertaken pursuant to Article 30 of the Convention, of any report or document submitted by any other Contracting Party.

(D) REPORTS TO CONGRESS.—Upon the request of the chairman of either of the appropriate committees of Congress, the President shall submit to the respective committee an unclassified report, and a classified annex as appropriate, detailing—

(i) how the objective of a high level of nuclear and radiological safety and security has been furthered by the operation of the Convention;

(ii) with respect to the operation of the Convention on an Article-by-Article basis—

(I) the situation addressed in the Article of the Convention;

(II) the results achieved under the Convention in implementing the relevant obligation under that Article of the Convention; and

(III) the plans and measures for corrective action on both a national and international level to achieve further progress in implementing the relevant obligation under that Article of the Convention; and

(iii) on a country-by-country basis, for each Contracting Party that is receiving United States financial or technical assistance relating to nuclear or radiological safety or security improvement—

(I) a list of all nuclear facilities within the country, including those installations operating, closed, and planned, and an identification of those nuclear facilities where significant corrective action is found necessary by assessment;

(II) a review of all safety or security assessments performed and the results of those assessments for existing nuclear facilities;

(III) a review of the safety and security of each nuclear facility using facility-specific data and analysis showing trends of safety or security significance and illustrated by particular issues at each facility;

(IV) a review of the position of the country as to the further operation of each nuclear facility in the country;

(V) an evaluation of the adequacy and effectiveness of the national legislative and regulatory framework in place in the country, including an assessment of the licensing system, inspection, assessment, and enforcement procedures governing the safety and security of nuclear facilities;

(VI) a description of the country's on-site and off-site emergency preparedness; and

(VII) the amount of financial and technical assistance relating to nuclear or radiological safety or security improvement expended as of the date of the report by the United States, including, to the extent feasible, an itemization by nuclear facility, and the amount intended for expenditure by the United States on each such facility in the future.

(3) TREATY INTERPRETATION.—The Senate reaffirms condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe (CFE) of November 19, 1990 (adopted at Vienna on May 31, 1996), approved by the Senate on May 14, 1997, relating to condition (1) of the resolution of ratification of the Intermediate-

Range Nuclear Forces (INF) Treaty, approved by the Senate on May 27, 1988.

SEC. 3. DEFINITIONS.

As used in this resolution:

(1) APPROPRIATE COMMITTEES OF CONGRESS.—The term ''appropriate committees of Congress'' means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

(2) CONTRACTING PARTY.—The term ''Contracting Party'' means any nation that is a party to the Convention.

(3) CONVENTION.—The term ''Convention'' means the Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management, done at Vienna on September 5, 1997 (Treaty Document 1060948).

(4) NUCLEAR FACILITY.—The term ''nuclear facility'' has the meaning given the term in Article 2(f) of the Convention.

(5) UNITED STATES INSTRUMENT OF RATIFICATION.—The term ''United States instrument of ratification'' means the instrument of ratification of the United States of the Convention.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

ORDERS FOR THURSDAY, APRIL 3, 2003

Mr. FRIST. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9:30 a.m., Thursday, April 3. I further ask unanimous consent that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate then begin a period for morning business until 10 a.m., with the time equally divided between Senator HUTCHISON and the minority leader or their designees. I further ask unanimous consent that at 10 a.m., the Senate resume consideration of S. 762, the supplemental appropriations bill, and that Senator BOXER be recognized at that point to offer an amendment related to antimissiles.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. FRIST. Mr. President, for the information of all Senators, the Senate will be in a period for morning business until 10 a.m. to allow Members to continue to make statements in support of the troops. At 10 a.m., the Senate will resume consideration of the supplemental appropriations bill. The chairman has been talking to colleagues on the other side of the aisle regarding the lineup of amendments. Senator BOXER will go first, and we will try to reach a 30-minute time limitation on her amendment.

I understand that following Senator BOXER's amendment, Senator BAYH will be prepared with an amendment regarding bioterrorism, and Senator GRAHAM of Florida will have an amendment regarding VA health.

We have also had discussions about stacking the votes on amendments until early afternoon to accommodate some scheduling problems. We will be prepared to do that tomorrow morning.

The Senate will complete action on the supplemental appropriations bill tomorrow. I thank the two managers for their diligent, hard work, and I especially thank the assistant Democratic leader for helping to expedite the completion of this important bill.

The PRESIDING OFFICER. The Democratic leader.

Mr. REID. Mr. President, the majority leader is absolutely right. We have made progress on this bill. Senator BOXER had originally agreed on 20 minutes. She would have 20 minutes, and Senator STEVENS would have 10 minutes. The amendment is not here so there was no way Senator STEVENS could look at the amendment. Senator BAYH agreed to 10 minutes and Senator STEVENS agreed to 10 minutes. Senator GRAHAM also agreed to 10 minutes and Senator STEVENS 10 minutes. We hope to work that out as soon as the amendments are here so the majority can look at them tomorrow.

We had Senator STEVENS make an announcement, as I have for the Democratic leader, to make sure people realize we are going to finish the bill tomorrow. Senator BREAUX has an amendment that Senator DASCHLE wants him to offer. So we will have to see what else we can work out. I know Senator STEVENS has amendments on his side. We have a goal in mind to finish this bill tomorrow so we can get it immediately to conference and have a bill on the President's desk before we leave for our Easter break.

The PRESIDING OFFICER. The majority leader.

Mr. FRIST. Mr. President, again, I thank all of our colleagues for working very hard, especially the managers of this bill, to complete it tomorrow night or tomorrow afternoon, or as soon tomorrow as possible. I think we will be able to accomplish that goal.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. FRIST. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:39 p.m., adjourned until Thursday, April 3, 2003, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate April 2, 2003:

DEPARTMENT OF STATE

STEPHEN M. YOUNG, OF NEW HAMPSHIRE, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KYRGYZ REPUBLIC.

STEVEN A. BROWNING, OF TEXAS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF MALAWI.

RONALD L. SCHLICHER, OF TENNESSEE, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF TUNISIA.

JOHN F. MAISTO, OF PENNSYLVANIA, TO BE PERMANENT REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE ORGANIZATION OF AMERICAN STATES, WITH THE RANK OF AMBASSADOR, VICE ROGER FRANCISCO NORIEGA.

DEPARTMENT OF JUSTICE

WILLIAM EMIL MOSCHELLA, OF VIRGINIA, TO BE AN ASSISTANT ATTORNEY GENERAL, VICE DANIEL J. BRYANT.

DEPARTMENT OF THE TREASURY

TERESA M. RESSEL, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF THE TREASURY, VICE EDWARD KINGMAN, JR.

LEGAL SERVICES CORPORATION

HERBERT S. GARTEN, OF MARYLAND, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE LEGAL SERVICES CORPORATION FOR A TERM EXPIRING JULY 13, 2005, VICE DOUGLAS S. EAKLEY, TERM EXPIRED.

THOMAS R. MEITES, OF ILLINOIS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE LEGAL SERVICES CORPORATION FOR A TERM EXPIRING JULY 13, 2004, VICE LAVEEDA MORGAN BATTLE, TERM EXPIRED.

UNITED STATES INSTITUTE OF PEACE

STEPHEN D. KRASNER, OF CALIFORNIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE UNITED STATES INSTITUTE OF PEACE FOR A TERM EXPIRING JANUARY 19, 2005, VICE SHIBLEY TELHAMI.

DANIEL PIPES, OF PENNSYLVANIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE UNITED STATES INSTITUTE OF PEACE FOR A TERM EXPIRING JANUARY 19, 2005, VICE ZALMAY KHALIZAD, TERM EXPIRED.

CHARLES EDWARD HORNER, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE UNITED STATES INSTITUTE OF PEACE FOR A TERM EXPIRING JANUARY 19, 2007, VICE STEPHEN HADLEY, TERM EXPIRED.

CORPORATION FOR PUBLIC BROADCASTING

ELIZABETH COURTNEY, OF LOUISIANA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR PUBLIC BROADCASTING FOR A TERM EXPIRING JANUARY 31, 2010. (REAPPOINTMENT)

IN THE COAST GUARD

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES COAST GUARD UNDER TITLE 14, U.S.C., SECTION 276:

To be captain

LEWIS J. BUCKLEY, 0000

FOREIGN SERVICE

THE FOLLOWING-NAMED CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE DEPARTMENT OF COMMERCE FOR PROMOTION WITHIN THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF CAREER-MINISTER:

CHARLES A. FORD, OF VIRGINIA

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF MINISTER-COUNSELOR:

THOMAS LEE BOAM, OF UTAH

THE FOLLOWING-NAMED CAREER MEMBERS OF THE FOREIGN SERVICE OF THE DEPARTMENT OF COMMERCE FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED:

CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

JOHNNY E. BROWN, OF SOUTH CAROLINA
C. FRANKLIN FOSTER JR., OF VIRGINIA
IRA E. KASOFF, OF CALIFORNIA

IN THE AIR FORCE

THE FOLLOWING OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COL. RONNIE D. HAWKINS JR., 0000

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY 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. JERRY L. SINN, 0000

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

BRIG. GEN. JOHN W. BERGMAN, 0000
BRIG. GEN. JOHN J. MCCARTHY JR., 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES MARINE CORPS UNDER TITLE 10, U.S.C., SECTION 624:

To be colonel

BARETT R. BYRD, 0000

WITHDRAWAL

Executive message transmitted by the President to the Senate on April 2, 2003, withdrawing from further Senate consideration the following nomination:

RONALD L. SCHLICHER, OF TENNESSEE, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF TUNISIA, WHICH WAS SENT TO THE SENATE ON APRIL 2, 2003.

EXTENSIONS OF REMARKS

REMEMBERING FORMER TRENTON MAYOR TOMMIE GOODWIN

HON. JOHN S. TANNER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. TANNER. Mr. Speaker, today I want to tell you about Tommie Goodwin, a fine public servant who dedicated himself to the people of Tennessee during a distinguished 20-year tenure as mayor of the City of Trenton, Tennessee.

Tommie first became mayor of Trenton in 1983 and served honorably in that capacity until his passing last year. Under Mayor Goodwin's leadership, our community made great strides in economic development and improvements in the quality of life of our citizens.

Mayor Goodwin's service was also beneficial to our neighbors throughout Gibson County and the state of Tennessee, leading to his recognition as Mayor of the Year in 2000 by the Tennessee Municipal League.

Tommie Goodwin cared deeply about those around him, and that was clear in the dedicated service he provided to our neighbors in Trenton. While we all miss Tommie, we will never be able to forget all he did for Tennessee.

Mr. Speaker, I ask that you join me in honoring a distinguished public servant, an outstanding citizen and my friend, Mr. Tommie Goodwin.

HONORING MISSION SAN JOSE ROTARY CLUB'S 20TH ANNIVERSARY

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. STARK. Mr. Speaker, I rise today to honor the Mission San Jose Rotary Club, which is celebrating its 20th anniversary in our community. This club has distinguished itself among the elite service clubs in this country.

Mission San Jose Rotary has completed more than 60 projects benefiting many nonprofit organizations and restoring buildings of historical significance in our community. The members of this club have assisted in making a college education a possibility for over 80 scholars; have provided over $400,000 for charities; and have made major contributions to the Rotary International Polio Plus campaign, with a goal to eradicate polio from the face of the earth by 2005.

The Rotary Club has provided water wells to Central America and built houses in Mexico. This club has received local acclaim for its chili cooking, and it prepares and serves many thousands of meals at the Centerville Free Dining Room. The generous and concerned individuals who are members of this club reach out and make a difference, ensuring promise and opportunity for this and future generations.

The spirit of community service is alive and thriving in Fremont, in some major part due to the efforts of the members of the Mission San Jose Rotary Club. I am honored to commend the Mission San Jose Rotary Club for its 20 years of generous service to the community.

RECOGNITION TO MR. BILL CLARK

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. PALLONE. Mr. Speaker, I would like to draw the attention of my colleagues to the accomplishments of Mr. Bill Clark, the executive producer of the Emmy Award-winning police drama ''NYPD BLUE.'' Mr. Clark is being honored with the National Police Defense Foundation's ''Man of the Year'' award for his work on NYPD BLUE and his longtime dedication to law enforcement.

Bill Clark was born in St. John's Newfoundland. Later he and his family moved to Brooklyn, New York where he spent most of his childhood. He joined the U.S. Army at age 17 and proudly served his country with tours of duty in Europe and Vietnam. After serving in the Army, Mr. Clark joined the New York City Police Department in 1969 and earned his gold detective shield in 1972. While on the NYPD, Mr. Clark attended the New York Institute of Technology on the G.I. Bill and graduated with a B.A. in Criminal Justice. He also entered the Army Reserve at the rank of Staff Sergeant and retired in 1989 as a major. On December 31, 1994, Mr. Clark retired from the Queens Homicide Squad as a first grade detective.

Mr. Clark subsequently joined the NYPD BLUE team as a technical consultant during the show's first season. Later, he was able to add to the show's authenticity by drawing on his 25 years of experience with New York undercover and homicide units. As executive producer, Mr. Clark continues to ensure that the series accurately and realistically portrays the work of New York City detectives. Mr. Clark also coauthored the book True Blue: The real stories Behind NYPD Blue.

Currently, Mr. Clark is married to Karen, a former NYPD lieutenant. Together they enjoy spending time with their daughters Natalie, Jennifer and Kristine.

On this day I ask that my fellow colleagues join me in commending Mr. Clark for both his longtime service to the NYPD and his commendable work as executive producer of NYPD BLUE.

GLOBAL CHANGE RESEARCH AND DATA MANAGEMENT ACT OF 2003

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. UDALL of Colorado. Mr. Speaker, today I am pleased to introduce the Global Change Research and Data Management Act of 2003. This bill updates the existing law that formally established the U.S. Global Change Research Program (USGCRP) in 1990. This bill is also similar to the Global Change Research and Data Management Act that I introduced in the 107th Congress.

Over the past decade, the USGCRP has significantly advanced our scientific knowledge of Earth's atmosphere and climate and has provided us with a wealth of new data and information about the functioning of our planet.

However, the program has not produced sufficient information, in terms of both content and format, to be the basis for sound decisions. The program has focused nearly all of its resources and efforts on scientific inquiry. Only one broad assessment of the impact of global change on society has ever been attempted by the program, and that assessment was completed nearly seven years after its Congressionally mandated deadline. The local, state, regional, and national policymakers responsible for managing resources, fostering economic development, and responding to natural disasters need information to guide their decisions. In my view, it is critical that Congress reorient the USGCRP toward a user-driven research endeavor.

Most people agree that the climate is changing, but there is widespread disagreement about how much is the result of human activities. I think this bill deserves the support of people on both sides of that argument.

We need to move beyond debates about whether global change is occurring and allocating responsibility for the changes. I continue to believe fervently that we must do all we can to soften our impact on the environment and to slow the pace of global change. But we are going to have to deal with climate change with some mix of mitigation and adaptation. We must acknowledge the interdependence of our social, economic and environmental systems and learn to anticipate and adjust to changes that will inevitably occur.

In its recent review of the Administration's draft strategic plan for the USGCRP, the National Academy of Sciences acknowledged the need for research to evaluate strategies to mitigate and adapt to the impacts of global change, and the Academy recommended that the plan be revised to enhance efforts to support decision-making. The Global Change Research and Data Management Act of 2003 reorients the program to accomplish these goals.

The NAS praised the Administration for including the development of decision support tools in the strategic plan, but criticized the

plan for its failure to ''recognize the full diversity of decision makers'' and for failing to ''describe mechanisms for two-way communication with stakeholders.''

The Global Change Research and Data Management Act would address these criticisms by requiring the Administration to identify and consult with members of the user community in developing the USGCRP research plan. The bill would also mandate the involvement of the National Governors Association in evaluating the program plan from the perspective of the user community. These steps would help to ensure that the information needs of the policy community will be met as generously as the funding needs of the academic community.

The 1990 law outlined a highly specific organizational structure for the USGCRP. My bill would eliminate this detailed organizational structure and provide the President with the flexibility to assemble an Interagency Committee and organizational structure that will best deliver the products Congress is requesting. My bill would, however, retain many of the key features of current law—the requirements for a ten-year strategic plan, for periodic assessments of the effects of global change on the natural, social, and economic systems upon which we depend, and for increased international cooperation in global change science.

My bill would establish a new interagency working group to coordinate federal policies on data management and archiving. Advances in computer, monitoring, and satellite technologies have vastly expanded our ability to collect and analyze data. We must do a much better job of managing and archiving these important data resources to support the work of current and future scientists and policymakers.

As was clear from the impasse on the climate provisions of the energy bill in the 107th Congress, we have yet to agree on how much more information, if any, is needed before we take actions to slow the effects of human activities on global change. These are tough policy questions that we will continue to wrestle with. This bill does not offer specific policy direction, but it does affirm the need for the continued strong federal support for global change research, and it does map out a new emphasis on production of information needed to inform these important policy debates. As the world's leader in science and technology, it is incumbent on us to develop solutions that will protect our planet's resources and permit continued economic and social progress for our nation and for the world.

HONORING DR. WILLIS K. ''BILLY'' DUFFY JR.

HON. LORETTA SANCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Ms. LORETTA SANCHEZ of California. Mr. Speaker, I rise today to honor the life of Dr. Willis K. ''Billy'' Duffy Jr., a member of one of Orange County's pioneering black families.

Mr. Duffy was born in a small house in Santa Ana, where his father became the first black property owner in 1920. He attended Santa Ana High School where he became an all-State football star and student body president.

At 17, Billy graduated high school early to train as a Tuskegee Airman during World War II. He then went home to attend UCLA where he played halfback on the football team.

Billy also studied dentistry at Howard University in Washington, DC, and ran a successful practice in Los Angeles before his retirement in 1992. He was also active with the NAACP and the Los Angeles Police Department.

Billy's drive and ambition for success was truly an inspiration to those he met. During Black History month, we should all reflect upon the contributions of citizens like Billy Duffy who have made significant contributions to our Nation.

INTRODUCING THE REALIZING THE SPIRIT OF IDEA ACT

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. STARK. Mr. Speaker, today I rise to introduce the ''Realizing the Spirit of IDEA Act'' with my colleague Representative RUSH HOLT (D–NJ) who serves on the Committee for Education and the Workforce.

For twenty-five years the federal government has made hollow promises to fully fund the Individual with Disabilities in Education Act or IDEA. This legislation makes good on these promises. However, it does more than that. By linking funding to better outcomes, it also makes sure that the spirit of IDEA is truly realized for children with disabilities.

IDEA opened the school doors to children with disabilities. But, more needs to be done to make special education work for these students. National statistics suggest that there is still a sizable disparity in the outcomes of students with disabilities when compared to other students.

When compared to students without disabilities, between 19 and 42 percent fewer students with disabilities are able to pass state proficiency examinations.

The drop out rate for students with disabilities is double that of other students.

Only 55 percent of students with disabilities receive a regular high school diploma (compared to 75 percent of individuals within the general school population).

Individuals with disabilities are 50 percent less likely to attend college than are individuals who are not disabled.

Students with disabilities often avoid the painful experience of school and their attendance suffers.

The Census Bureau reports that 50 percent of individuals with disabilities are employed, compared with 84 percent of individuals without disabilities.

The under-funding of IDEA could help explain why students with disabilities fare so poorly on these critical outcomes. While Congress has doubled federal appropriations for IDEA over the last decade, federal funding for IDEA is still less than half of what Congress originally promised.

Unfortunately, recent increases in federal funding have translated into very modest improvement in the overall outcomes of children with disabilities. This would suggest that we not only need more federal funding for students with disabilities, but we need to use our resources more wisely.

Disappointingly, the Republican bill, the ''Improving Education Results for Children With Disabilities Act of 2003 (HR 1350),'' provides no financial incentives for states and local school districts to close the glaring gaps in educational achievement for students with disabilities. The Republican bill requires that states and local school districts meet new performance standards, but guarantees no new funding if they achieve these goals.

Instead, the Republican legislation only authorizes appropriations to achieve full funding of IDEA over the next decade, but it leaves the fate of whether this will actually happen to the appropriations process. With Republicans recently voting to reduce spending on education in their budget, it is unlikely that schools will ever get full federal funding through the appropriations process. Just like the ''No Child Left Behind Act,'' the Republicans want better results from schools with less federal government funded resources.

In contrast, the ''Realizing the Spirit of IDEA Act'' will dramatically increase the financial support for children with disabilities by making all funding mandatory. However, in order to receive increases, school districts must make sure special education students are not left behind. In return for mandatory increases in funding for IDEA, school districts must help these students: Increase their attendance, increase academic proficiency, lower the incidence of drop out, increase graduation rates, and improve rates of post-secondary employment and education.

The bill will also provide mandatory increases in funding for research and development as well as for programs that help infants and preschoolers with disabilities and their families.

Experts in the fields of special education, learning disabilities, child psychology and psychiatry and disability organizations agree that the ''Realizing the Spirit of IDEA Act'' will improve the quality of education for students with disabilities. Attached, please find two letters of support for this legislation, one from academic experts and the other from advocates for people with disabilities.

Linking mandatory funding to accountability will profoundly change the way IDEA works by doing just that—making it work. The Realizing the Spirit of IDEA Act is needed to move away from the status quo. Our children, regardless of their ability or disability, deserve more than a second-class education. Please join me in supporting the Realizing the Spirit of IDEA Act. It is about time we give meaning to the phrase, Leave No Child Behind.

JUDGE DAVID L. BAZELON CENTER
FOR MENTAL HEALTH LAW,
Washington, DC, March 26, 2003.

Hon. PETE STARK,
Cannon House Office Building, House of Representatives, Washington, DC.

DEAR REPRESENTATIVE STARK: The undersigned national mental health advocacy organizations are pleased to offer our support for the Realizing the Spirit of IDEA Act, important legislation you will soon be introducing in the House.

On behalf of our diverse constituency, representing children with disabilities and their families, advocates, providers and professionals, we are concerned about the educational outcomes of students with disabilities who require special education and related services under the Individuals with

Disabilities Education Act (IDEA). As you well know, students with disabilities have lower rates of gruduation, attendance and overall academic achievement than students without disabilities. Improving these rates and closing the gaps in academic performance between regular education and special education students is of vital importance to our constituencies and is a goal shared by your legislation.

The Realizing the Spirit of IDEA Act would help children with disabilities benefit from education by providing schools with financial incentives to improve special education students' school performance. The mandatory federal funding provided under the legislation would be based on a school's ability to demonstrate improved outcomes on important measures, including attendance, graduation, drop out rates and post secondary education and employment. Furthermore, the legislation encourages schools to make use of available best practice interventions in an effort to assist students with special education needs to fully realize their academic potential—and ultimately realize the true spirit of IDEA.

We look forward to working with you this year to enact the Realizing the Spirit of IDEA Act. Thank you for your continued leadership on behalf of students with disabilities and their families.

Sincerely,

LAUREL L. STINE,
Director of Federal Relations.

Submitted on behalf of:

American Academy of Child and Adolescent Psychiatry.

American Counseling Association.

American Psychiatric Association.

American Psychological Association.

Children and Adults with Attention-Deficit/Hyperactivity Disorder.

Federation of Families for Children's Mental Health.

National Alliance for the Mentally Ill.

National Association of School Psychologists.

National Association of Social Workers.

National Mental Health Association.

APRIL 2, 2003.

DEAR MEMBERS OF CONGRESS: As leading academic experts in the fields of special education, child psychology and education policy, we offer this letter of enthusiastic support for ''The Realizing the Spirit of IDEA Act'' introduced by Representative Pete Stark. It will better educate and ultimately improve the lives of disabled children throughout the United States.

Congress enacted ''The Individuals with Disabilities Education Act'' (IDEA) over 25 years ago. The original intent of IDEA was to ensure that disabled children had access to the same quality public education as all other children. While IDEA has successfully opened the doors of public schools to children with disabilities, their rates of graduation, attendance, academic achievement and drop out lag well behind all other segments of the school population. After they leave school, young people with disabilities are twice as likely to be unemployed and typically do not receive a post secondary education.

We believe ''The Realizing the Spirit of IDEA Act'' will provide the right incentives to make the spirit of the original IDEA legislation a reality. ''The Realizing the Spirit of IDEA Act'' will dramatically increase the financial support for children with disabilities, and if a school continues to improve, will provide full federal funding. However, in order to receive increases, school districts must make sure disabled children are not left behind by closing the achievement gap between disabled students and their non-disabled classmates. In return for mandatory increases in funding for IDEA, school districts must help disabled students increase their attendance, academic proficiency and graduation rate, lower the incidence of drop out, and improve rates of post-secondary employment and education.

Since IDEA was enacted, social science research has provided solutions that can improve the educational and career outcomes of children with disabilities. However, the current system primarily provides incentives for schools to focus on following the letter of the law rather than implementing education policies to improve students' performance. By holding schools accountable for improving the education of students with disabilities, this bill will encourage schools to implement empirically based interventions that research has demonstrated work.

''The Realizing The Spirit of IDEA Act'' will improve IDEA; moreover, it provides schools the flexibility, incentives and supports necessary to have IDEA fulfill it's original intent. That is why we encourage others to join with us and to help enact this important legislation.

Sincerely,

Gerald August, PhD, Professor of Psychiatry Division, of Child and Adolescent Psychiatry, University of Minnesota Academic Health Center Medical School.

Russell A. Barkley, PhD, Professor, College of Health Professions, Medical University of South Carolina.

Caryn Carlson, PhD, Professor and Co-Director of Clinical Training, Department of Psychology, The University of Texas at Austin.

James Comer, MD, The Maurice Falk Professor of Child Psychiatry at the Yale University School of Medicine's Child Study Center.

Kenneth A. Dodge, PhD, William McDougall Professor of Public Policy Studies, Director, Center for Child and Family Policy, Terry Sanford Institute of Public Policy, Duke University.

Douglas Fuchs, PhD, Professor and Co-Director, National Center for Research on Learning Disabilities, Vanderbilt University, Peabody College.

Terry B. Gutkin, PhD, Professor and Chair, Department of Counseling, College of Health and Human Services at San Francisco University.

Alan E. Kazdin, PhD, John M. Musser Professor, Director, Child Study Center at Yale University School of Medicine.

Michael Cateldo, PhD, Professor of Behavioral Biology at Johns Hopkins University School of Medicine and Director of the Department of Behavioral Psychology at the Kennedy Krieger Institute.

Martha Bridge Denckla, MD, Director of the Developmental Cognitive Neurology Clinic and Batza Family Endowed Chair at the Kennedy Krieger Institute and Professor of Neurology, Pediatrics and Psychiatry and Behavioral Sciences at the Johns Hopkins University School of Medicine.

George DuPaul, PhD, Professor, Department of Education, Leigh University.

Elizabeth Glennie, PhD, Research Scholar, Center for Child and Family Policy Director, North Carolina Education Research Data Center, Terry Sanford Institute of Public Policy, North Carolina Education Research Data Center at Duke University.

George W. Hynd, EdD, Distinguished Research Professor and Associate Dean, Office of Research and External Affairs, College at The University of Georgia.

Philip C. Kendall, PhD, Laura H. Carnell Professor of Psychology, Director, Child and Adolescent Anxiety Disorders Clinic at Temple University.

Thomas R. Kratochwill, PhD, Professor at University of Wisconsin-Madison, Department of Educational Psychology, Division of Child and Adolescent Psychiatry.

Risk Ostrander, EdD, Chief of Neuropsychology, Assistant Professor of Psychiatry, Division of Child and Adolescent Psychiatry at The Johns Hopkins University.

Evelyn R. Oka, PhD, Associate Professor and Co-Director, School Psychiatry, Associate Professor, Learning Technology and Culture Dept. of Counseling, Educational Psychology, and Special Education at Michigan State University.

John Reid, PhD, Senior Scientist at Oregon Social Learning Center.

Karen C. Stoiber, PhD, Professor, Department of Educational Psychology at University of Wisconsin-Milwaukee.

John R. Weisz, PhD, Professor, Departments of Psychology and Psychiatry and Biobehavioral Sciences at University of California, Los Angeles.

John W. Hagen, PhD, Professor of Psychology at University of Michigan, Executive Officer, Society for Research in Child Development.

Thomas Oakland, PhD, Professor of Educational Psychology, Norman Hall at University of Florida and President, International Foundation for Children's Education.

Thomas H. Ollendick, PhD, University Distinguished Professor, Director, Child Study Center, Department of Psychology at Virginia Polytechnic Institute and State University.

Elizabeth Stearns, PhD, Research Scholar at Duke University, Terry Sanford Institute of Public Policy, Center for Child and Family Policy.

James R. Thompson, Chairperson, Department of Special Education at Illinois State University.

Patrick J. Wolf, PhD, Assistant Professor at Georgetown University Public Policy Institute.

IN RECOGNITION OF JUDGE LESLIE CROCKER SNYDER

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. PALLONE. Mr. Speaker, I would like to draw the attention of my colleagues to a remarkable woman, Judge Leslie Crocker Snyder. Judge Snyder currently sits on the New York Supreme Court where she presides over many high profile cases. This year, Judge Snyder will be the recipient of the National Police Defense Foundation's ''Woman of the Year'' Award. She is being awarded for her tremendous dedication to law enforcement and her success in both writing and interpreting important legislation.

Ms. Snyder began her career as an assistant district attorney in New York County where she became the first woman to try felony cases and homicides. She went on to become the chief and founder of the first Sex Crimes Prosecution Bureau in the United States. She has also co-authored a variety of legislation such as New York's Rape Shield Law, legislation concerning aggravated sexual abuse and other Penal Law Sex Crimes Reforms.

After leaving the New York County's District Attorney's office, Judge Snyder served as the Chief of Trials at the Office of the Special Prosecutor against Corruption in the Criminal Justice System and also worked for several years in private practice where she primarily

handled criminal trial work. Before being appointed to the New York Supreme Court she served as the Deputy Criminal Justice Coordinator and Head of the Arson Strike Force at the Office of the New York City Criminal Justice Coordinator.

Since 1986 Ms. Snyder has held her position as a New York Supreme Court Judge, and in 2000 she was appointed to the Court of Claims. Judge Snyder presides mostly over the highest level, ''A–1'' multiple defendant narcotics felonies; drug gang/homicide cases; organized crime cases and ''white-collar'' criminal cases. She has presided over the trials of many of New York's most violent drug gangs and successfully defied death threats from major drug lords.

Judge Snyder is the author of ''25 to Life'' and is a continuing lecturer to Bar associations and law enforcement groups concerning narcotics, sex crimes, homicides, criminal trials and women and the law. Judge Snyder also speaks to many school groups and has adopted two classes at a local public school. She makes numerous monthly visits to schools to observe court proceedings and conduct mock trials.

Additionally, Judge Snyder has appeared on a range of television programs including: ''60 Minutes,'' ''The Today Show,'' and others. She has been featured on news, cable and Court TV programs regarding crime, drugs and drug gangs, rape, women and the law and law enforcement.

Finally, Judge Snyder is the recipient of many awards including: The Radcliffe College Distinguished Alumnae Award, The Justice and Compassion Award, The Association of Legal and Medical Experts' Outstanding Contribution Award and the Retired Detectives of New York Award among numerous others.

Judge Snyder is truly an outstanding woman and an integral part of both her community and the United States' legal system. I ask that my colleagues join me in honoring Judge Snyder for her countless achievements to date and her continuing devotion to this important line of work.

TRIBUTE TO BRECKENRIDGE FIRE CHIEF JOHN MOLES

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. UDALL of Colorado. Mr. Speaker, I rise today to acknowledge the distinguished service of John Moles, Chief of the Red, White and Blue fire department in Breckenridge, CO. Chief Moles is retiring this month after 27 years of service to his community.

Chief Moles and his colleagues in fire departments throughout the country put their lives on the line daily to ensure our health and safety. Their service is especially critical in these times of war and threats to our homeland.

Chief Moles recognized the importance of this service and helped to make the Breckenridge fire department the proud community asset that it is today. We too often fail to acknowledge the hard, selfless work of people like Chief Moles. So, I ask that my colleagues join me in thanking John Moles for his service and many contributions to his colleagues, community, state and nation and in wishing him and his family all the best for the future.

For the information of our colleague, I am attaching a copy of a recent story about Chief Moles and his work for Breckenridge that appeared in the Summit Daily newspaper.

From the Summit Daily, March 23, 2003

BRECK FIRE CHIEF RETIRES AFTER 27 YEARS

(By Jane Stebbins)

BRECKENRIDGE.—After 27 years in the fire service, Red, White and Blue Fire Chief John Moles announced his retirement Thursday afternoon. Assistant chief Gary Green will serve as the interim chief until the fire district board selects a successor.

Moles spent Friday packing up boxes of photos, awards and other memorabilia he's collected in his years at the Breckenridge fire station.

''I've been cleaning out my desk and finding pictures from 15 years ago, ID cards from when I started with the Breckenridge Volunteers,'' Moles said. ''I wondered where that went. ''

Moles doesn't plan to do anything for a couple of weeks, then he'll take a vacation with his wife, Carol, daughters, Kelly and Jennifer, and son, Tommy. Then he'll look for a second career.

''I really don't know what, though,'' he said. ''After doing this for 27 years, I want to do something different.''

Moles joined the department as a volunteer in May 1975—when the department was still known as the Breckenridge Volunteer Fire Department—and was promoted to maintenance officer a year later.

Moles worked his way up the ranks, first as a training division captain for five years, then as the assistant chief of operations. In July 1993, he was promoted to chief.

During his tenure, Moles saw two station remodels and the construction of a new station near Tiger Road and Highway 9. Several old, outdated vehicles and equipment were replaced.

He worked on some of Breckenridge's biggest fires—at the Cedars condominiums in Breckenridge and at Jack Pine in Dillon—and numerous car accidents. Emergency response, however, took a different tack on Sept. 11, 2001.

''All of a sudden, we entered a new age,'' Moles said. ''It was a new age of anthrax and serious terrorism, biological and nuclear threats.''

Over the years, the fire department has matured from volunteers responding from their homes to a 24-hour staff of career, volunteer and resident firefighters. When he started, the Breckenridge Volunteers comprised 14 volunteers. Today, Red, White and Blue comprises 15 volunteers, 30 residents and career firefighters and five administrative staff members.

Over the years, Moles helped the 911 dispatch center and spearheaded the program to get automatic external defibrillators (AED) for cardiac emergencies. He also was the first firefighter in the county to use an AED and save someone's life.

''We had just gotten certified by a hospital in Denver, and the paperwork was just coming in on a fax,'' he said. ''But the only thing that came in was a cover sheet—no names, no acknowledgement of certifications. And then we got a cardiac arrest at the Breck Inn (now the Breckenridge Mountain Lodge), and the defibrillator was sitting in my office. I had to decide whether to use it without truly being certified. I was a little nervous, but I opted to use it.''

That call was among his favorites, he said.

''It's the thrill of a victory,'' he said. ''You have this training, and you get instant results.''

Under his leadership, fire crews have expanded safety inspections, firefighter and medic training and public education.

Despite all his accomplishments, Moles said he is happiest to have watched his firefighters grow into a group of dedicated professionals with expertise and training that rivals bigger city departments.

''They're very progressive, a very young bunch of enthusiastic firefighters who want to do the best for the citizens, and they'll continue to get better every year,'' he said. ''I'm proud of the whole system. I was proud of the firefighters when I started and where they went year after year. I feel that even back in '70s and '80s we were the best, and we kept getting better. We never settled to be 'good enough.' ''

HONORING THE LIFE OF ORANGE COUNTY ASTRONOMER WILLIAM KUHN

HON. LORETTA SANCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Ms. LORETTA SANCHEZ of California. Mr. Speaker, I rise today to honor the life of Orange County astronomer William Kuhn.

Mr. Kuhn's fascination with astronomy began in his youth. At 18 he built his first telescope, and he continued to design and build telescopes his whole life.

In 1963, Mr. Kuhn moved to Orange County, where he taught astronomy to hundreds of people in his backyard. He helped to make the Orange County Astronomers one of the best amateur astronomy groups in the nation.

His greatest accomplishments included the discovery of eight supernovae and more than twenty asteroids, all discovered with his own 22-inch telescope.

Mr. Kuhn's contributions and dedication to astronomy will live on through future generations of astronomers. And his passion for exploring the mysteries of our universe will never be forgotten by the amateur astronomers in Orange County.

CONGRESSWOMAN LEE'S ARTICLE ON PEACE

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. STARK. Mr. Speaker, I commend to my colleagues' attention the following article on Representative Barbara Lee that appeared in the San Francisco Chronicle Magazine on Sunday, March 23, 2003. Congresswoman Lee has been an eloquent advocate for peace and justice. Her tireless efforts to seek a diplomatic solution to the conflict with Iraq are vital to upholding our nation's moral leadership in the world. She is a credit to this institution and the values of democracy, freedom and human rights throughout the world. I'm honored to serve in Congress with her.

[From the San Francisco Chronicle Magazine, Mar. 23, 2003]

GIVING PEACE A CHANCE; LOCAL REP. BARBARA LEE ON HER NATIONAL FOLLOWING

(By Sam Whiting)

It isn't lonely as it used to be way out there on the far left.

A year and a half after casting the lone vote opposing President Bush's global campaign against terrorism, Congresswoman Barbara Lee has become the name attached to the anti-war movement.

When Lee came to the stage at last month's peace rally in San Francisco, she heard the chant ''Barbara Lee for president.'' She has heard it before, and seen it on signs, from Oregon to Massachusetts.

That's a long ways from Mills College, where she graduated 30 years ago. Now a fourth-term Democrat representing Oakland and Berkeley, Lee, 55, gets all the inspiration she needs walking into her district office in the Ronald V. Dellums Federal Building in Oakland.

ON THE BARBARA LEE FOR PRESIDENT MOVEMENT

It's a humbling moment when you hear that. I recognize I have represented this area for five years in Congress, and I was in the state Senate and Assembly since 1990. But when you hear the shouts ''Barbara Lee for president,'' you have to say, ''Where's that coming from?'' It's not coming from me. It's not coming from my staff. That's for sure.

ON THE ''I TOLD YOU SO'' TEMPTATION

On Sept. 14, 2001, right after the horrific attack, when I voted no, I knew then that it was wrong for us to give the administration a blank check. That was giving the president too much power to use force without coming back to Congress at all. I believe, and the Constitution requires, that the Congress declare war, that we engage in debate with regard to war and peace. So I would cast the same vote today. No second thoughts.

ON NO LONGER BEING THE ONE LONELY ANTI-WAR VOTE

I offered the Lee Amendment as an alternate with regard to disarmament and finding diplomatic solutions to our problems with inspections. We received 72 votes [Oct. 10, 2002]. When you look at the last vote on the use of force, we had 133 no votes on that resolution.

ON NORTH KOREAN MISSILES POINTED AT THE BAY AREA

During the debate on Iraq, some members of the Progressive Caucus really made the case for the missile scenario in North Korea and said, ''That's where we need to begin talking about containment.'' I don't think the general public knew, because it's been ''Iraq, Iraq, Iraq'' from the administration.

ON THE SOLUTION

We need to re-engage. During the Clinton administration, there was engagement going on. For the first 18 or 19 months of the Bush administration, there was no engagement at all. Next what do we hear? The president goes to Congress and cites the ''Axis of Evil.'' We must re-engage with North Korea, and we must do that immediately. It's a very dangerous situation—certainly more dangerous than Iraq.

ON THE PEACE MOVEMENT

This doctrine of pre-emption and first strike—Iraq is first on their list, and this is a policy that this administration is dead -set on implementing. We see Iraq now, Iran, North Korea. Who knows what country is next? I just hope it doesn't take hold, and that's why I'm so happy and delighted to see the peace marches throughout the world.

ON NAKED SPELLOUTS

I've seen the pictures. People are finding creative ways to protest. These women chose to express their views in this way. That's a manifestation of their determination to make their statement.

ON BECOMING AN ACTIVIST AT AN EARLY AGE

I was born on July 16, 1946, in El Paso, Texas. When my mother went to have me, they wouldn't admit her to the hospital because she was black, and she almost died. I heard my mother tell me this and I was really upset. They left her to die on a gurney.

ON GROWING UP A CIVIL RIGHTS ACTIVIST

I was raised in Texas and the schools were segregated. I wasn't allowed to go to public school. I went to Catholic schools. They were the only ones that would let black folks in. I can remember my dad in his uniform—he was an officer in the military—and we'd go to restaurants and they'd say, ''I'm sorry we can't serve,'' and they used the N word. So I was always fighting for what was right.

ON AN ARMY BRAT BECOMING A PEACE ACTIVIST

My father is a retired lieutenant colonel. When I cast the one vote against the war, he said, ''That was the right vote.'' He was in the Korean War and he's very clear on issues of war and peace. My mother too. They're my source of strength.

ON MENTORS

Ron Dellums is a phone call away. We work on issues together. He's probably made more of an impact on me than anybody, in terms of policy. He worked very hard to get this federal building here, and every time I walk in, I think of Ron.

RECOGNITION OF THE VISTA NATIONAL LITTLE LEAGUE

HON. DARRELL E. ISSA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. ISSA. Mr. Speaker, today the Vista National Little League celebrates its 50th season of serving the boys and girls of the Vista area. There will be a Golden Glove Gala to celebrate this special occasion. The efforts of the many volunteers that have contributed countless hours to the success of the league deserve special recognition.

During the past fifty years, approximately 20,000 children have played baseball with the Vista National Little League. Little League baseball gives children the opportunity to learn about discipline, teamwork, respect, dedication, responsibility, competition, character, and sportsmanship. Little League baseball provides positive influences for children and promotes lifelong friendships.

Mr. Speaker, on the occasion of the Vista National Little League's 50th anniversary, I would like to personally recognize the work of those who have served as coaches, team parents, board members, snack bar workers, and field maintenance managers.

HONORING LEO MARCH

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. HUNTER. Mr. Speaker, I rise today to honor the life of my friend, Leo March, who passed away last October. Leo was a successful entrepreneur, a devoted family man and a solid public servant.

Born in September of 1932, Leo suffered many hardships through his youth, including being stricken with polio and having to leave school after the tenth grade in order to support his family. Despite these setbacks, Leo was determined to succeed.

In 1982, Leo began his own company, Integrated Sign Associates, in La Mesa, CA. Starting in a small office, his business grew to include up to 40 employees, a satellite office in Van Nuys, CA, and a complete fabrication and installation facility of 18,000 square feet located in El Cajon, CA.

Leo was very active in his community and loved San Diego. He was involved in local politics working several campaigns. Leo served on the Mayor's Sign Force Committee for the City of San Diego, was an expert witness for sign design and planning for the California Supreme Court and served as President of the California Electric Sign Association. He was a member of an advisory board to the California State Senate Select Committee on Small Business Enterprises for ten years as well as a Panel Moderator for the White House Conference on Small Business and the director of the Boys and Girls Mental Health Centers. For over a decade, Leo was the Vice Chairman of the Small Business Advisory Board in San Diego and he sat on the Selective Service System Board Member as a Presidential Appointment for seven years.

Leo's efforts did not go unnoticed. Leo received a Commendation Service to Community Award from San Diego Congressman Bill Lowery. He also gained a California State Assembly Resolution touting his Community Service in 1991 and in the year 2000, he received the same award from the California State Senate. Due to his community service, the City of San Diego proclaimed December 6, 1999, as Leo March Day and the County of San Diego made May 16, 2000, Leo March Day for the entire county.

Leo's family was an important part of his life as well. He married his wife, Donna Jean, on November 27, 1953, and they had two children, Ronald James and Linda Ann. He enjoyed spending time with his four grandchildren, Lisa, Lori, Chanda, and Ryan, as well as his great granddaughter Nicole. Leo enjoyed flying and owned an airplane, a Piper Dakota. He was a member of the Gillespie Pilots Association and was appointed to the Gillespie Field Development Council in January 2001. Leo also enjoyed playing golf and other recreational activities, but cherished taking part in activities involving his family most of all.

Throughout his life, Leo March faced challenges with a positive attitude and a determined spirit. Leo accomplished many of the goals he set for himself and leaves behind a group of loved ones that admired his dedication to community, business and family. I ask you to join me in honoring the life of Mr. Leo March.

TRIBUTE TO REVEREND CANON DR. ALONZO CLEMONS PRUITT

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. TOWNS. Mr. Speaker, I rise in honor of Reverend Canon Dr. Alonzo Clemons Pruitt in recognition of his steadfast commitment to his community.

Reverend Pruitt served as the Sixth Rector of St. Philip's Church from September 12, 1993 to March 30, 2003. During his ministry,

he made significant contributions to his community, church and congregation. For example, he helped raise an additional $20,000 for the Endowment fund; he founded the All Saints Gospel Choir and developed a movie night as a vehicle for a youth ministry in the Parish and in the Brooklyn Archdeaconry. Rev. Pruitt also established blood donation drives and was responsible for the placement of Black icons in the church.

In addition to his congregation at St. Phillip's, Reverend Pruitt served as a Chaplain to the New York State Assembly and the New York State Senate, Adjunct Professor at George Mercer School of Theology, Dean of St. Matthew's (Central Brooklyn) Deanery, Chairman of the Diocesan Department of the Budget of the Diocese, Secretary of the Board of Managers of Episcopal Health Services, Chaplain of the Clergy Caucus of Central Brooklyn Churches, Chairman of the Diocesan Commission on Addiction and Recovery, and Vice-President of Recovery Ministries of The Episcopal Church. He was also a Member of Community Board No. 3 in Brooklyn and a member of the Steering Committee of the 81st Precinct Police Clergy Caucus.

While the Rector of St. Phillip's, Canon Pruitt received numerous awards and honors including: The 1994 Community Service Award from Brooklyn Gas; 1995 Community Service Award from Crown Heights Lions Club; 1998 Community Service Award from Bedford-Stuyvesant Headstart; 1999 Community Service Award from the City of New York Police Reserve Association; 2000 Community Service Award from New York Blood Center; 2001 Community Service Award from the 81st Precinct Police Community Relations Council, and 2002 Community Service Award from The New York City Police Department. Most recently, he received the 2002 Chairman's Award for Service from the Central Brooklyn Churches. In addition to this long list of community service honors, in 1996, he was awarded a Doctor of Divinity, honors causa, from St. Paul's College, citing career excellence in community service and parish ministry.

He also raised funds to help rebuild churches throughout the country such as St. Thomas Church in Farmingdale, NY, St. Paul's Cathedral in Oklahoma City, OK, and a church in Princeville, NC.

Mr. Speaker, with his numerous awards and community contributions, Reverend Canon Dr. Alonzo Clemons Pruitt has shown that he is clearly dedicated to his community. As such, he is more than worthy of receiving our recognition today. I urge my colleagues to join me in honoring this truly remarkable human being.

SMALL BUSINESS DEVELOPMENT CENTER ASSISTANCE TO INDIAN TRIBE MEMBERS, NATIVE ALASKANS, AND NATIVE HAWAIIANS

SPEECH OF

HON. DAVID WU

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, March 31, 2003

Mr. WU. Mr. Speaker, I rise in support of House Resolution 1166, which would amend the Small Business Act to expand and improve the assistance provided by Small Business Development Centers to Indian tribe members, Native Alaskans, and Native Hawaiians.

With their native lands taken and having been relocated to the confines of reservations, the injustices of the past affect the lives of these indigenous peoples today, as many reside in economically depressed areas that make it difficult for them to make a sustainable living. This bill works to rectify part of this historical legacy, helping these communities to help themselves, by requiring small business development centers to provide technical assistance to businesses in these communities. Economic development and such capacity building would thus encourage their communities to grow and prosper.

All Americans deserve the same opportunity to advance themselves to have a better life. Our Congress should support efforts that promote the job creation, spur economic growth, and self-sufficiency for all Americans. That is why I, as Chair of the Congressional Asian Pacific American Caucus, strongly support this legislation that would assist Native American, Native Alaskan, and Native Hawaiian communities.

RICE FARMERS FAIRNESS ACT

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. PAUL. Mr. Speaker, I am today introducing the Rice Farmers Fairness Act. This legislation conditions the continuation of farm subsidies in the state of Texas upon the maintenance of rice production. Federal law allows for the continuation of subsidies to landowners who discontinue tenant rice farming on their land. In essence, this means that the subsidy continues to flow in spite of an end to production.

This is a ''something for nothing'' subsidy of the worst kind! As a result of this provision, there is a very real threat to the agricultural infrastructure. With landowners receiving subsidies in spite of lack of production, the entire warehousing, processing and ''value-added'' industries are put at risk.

As grain elevators, processors and others see a reduction in demand for their services because of the diminution of production permitted by federal law, they have a disincentive to continue to provide said services, services which must remain in place in order for those who remain in production to be able to bring to market the rice which they continue to produce. Thus, by way of the decimation of the infrastructure, this subsidy to non-producers comes at the expense of those who continue to produce rice. Therefore, the provisions of federal law which provide this subsidy actually amount to another form of federal welfare, taking from producers and giving to non-producers. These destructive government policies have particularly pernicious effect in Texas, where rice farming, and the related industries, are a major sector of the economy in many towns along the Texas coast.

My legislation is very simple and direct in dealing with this problem. It says that those who have tenant rice farmers producing rice in Texas must agree to continue to maintain rice in their crop rotation if they wish to receive subsidies. In this way, we can remove the perverse incentive, which the Federal Government has provided to landowners to exit the rice business and thereby put the entire rice infrastructure at risk.

America's rice farmers are the most efficient, effective producers of rice in the world, despite the many hurdles erected by Washington. The Rice Farmer Fairness Act helps remove one of these hurdles and this makes America's rice farmers even more efficient. In order to enhance our competitive position, we should also end our embargoes of other nations. Congress should eliminate the burdensome taxes and regulations imposed on America's farmers. I hope my colleagues will join me in removing these federally imposed burdens on rice farmers by supporting free trade, low taxes and regulations, and cosponsoring my Rice Farmer Fairness Act.

Mr. Speaker, I rise to help parents of children with special educational needs by introducing the Help and Opportunities for Parents of Exceptional Children (HOPE for Children) Act of 2003. This bill allows parents of children with a learning disability an up to $3,000 tax credit for educational expenses. Parents could use this credit to pay for special services for their child, or to pay tuition at private school or even to home school their child. By allowing parents of special needs children to control the education dollar, the HOPE for Children Act allows parents to control their child's education. Thus, this bill helps parents of special needs children provide their child an education tailored to the child's unique needs.

Helping parents provide their child with an education designed around the child's individual needs is far superior to the ''one size fits all'' cookie cutter, bureaucratized approach that has dominated special education for the past 30 years. This approach is inappropriate for any child, but it is especially harmful for special needs children. The HOPE for Children Act puts control over education resources back in the hands of those who know best, and care most about, the unique needs of children: parents.

The HOPE for Children Act allows parents of special needs children to provide those children with an education that matches their child's unique needs without having to beg permission of education bureaucrats or engage in lengthy and costly litigation. I urge all my colleagues to cosponsor this bill.

TRIBUTE TO THE WORKERS AT THE OCEAN SPRAY NEVADA PLANT

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. PORTER. Mr. Speaker, I rise today to honor the workers at the Ocean Spray Nevada plant for completing 1 million bottling hours without a single accident. This singular feat has been accomplished through the dedication and skill of every man and woman in the plant. One million hours equals 25,000 40-hour work weeks, and is a nearly impossible feat to accomplish. Every manufacturing plant in the United States and overseas can learn from the example provided by Plant Manager Paul Altmier and his entire team.

The Ocean Spray plant, located in Henderson, NV, was completed 9 years ago and employs roughly 200 people. This plant provides the western United States with cranberry juice and other beverages. I am honored to represent the workers at the plant on this occasion and look forward to their continued accomplishments in safety and excellence.

INTRODUCTION OF THE WATER QUALITY FINANCING ACT OF 2003

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. DUNCAN. Mr. Speaker, I am very pleased that today, Chairman DON YOUNG and I are introducing the ''Water Quality Financing Act of 2003.''

As many members know, the American Society of Civil Engineers recently graded the condition of the infrastructure throughout the country. Wastewater infrastructure received a ''D.''

Nearly half of sewer pipes in American cities are over 50 years old. Some are over 100 years old. Treatment plants built in the 1970's need to be upgraded. New mandates to manage municipal stormwater runoff have gone into effect. And water quality must be improved.

As a nation, we are not investing enough in our wastewater treatment infrastructure to ensure that we will continue to keep our waters clean. Unless we act, we could lose the significant gains in water quality that have been achieved over the last 30 years.

There are multiple reasons for our current situation.

The Federal government has redirected local resources by imposing unfunded mandates on our communities.

Some State and local governments have chosen other local priorities before maintaining wastewater infrastructure because it was ''out of sight, out of mind.''

But, instead of assigning blame, we need to work together to solve these problems.

We must breathe life into partnerships using the resources of Federal, State and local governments, the private sector and local ratepayers. No one sector will be able to carry this responsibility alone.

We also must meet the challenge of finding more efficient and less expensive ways to address our wastewater treatment needs.

According to an analysis by the Congressional Budget Office, the gap between current spending and needed investment could be over $200 billion over the next 20 years. The actual amount of needed future investment depends heavily on the actions of Federal, State and local governments.

If we can achieve a greater environmental return on our investment with alternative treatment systems and can increase efficiencies through partnerships, regionalization, and improved operation and maintenance, we can cut the gap between current spending and needed investment in hall

This means we need to both increase investment and take action to reduce costs.

The ''Water Quality Financing Act of 2003'' addresses these issues by:

(1) Authorizing $20 billion over five years in Federal assistance through State Revolving Loan Funds;

(2) Encouraging innovative and alternative approaches to solving water quality problems and financing infrastructure improvements;

(3) Encouraging appropriate management of infrastructure assets, including planning for the payment of the costs of repair and replacement; and

(4) Increasing support for small and disadvantaged communities through funding, technical assistance, and increased subsidies.

There are a variety of competing policies that continue to be discussed as we update this program. In crafting this bill we have looked at the national goal of improving water quality, the current demands on the Federal budget, and the responsibilities of local communities to provide municipal services and maintain their local wastewater systems.

We have worked closely with members on both sides of the aisle and the various stakeholders to advance the goal of improving the infrastructure in the most cost effective manner. We have received favorable feedback from diverse parties. The Water Quality Financing Act of 2003 embraces innovative solutions for these competing interests and I urge members to support this legislation.

INTRODUCTION OF ZZZ'S TO A'S

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Ms. LOFGREN. Mr. Speaker, there is a growing crisis in America. With early school start times, some before 7:00 a.m., adolescents do not get enough sleep. The National Sleep Foundation reports that children and adolescents need at least 9 to 10 hours each night. But few sleep that much, and even fewer sleep on a regular schedule. Over time sleep deprivation leads to serious consequences for the health, safety, social behavior, and academic achievement of the nation's youth. This is simply unacceptable, especially since the solution is so easy. We must encourage schools to push back their start times to at least 8:30 a.m.—a schedule more in tune with adolescents' biological sleep and wake patterns and more like the normal adult workday.

A recently published study by Dr. Kyla Wahlstrom at the University of Minnesota demonstrates the impact of later school start times. After the Minneapolis Public School District changed the starting times of seven high schools from 7:15 a.m. to 8:40 a.m., Dr. Wahlstrom investigated the impact of this change on school performance and the results are encouraging. Dr. Wahlstrom found improvement in attendance and enrollment rates, increased daytime alertness, and decreased student-reported depression. If we allow adolescents to perform in accordance with their biological clocks, we provide them with the opportunity to succeed in school. Further, adequate sleep benefits adolescents by decreasing their chances of sleep-related car accidents and child obesity.

As more research is done, picture is clear—with early school start times, we place undue pressure on adolescents' ability to perform and achieve in school. Some school districts have responded to the research and have pushed school start times back. In total, 34 school districts across 19 states have pushed back school start times. In addition, the evidence has led nearly 100 additional school districts to consider changes.

I continue to advocate for later school start times and today I am re-introducing the ZZZ's to A's resolution to encourage schools to push back their start times to at least 8:30 a.m. I urge my colleagues to join me in this initiative. By encouraging schools to push back their start times and allowing adolescents to get enough sleep, we provide students with the opportunity to function normally, achieve in school, and be their best!

TRIBUTE TO AMHERST REGIONAL HIGH SCHOOL BOYS BASKETBALL TEAM, 2003 MASSACHUSETTS DIVISION I STATE CHAMPIONS

HON. JOHN W. OLVER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. OLVER. Mr. Speaker, I rise today to recognize the community spirit of the Amherst Regional High School Boys Basketball Team of Amherst, Massachusetts and congratulate them on winning the 2003 Massachusetts State Championship for Boys Division I Basketball.

The team had a remarkable season this year and their accomplishment is well deserved. They finished with a record of 21–4 and the state title win was the first ever for the Amherst Boys Basketball Team. These talented young men pulled together and worked as a team to defeat an admirable and previously unbeaten foe in Central Catholic of Lawrence, Massachusetts. Each player put aside personal goals and focused intently on their common aim—to be the best in Massachusetts High School Basketball.

I also want to acknowledge their coach, Jim Matuszko, and the excellent leadership he has provided since becoming Head Coach five years ago. Jim, an Amherst graduate himself, returned to build a team that has become the pride of the entire community. With a staff of dedicated assistant coaches and a great deal of support from students and parents, he created a model program. Jim's athletes are not only dedicated team members, but leaders in the community.

Again, I congratulate the students and coaches of Amherst Regional High School on their extraordinary championship season.

PERSONAL EXPLANATION

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. PASCRELL. Mr. Speaker, I was unable to be present for floor votes on Monday, March 31th due to a long-standing prior commitments.

If I had been present, I would have voted in the negative for final passage of H.R. 1463 the ''Small Pox Vaccination Compensation Fund Act.''

CONDEMNING THOSE WHO SLANDER OUR YOUNG MEN AND WOMEN RISKING THEIR LIVES FOR THE NATION

HON. JOHN E. SWEENEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. SWEENEY. Mr. Speaker, I rise today to condemn anyone who feels it is proper to slander the great young men and women who are risking their lives for our great nation. It is tragic enough that doubts abound about the integrity and motivations of many of our military actions in the eyes of the people of this country, but to advocate the killing of our military personnel is outrageous.

Sadly, Mr. Speaker, this is a very grim and unfortunate situation which has raised the ire of myself and countless others from all walks of life. I am speaking about an assistant professor at Columbia University, Nicholas De Genova, who stated that he hoped ''there would be a million Mogadishus,'' which means he hopes millions of young American soldiers are shot, mutilated, and paraded through the streets; all of which are war crimes. He then went on to say, ''The only true heroes are those who find ways to help defeat the U.S. military.''

It is this type of outlandish anti-American sentiment I stand to condemn. It is my belief that anyone who states such absurdities is speaking in support of terrorism and is going against everything for which the United States stands.

As the War in Iraq continues, it is more important to support our troops. In an all voluntary military, it is imperative we demonstrate a commitment to supporting our military personnel at every turn by reinforcing the values they hold, not by attacking them and questioning their character and certainly not by advocating killing them. We must fight anyone who attacks those who stand side by side as one to fight and die if necessary to secure our most sacred virtue, our freedom!

PERSONAL EXPLANATION

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. OBERSTAR. Mr. Speaker, I hosted an important Hometown Values tour in my district on March 31 and April 1 meeting with local educators, parents and students to discuss the numerous education needs and challenges in Pine, Chisago, and Isanti counties. I also hosted an important Hometown Values Forum to examine the opportunities to promote physical activity and public health by making our communities more accessible to walking and bicycling.

As a result of these important meetings, I was unable to cast my vote on legislation that the House considered on those two days. Had I been present, I would have voted ''nay'' on Rollcall Vote 92, and I am pleased that the House defeated this unacceptable smallpox legislation; I would have voted ''aye'' on Rollcall Vote 93; I would have voted ''aye'' on Rollcall Vote 94; I would have voted ''aye'' on Rollcall Vote 95, and I am pleased that the House voted overwhelmingly to reject the proposed reductions in Medicare, Medicaid, veterans benefits and railroad retiree pensions. I would have voted ''aye'' on Rollcall Vote 96; and I would have voted ''aye'' on Rollcall Vote 97.

COCONINO AND TONTO NATIONAL FOREST LAND EXCHANGE ACT

SPEECH OF

HON. J.D. HAYWORTH

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 1, 2003

Mr. HAYWORTH. Mr. Speaker, H.R. 622, the Coconino and Tonto National Forests Land Exchange Act authorizes, directs and expedites two land exchanges in the Coconino and Tonto National Forests in Arizona: the Montezuma Castle/Payson Airport Land Exchange and the Diamond Point Land Exchange.

Through this land exchange, the Town of Payson will receive land adjacent to its airport that will be used for expansion and economic development activities. This is particularly valuable to Payson because the Town is totally surrounded by national forest lands, virtually land-locking the community. Local officials feel that the lack of land for industry and low-cost housing is the major obstacle to economic development in the region.

These two exchanges have been pending for 6 or 7 years, with no conclusion anywhere in sight. The administrative process unfortunately broke down, leaving the Town of Payson and the homeowners of the Diamond Point Summer Homes Association with no other alternative than a legislated exchange. What's more, the exchanges are supported by the Forest Service and are already a part of the Tonto National Forest Plan.

This is common-sense legislation that accomplishes goals that even the Forest Service has stated are a priority. These land exchanges are endorsed by the Gila County Board of Supervisors, the Rim County Regional Chamber of Commerce, the Town of Payson, the Payson Regional Economic Development Corporation, and the National Park Service, among others.

I commend the gentleman from Arizona, Mr. RENZI, for making this legislation a priority, and for bringing it to the floor so quickly.

SUPPORTING OUR MEN AND WOMEN IN THE ARMED SERVICES

HON. JOHN M. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. McHUGH. Mr. Speaker, as every Member of this body knows, we face a very unsettling time today. With war declared against Iraq, I fully recognize, respect, and share the concerns many people have about the crisis at hand throughout the Middle East and Central Asia. I view any conflict as a decision of the greatest consequence and an act that should be pursued only when all other possibilities have been fully exhausted.

During my more than ten years as a Member of the House Armed Services Committee, I have had the opportunity to visit our brave military men and women in hostile environments from Haiti, to Bosnia, to Kuwait, to Afghanistan, and beyond. I have seen the devastation that armed conflict can impart and witnessed the pain of our wounded troops who gave so bravely and unselfishly of themselves in the service to our nation. I assure you these experiences profoundly affect how I view any decision to commit ourselves to battle, thus placing our troops in harm's way.

With respect to military action against Iraq, I would hope we all agree that Saddam Hussein is evil personified and poses a serious threat to peace, both in the Middle East and throughout the world. As the United Nations inspectors verified prior to their forced expulsion in 1998, Iraq under Saddam Hussein has pursued a frightening program of chemical and biological weapons development coupled with an undeniable record of repeated aggression against its neighbors and the documented use of outlawed chemical weapons even on its own people. Saddam Hussein is one of the greatest threats to peace that the world has ever known.

For the past 12 years, and through a total of 17 United Nations resolutions, Saddam Hussein has repeatedly defied international law and relentlessly pursued a program of developing and stockpiling weapons of mass destruction. Had we allowed Saddam Hussein to continue unchecked, there is every reason to believe his next act of aggression would have been of a nature and scope of unparalleled destruction.

When the United Nations Security Council unanimously adopted Resolution 1441 on November 8 of last year, Saddam Hussein was given ''one last chance'' to comply with international law and fully disarm and destroy his weapons of mass destruction. Yet, Iraq failed to meet the requirements in substance of cooperative disarmament. In short, Saddam Hussein responded to the demands of the world community with defiance and deceit.

With Saddam Hussein's shameful record as background, and the continued failure of Iraq to fully comply with the repeatedly affirmed requirements of disarming, on March 18th—consistent with the Authorization for Use of Military Force Against Iraq Resolution of 2002—President Bush informed Congress that further diplomatic and other peaceful means alone would not adequately protect our national security against the continuing threat posed by Iraq nor likely lead to the enforcement of all relevant United Nations Security Council Resolutions.

The President informed the nation on the evening of March 19th that American and coalition forces had begun the early stages of military operations to disarm Iraq, free its people, and to defend the world from grave danger. Now that military action has commenced, I pray for our military personnel, for the liberation of the Iraqi people from Saddam Hussein's tyranny, and for a world free from the threat of Iraq's weapons of mass murder. It is my sincere hope and desire that each and every American will stand behind our military personnel and their families during this difficult time. I think we can all agree that they deserve the respect and gratitude of the American people.

An editorial recently published in my upstate New York congressional district directs readers to organizations involved in relief efforts. While the thrust of the editorial is an analysis of the efficacy of anti-war demonstrations, let me be clear that it is not my wish to suppress anyone's right to express him or herself. Instead, I want to share this editorial with my colleagues because I embrace the overall conclusion—that demonstrating support for our troops and contributing to relief efforts is something that each and every one of us can and should do, regardless of our feelings about the military operation.

[From the Eagle Newspapers, March 26, 2003]

TIME FOR PROTEST HAS LONG PASSED

Even as our forces fight in Iraq, protesters in Upstate New York and elsewhere continue the futile banner waving that started months ago, when Saddam Hussein made it clear he would ignore United Nations mandates and President Bush quickened the march toward war.

We make no suggestion that protestors shouldn't have a right to speak their minds, but protestors should realize that no sign, no chant, no assembled multitude will cease military action in Iraq. If the goal is to ensure the well-being of the Iraqi people, it's time to turn futile displays into real action. Several reputable organizations have been set up to aid in Iraqi relief efforts following the military strikes. The U.N. runs a Humanitarian Information Center for Iraq, which will help coordinate humanitarian efforts in that nation. Church World Service and World Vision are two Christian-based humanitarian organizations dedicating time and money to relief efforts.

Support for our fighting forces is most important now. Our troops are following orders. Whether we approve or decry the actions of the Bush Administration, whether we believe one motivation over another, whether we think other countries' approval is important, we must honor the commitment of our troops. It's time to lay down the signs, the banners and the unproductive rhetoric and take action that can make a difference. For more information on relief organizations, visit www.agoodplacetostart.org, www.churchworldservice.org or www.worldvision.org.

The Department of Defense website is another resource offering suggestions about how we can support our troops. It says:

Thousands of Americans are asking what they can do to show their support for servicernembers, especially those serving overseas in this time of war. Below are Web sites for several organizations that are sponsoring programs for members of the Armed Forces overseas. While it would be inappropriate for the Department to endorse any specifically, servicemembers do value and appreciate such expressions of support:

''Gifts from the Homefront'' Certificates now allow you to send a gift certificate to a loved one, family member or dear friend associated with the military. These certificates are redeemable by Authorized Patrons of the PX/BX and are redeemable at all locations around the world including deployed areas. If you're looking for the perfect gift to give that special individual anytime and anywhere, then ''Gifts from the Homefront'' Certificates are the perfect choice, go to (http://www.aafes.com/docs/homefront.htm).

Donate to ''Operation USO Care Package'' at (http://www.usocares.org/home.htm).

The Gift of Groceries program at (http://www.commissaries.com/certificheek/index.htm) helps meet the family needs of our Guard and Reserve troops fighting the war on terrorism.

Donate a calling card to help keep servicemembers in touch with their families at Operation Uplink at (http://www.operationuplink.org).

Send a greeting via e-mail through Operation Dear Abby at (http://anyservicemember.navy.mil) or (www.OperationDearAbby.net).

Sign a virtual thank you card at the Defend America Web site at (http://www.defendamerica.mil/nmarn.html).

The ''Stars and Stripes'' newspaper includes a daily ''Messages of Support'' section giving family and friends of deployed service members a chance to pass along greetings, announcements, and words of encouragement. Such messages (LIMITED TO 50 WORDS OR LESS) will be printed on a first-come, first-run basis. Messages may be sent to: (messages@stripes.com).

Make a donation to one of the military relief societies:

Army Emergency Relief at (http://www.aerhq.org) Navy/Marine Relief Society at (http://www.nmc.org) Air Force Aid Society at (http://www.afas.org) Coast Guard Mutual Assistance at (http://www.cgmahq.org).

Support the American Red Cross Armed Forces Emergency Services at (http://www.redcross.org/services/afes).

Purchase a Patriot Bond at (http://www.ustreas.gov).

Volunteer at a VA Hospital to honor veterans who bore the lamp of freedom in past conflicts.

Reach out to military families in your community, especially those with a loved one overseas.

Please do not flood the military mail system with letters, cards, and gifts. Due to security concerns and transportation constraints, the Department cannot accept items to be mailed to ''Any Servicemember.'' Some people have tried to avoid this prohibition by sending large numbers of packages to an individual servicemember's address, which however well intentioned, clogs the mail and causes unnecessary delays.

The support and generosity of the American people has touched the lives of many servicemembers, over 300,000 of whom are deployed overseas.

Mr. Speaker, I trust my colleagues and my fellow Americans will find this information helpful. Showing our support for the men and women in uniform is the least we can do. After all, they are, at this very moment, putting their lives on the line to defend our freedom.

PERSONAL EXPLANATION

HON. JIM DeMINT

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. DEMINT. Mr. Speaker, I was absent during roll calls 92, 93, and 94. Had I been present, I would have voted ''aye'' on each of those rollcalls.

COMMENDING THE UNIVERSITY OF KANSAS MEN'S BASKETBALL TEAM

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. MOORE. Mr. Speaker, I rise to congratulate the University of Kansas, my undergraduate alma mater, for reaching the Final Four competition for the second year in a row. KU has shown impressive skill in this year's NCAA conference, and I am confident that they will reach the championship game.

The Jayhawks have benefited from excellent senior leadership and the outstanding coaching of Roy Williams. The team has a 29–7 record, most recently with great victories over Duke and Arizona.

Congratulations to the KU Men's 2002–2003 Basketball team on their efforts and their return to the Final Four. This team has shown an ability to thrive in the face of adversity. I know their play in Saturday's match-up against Marquette will make me proud to be a Jayhawk. Rock Chalk Jayhawk, KU!

CONGRATULATIONS BOARD MEMBERS OF THE VILLAGE OF WESTERN SPRINGS AS YOU RETIRE FROM PUBLIC SERVICE

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. LIPINSKI. Mr. Speaker, I rise today to extend my warmest wishes to several Board Members upon their retirement from service to the Village of Western Springs, Illinois. The following members will be recognized on Saturday, April 5, 2003 for their commitment to public service.

Village Board Members: Howard Blackman, Harry Kannry, and Jane McMurray

Park Board Members: Ken Sitkowski and Greg Jonas

Library Board Members: Leslie Karas and Mark Schilling.

All of you have proven to be a true asset to your family, friends and community. Your dedication to the community in which you live has truly been instrumental to the success of the Village of Western Springs.

As you retire, I wish to extend my heartiest congratulations to Village of Western Springs Board Members and your families as you celebrate your accomplishments in public service. May your futures be filled with much success.

AGAINST FY 2004 VETERANS BUDGET CUTS IN HEALTH CARE

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. DAVIS of Illinois. Mr. Speaker, I rise today to voice my opposition against the

President's proposed budget for Health Care in the Veterans Affairs (VA) fiscal year 2004. Americans freedom is due to the men and women in uniform who have fought and continue to fight for us. They are the Nation's heroes, who are one of America's greatest and vital assets, to whom we owe a great debt. One way we can repay this debt is through the provision of good health care to them. Many veterans and men and women in uniform according to the American Veterans (AMVET) will agree with me that high quality health care is one of their most important benefits. Nevertheless, the President is repaying the debt we owe to them by cutting their health care benefits.

The President's budget of $27.5 billion is $2.5 billion less than what it cost to provide health care to veterans under current law in 2004. This is as a result of suspending health care enrollment of Priority 8 veterans, which will deny care to 173,000 veterans nation wide. Of the 173,000 veterans denied approximately 7,160 reside in Illinois and approximately 4,000 would have enrolled at VA facilities in the Chicago area. Nationwide, an estimated 300,000 veterans in 2002, were placed on waiting list or forced to wait for over 6 months in order for them to get an appointment for health care. Now we are going to tell over 50 percent of these people who have been expecting this benefit and bleed for their country, that we appreciate their service and are thanking them by refusing them health care access. Denying them health care tells them how much we value their service to the country and their lives. This is incomprehensible.

The budget now requires an additional annual enrollment fee of $250 for those already in the VA health care system. This will force approximately 1.25 million enrolled veterans including 425,000 active patients nationwide to drop out of the health care system due to the increased costs. In the state of Illinois, there are approximately 105,210 priority 7 and 8 veterans enrolled in the VA health care system, which will lead to an estimated 58,000 veterans dropping out due to this cost. Also, approximately 42,000 Chicago veterans and active patients would be forced to drop out of VA care due to the new fees. This new fee is telling our veterans and active men and women in uniform that their suffering for our freedom is not enough for them to earn health care benefits that they still have to pay for it.

Furthermore, those who remain in the VA health care system, will pay a lot more than they used to pay. In the State of Illinois an estimated 47,000 Priority 7 and 8 veterans will remain in the VA health care system, which will mean that their cost for VA care will increase by an estimated $16 million annually. Out of these Illinois veterans approximately 26,000 veterans are enrolled in Chicago VA facilities, their VA care cost will increase annually by an estimated $9.1 million.

Overall due to being excluded from signing up and the increased fee for VA care, approximately 65,000 Illinois 15 veterans, including 36,000 veterans in Chicago VA facilities, will lose access to VA health care. This is no way to treat our Veterans—in fact we should be ashamed. We can do better and we must begin by taking care of those who have given so much—our Veterans.

RECOGNIZING KNOXVILLE NEWS-SENTINEL

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. DUNCAN. Mr. Speaker, in these challenging economic times it is important to recognize individuals and companies that invest in our future. Last month, I helped celebrate just such an investment in my district—the state-of-the-art office and production facility for the Knoxville News Sentinel, East Tennessee's largest newspaper.

This paper has been based in downtown Knoxville since its first issue in 1886. It now educates and informs more than 400,000 people every week and supports a wide variety of local civic, charitable and education organizations.

The News Sentinel has taken its community involvement a giant step further by building its $50 million headquarters in a formerly underserved part of Knoxville's city center and by bringing on-line one of the most sophisticated printing presses in the United States. The paper's parent company, E.W. Scripps, also bases its highly successful cable networks and Internet services in Knoxville.

East Tennessee is one of the best places in our Nation to do business. I applaud the News-Sentinel and E.W. Scripps for having the foresight to invest in this dynamic community.

OUR TROOPS IN IRAQ AND THE FAMILIES AT HOME MUST HAVE STEEL IN THEIR SPINES

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. BEREUTER. Mr. Speaker, as our troops move into Baghdad, countless Americans are watching as embedded reporters use 21st century technology to relay the bloodshed and horror of the battlefront into their living rooms. These images cannot help but have a profound impact on all of us. We would be well advised to heed the advice of Winston Churchill that, ''Nothing is more dangerous in wartime than to live in the temperamental atmosphere of a Gallup Poll, always feeling one's pulse and taking one's temperature.''

A timely editorial published in the Omaha World-Herald on Saturday, March 29, 2003, reflects the situation Americans face in Iraq and on the homefront. This member commends it to his colleagues, especially noting its recommendations that only unconditional victory now will suffice.

[From the Omaha Daily Herald, Mar. 29, 2003]

BAGHDAD BOUND

Wars, many have observed, don't follow scripts. Certainly the one in Iraq underscores the point.

It it not turning out to be as quick or as clean as many seasoned observers, including some highly placed military officials, had hoped. But as the second week began, positive developments emerged.

The (official) start of the war met with unexpected contingencies. First came one of the worst sand-storms in modern memory. Only those who have experienced a major and prolonged storm of that kind can begin to imagine what it would be like to pursue a military engagement under such conditions. Another surprise has been the tenacity of some of the Iraqi soliders. They may not be the best-trained fighters, but desperation and zealotry combined have kept them in the battle longer than many expected.

Desperation and zealotry have also led to some despicable dirty tricks—war crimes, really. Much of this was expected, but is no less infuriating for that fact: Fighting from hospitals. Fake surrenders that become massacres. Forced human shields. Apparent executions of prisoners and Iraqi civilians. And more. But the tide does appear to be turning. Massive bombs are shattering strategic targets in Baghdad. Ground forces are speeding up, and bit by bit they are securing the ever-important supply line all the way back to the Persian Gulf. Helicopters (for which sand-storms are a curse) are back in the air, laying down lethal fire and ferrying troops.

Additionally, thousands of Iraqi citizens, once they feel reasonably secure, have begun to flee to safety behind American and British lines. There they are being fed and medically treated as necessary, affirming that the allies truly are on the scene as rescuers.

None of that makes this a stroll on the beach. Baghdad will be tough to pacify. Casualties among the liberators are rising. Some innocent Iraqis, inevitably, are dying. That makes this the point at which the troops—and we would add, their loved ones at home—must have some steel in their spines.

The only sensible course now is unconditional victory. The allies can win it, and we believe they will. Chapter 2 will be winning the peace.

THE PHASE III IMPLEMENTATION ACT

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. COBLE. Mr. Speaker, I rise today to introduce the Phase III Implementation Act.

I believe the time has come for Congress to find a way to break the current stalemate on the tobacco buyout issue. To that end, I am calling for the creation of a non-federal trust fund—similar to the Phase II trust fund created by the 1998 multi-state settlement agreement—to provide buyout payments to tobacco quota holders and growers. This new ''Phase III'' Trust Fund would be coupled with tobacco program modernization which is addressed in the legislation I am introducing today.

There are three major objectives motivating this legislation. First, Congress needs to undertake major reform and modernization of the federal tobacco program. Second, we need to encourage a dialogue on alternative ways to fund a tobacco quota buyout. Third, the tobacco buyout and program reform debate needs to remain separate from a massive tobacco product regulatory debate like the one we saw in 1998.

The current program has served tobacco-growing families quite well since the 1930's and has been modified and improved several times through the years; however, the last major overhaul was in 1986, and I believe it is time to take a new look at the program. Historically, the federal tobacco program has worked well to keep supply in line with demand. Since 1986, growers and buyers alike

have paid an assessment on every pound of tobacco grown to keep the program operating at no net cost to the federal government. This approach has generally been strongly supported by quota holders, growers, manufacturers, dealers, and in recent years, even public health organizations; however, certain structural problems have emerged in the last few years to make the program less efficient.

Tobacco quotas can be rented or leased by quota holders. This means that active tobacco growers seeking to increase their production can do so by obtaining the production rights from inactive quota holders. In the last few years, rent and lease costs have risen substantially, and the overall demand for tobacco leaf has been cut in half. Much of this reduction stems from the $268 billion multi-state settlement in 1998, and fears of excessive federal regulation of tobacco products by manufacturers which has driven export production overseas. In the past two years, there has been much speculation about a tobacco quota buyout. This speculation has caused many quota holders to hang on to their quotas longer than they otherwise might have, making quotas more, expensive to buy and driving up rent and lease costs. At the same time, the price of domestic tobacco leaf has been supported at levels that are incongruous with international prices, making domestic leaf less competitive in world markets. As a result, support for the current program has been falling among active tobacco growers, thereby creating the need for reform.

Under my proposal, growers can opt for a modernized program or eliminate the program altogether, giving growers a vote on this issue. It calls for an up-front referendum for each type of tobacco to decide whether growers move forward with a licensing program that includes a cost-of-production safety net, or no program at all.

This bill will eliminate the current tobacco quota program and create a modernized program in its place. Quota holders would be eligible for buyout payments from non-federal sources through the existing Phase II trust fund and additional amounts provided under a new Phase III trust fund. Active tobacco growers would also be eligible for payments from these non-federal sources and would be issued tobacco production licenses based on their actual production history. The new licensing program would be administered by the Department of Agriculture, establishing licenses that are non-transferable, except to the heirs of the tobacco grower. In other words, the renting or leasing of production rights would be eliminated and tobacco leaf would be sold with a new safety net formula based on costs of production. Finally, growers would be given a vote on a new modernized program or no program at all.

The second objective of my legislation is to stimulate a discussion of alternative ways to fund a tobacco quota buyout. The current debate in Congress is at a stalemate, and I believe that it is well past time to look at alternative solutions. I continue to oppose all federal tax increases as a way to pay for a buyout including direct taxes, user fees, assessments, or new revenues by any other name.

Before the Attorneys General from the major tobacco states would sign the multi-state settlement in 1998, they wanted guaranteed relief for tobacco growers, but they did not come to Congress looking for the money. The tobacco manufacturers and the states sat down and negotiated a separate $5.15 billion trust fund, known as Phase II, that did not require taxpayer dollars. In this same vein, I believe we should begin looking at non-federal ways to fund a buyout, like developing a new Phase III trust fund with buyout payments made over 5 years. This would require a willingness on the part of manufacturers and growers to come together to find a solution, and I think it is an idea worth trying given that such a solution could potentially be accomplished far faster than waiting on the legislative process.

The third objective of my legislation is to keep the tobacco buyout and program reform debate separate from a massive tobacco product regulatory debate like the one experienced in 1998. I don't believe such a debate can be successfully concluded in the near future, yet group after group continues to meet with our tobacco growers and tell them that they need to accept FDA regulation of tobacco products if they want a tobacco buyout.

One of my major concerns with FDA regulation is its application of medical device language to tobacco products. Language regulating each machine part of a medical device will not work when applied to a tobacco leaf. Instead, it could end up giving the federal government broad authority to reengineer the compounds in the tobacco plant. Our tobacco growers have been pawns in the FDA power struggle long enough, and we simply must separate this issue and move forward to help our growers.

I hope my colleagues who represent tobacco-growing states will join with me in looking at the tobacco buyout issue in a different light. Tobacco growers cannot wait indefinitely for a solution. Let us find a non-federal, taxpayer friendly way to fund a buyout, enact sensible tobacco program reform that gives growers a choice, and move forward so that our farm families can enjoy a more stable future.

REINTRODUCTION OF CENSUS DIRECTOR LEGISLATION

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mrs. MALONEY. Mr. Speaker, today, I introduce legislation that establishes a 5-year term of office for the Director of the Census Bureau. By establishing a fixed term of office, this legislation would lessen the role that politics plays at the Census Bureau, an agency which should be grounded in the science of counting our nation. Other agencies charged with developing critically important statistical information, including the Bureau of Labor Statistics, have a fixed term for their directors. This policy ensures the most accurate, nonpartisan data possible.

IN HONOR OF MARINE GUNNERY SERGEANT PHILLIP A. JORDAN OF ENFIELD

HON. ROB SIMMONS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. SIMMONS. Mr. Speaker, I rise today to share a Connecticut family's sorrow with my colleagues and the nation.

Marine Gunnery Sgt. Phillip A. Jordan, a 42-year-old Marine from Enfield, Connecticut, was killed along with eight other Marines near the city of An Nasiriyah. Sgt. Jordan died on March 23, when enemy troops, pretending to surrender, opened fire. He served America and the cause of freedom honorably in the first Gulf War, in Kosovo and in Afghanistan.

Sgt. Jordan, a constituent of mine, is the first Connecticut resident known to have died in the war. He leaves his wife, Amanda, and a son, Tyler, who is 6 years old. He was laid to rest today with full military honors in Enfield. We mourn his passing but honor his service.

This is an old story for Americans. Since our nations birth there have been periods of time in which brave men and women have had to step forward to defend our freedom, our Nation and our Constitution. Yet, the timelessness of the story does not ease the sadness that is felt by those who mourn the loss of their loved ones. It is not only our men and women in uniform who sacrifice for our Nation—their families make profound sacrifices as well.

Sgt. Jordan reminds us that the guardians of our freedoms are the sons and daughters and the husbands and wives who volunteer to serve America and the people they love. When called upon, they leave their homes to engage in the dangerous and difficult work that must be done if we are to continue to enjoy the rights we have as Americans. Our men and women in uniform are the threads that bind together our national defense fabric. Without their courage throughout the centuries we would not be in this Chamber today.

It is the soldier and his family who above all others desires peace because it is the soldier and his family who bears the heaviest burdens of war. But the soldier and his family also know that there are even heavier burdens than those imposed by war. They know that there are some things worth fighting for and dying for.

Sgt. Jordan understood the difference between using force for liberation and defense; and using force for repression and conquest. He will take his place among the ranks of courageous and devoted Americans who gave their last full measure for this great Nation.

America will be a safer and more secure nation because of Sgt. Phillip A. Jordan. The America that we love, and that we will not falter in defense of, will forever stand as his monument. He and his family will be in our prayers. We thank them for their service and sacrifice.

INTRODUCTORY STATEMENT FOR H.R. 1562, THE VETERANS HEALTH CARE COST RECOVERY ACT OF 2003

HON. BOB BEAUPREZ

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. BEAUPREZ. Mr. Speaker, along with Mr. SMITH of New Jersey, Chairman of the Committee on Veterans' Affairs; Mr. EVANS of Illinois, the Committee's Ranking Member; Mr. SIMMONS of Connecticut, Chairman of the Subcommittee on Health; and Mr. RODRIGUEZ of Texas, the Health Subcommittee's Ranking Member, I am introducing a bill to improve health care cost recovery programs in the Department of Veterans Affairs (VA).

The Veterans Health Care Cost Recovery Act of 2003 would strengthen VA's rights under law to collect third-party reimbursements from certain third parties for the costs the Department incurs in providing health care to veterans and others covered by a private or public health plan. It would specifically authorize reimbursement for services provided by VA to persons enrolled in and/or receiving treatment from VA health care facilities. The absence of a participating agreement or other contractual agreement would no longer serve as grounds for denying or reducing amounts the Department may collect from third party payers.

With this legislation, the Department of Veterans Affairs would be deemed a ''preferred provider'' for purposes of collections when a payer might be a managed care or preferred provider organization or other non-traditional payer. This bill would authorize VA to receive full reimbursement for services provided to all persons with insurance, with the exception of service-disabled veterans for health care provided related to their service connected conditions. This bill would require health plans to reimburse VA for legitimate expenses associated with a covered beneficiary. A number of payers and plans that fully cover veterans have either refused to reimburse VA or have legally been unable to do so. This bill would eliminate such barriers to reimbursements to the VA system.

The Veterans Affairs Committee is fully aware that the VA health care system is seriously under-funded and unable to meet the demands being placed on it by our nation's veterans. VA health care is under great stress, as increasing enrollment and rising health care costs have resulted in hundreds of thousands of veterans being forced to wait months, some even more than a year, to see a VA doctor for the first time. VA recently reported that over 200,000 veterans are waiting six months or more to be seen in VA primary care. These proud defenders of our freedom should not be told to wait because we lack the resources, or even more unthinkable—told to go away.

Mr. Speaker, my bill would correct serious deficiencies in VA's ability to recover costs of care provided to patients covered by other health plans. Since 1986, VA has had statutory authority to collect from traditional insurers such as Blue Cross-Blue Shield, Aetna, Mutual of Omaha and many others. These funds are used by VA to supplement appropriated funds to maintain high quality health care.

But currently, VA is unable to collect from the sizeable managed care and preferred provider sector, which accounts now for over two-thirds of all health plans in the United States. This segment of the health care industry also includes the managed care plans within the Federal Employee Health Benefits Plan. My legislation would require the private sector programs to pay VA for care it provides to covered beneficiaries. This would increase the amount of money VA could collect by hundreds of millions of dollars each year—providing funds that are desperately needed to reduce the waiting lists and promote better use of all available health care resources.

Mr. Speaker, this is a sound proposal that would increase available health care dollars for veterans. I urge prompt House action on this important measure.

LEGISLATION TO AID DISPLACED AVIATION WORKERS

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. OBERSTAR. Mr. Speaker, today, I have joined with Congressmen ENGLISH, NEY, HOYER, DUNN, LIPINSKI, HART, MENENDEZ, DEFAZIO and WEINER to introduce H.R. 1553, the Air Transportation Employees Assistance Act. I strongly support this legislation to ensure that workers in the aviation industry are not asked to bear a disproportionate share of the costs of fighting terrorism and the war with Iraq. These are national responsibilities and should be borne by the entire nation. We have already recognized this principle and granted financial relief to airline companies and their stockholders. Now we should grant some relief to the workers of these companies who have lost their jobs as a consequence of terrorism and war.

The airlines were the weapons used by the terrorists of 9/11, and, as a consequence, the airlines have suffered serious financial damages—from the groundings after 9/11, from the lost traffic which has never returned to pre 9/11 levels, from increased insurance costs, and from the loss of substantial revenues because of security limitations on the carriage of freight and mail.

The war with Iraq is also having a significant impact on the airlines, producing increased fuel costs, loss of revenue from the reluctance of passengers to fly, and from the need of our military to use the airlines' aircraft to carry troops and equipment to the war zone.

Shortly after September 11, Congress responded to the aviation industry's financial problems caused by terrorism, by passing a $15 billion package of direct assistance and loans. Now proposals are going forward to furnish $3.0 billion more to help the airlines meet the costs of a war with Iraq.

While I have supported these efforts to aid the industry for the problems created by terrorism and war, I, and many of my colleagues, are deeply disappointed that there has not been the same fair treatment of aviation industry employees who have also suffered from terrorism and war.

Even prior to the war with Iraq, the financial state of the airlines and the fate of their employees was deteriorating daily, as more than 150,000 industry employees were laid-off or furloughed. The situation has reached a crisis point and Congressional action is desperately needed to avert a total collapse of several air carriers and the elimination of thousands of jobs. The air carriers are now bleeding millions more each day as bookings plummet in the wake of the war. The airline industry predicts another 70,000 layoffs due to a severe drop in business resulting from the war. Moreover, Boeing, which already cut 30,000 workers due to aircraft order cancellations and deferrals following 9/11, says it will lay off nearly 1,000 more workers.

The issue of aiding aviation employees is not new. When we passed the $15 billion assistance bill soon after September 11, many of my colleagues and I insisted that if the airline companies were to be afforded relief, so should employees who had lost their jobs. The Republican Leadership told us that there was no time to develop a consensus proposal on employee relief, but on the House Floor, Speaker HASTERT promised prompt consideration of employee relief, including financial assistance, ability to retain health insurance, and training for new careers. Regrettably, the Leadership has not followed through, and the House has never considered assistance for displaced airline employees.

Mr. Speaker, if the airline industry is entitled to special relief because it has suffered disproportionately from terrorism and war, its displaced workers are equally deserving of relief. Our bill will redress the imbalance, and help the industry's employees cope with difficulties arising from events outside their control. Our bill provides industry employees 26 additional weeks of unemployment benefits. Aviation industry employees were the first to be laid off after 9/11, and they were among the first to exhaust their state and federal jobless benefits. The current federal extension of those benefits as enacted earlier this year will soon expire, and it did not give any help to thousands of workers who had exhausted all their benefits. Aviation workers need and deserve our assistance as the war on terrorism causes a further contraction of the industry.

I urge my colleagues to support the Air Transportation Employees Assistance Act. We hope that it can be included in the Supplemental Appropriations Act which will soon be considered by the House.

HONORING THOMAS N. LESCH FOR 40 YEARS OF DEDICATED SERVICE

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Mr. KLECZKA. Mr. Speaker, today I announce the retirement of a great friend of labor, Tom Lesch. Over the years, the machinists of Wisconsin have had no greater an advocate than Tom. For four decades, he has ably served in one capacity or another as a committed member and leader of Local Lodge 2110 of the International Association of Machinists and Aerospace Workers (IAMAW).

Mr. Lesch started his union career as Local Lodge President, Recording Secretary, and Shop Committee Chair representing workers at Geuder, Paschke and Frey. In 1976, he became a Business Representative with District

10 of IAMAW, AFL–CIO, and he was named Assistant Director in 1981, rising to Director in 1994.

In addition to Tom's active involvement in Local 2110, he holds the distinction of having been a leader at all levels of the labor movement. Tom has been the stalwart head of the union's state organization for over two decades. He is currently the President of the Wisconsin State Council of Machinists, a position he has held since 1982. Prior to that, he served as Financial Secretary to the Council. Active at the county level as well, he served on the Milwaukee County Labor Council Board for 13 years until leaving in 1994. And even with all he has been doing these days, Tom has also taken up the cause for workers across the nation, maintaining a position on the AFL–CIO Executive Board and Executive Committee.

Tom has served on the boards of many other worthy community and labor organizations over the years, including the Red Cross, the United Way Labor Cabinet, Guide Dogs of America, and the Wisconsin Labor-Management Council, just to name a few. But most recently, he has been the driving force behind a broad labor-management effort to come up with possible solutions to the critical problem of rising healthcare costs in our state. His personal involvement in spearheading this initiative can, in large part, be credited for the productive dialogue and progress they've made.

Mr. Speaker, I ask you to join with me in thanking Tom Lesch for his tenacity and willingness to hold out for the rights and living standards of the people he represented. His leadership was felt by all, and has left its mark on the ongoing struggle for the cause of working men and women. Along with the International Association of Machinists and Aerospace Workers and the entire Wisconsin labor community, I wish him a long, healthful, and well-deserved retirement.

CONGRESSIONAL BLACK CAUCUS ON THE BUDGET

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 2003

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today to talk about the budget. When the President took office two years ago the Congressional Budget Office (CBO) projected a ten-year budget surplus of $5.6 trillion. Now CBO projects a $1.8 billion deficit over the same time period.

As our nation's men and women are on the frontlines of a war in Iraq, the Republican budget cuts funds for the nation's veterans. As we talk about rebuilding and constructing schools in Iraq through the Wartime Appropriations Supplemental, we have not fully funded our own educational priorities here at home. This budget, in particular, hurts African Americans.

The Members of this Congress must not forget about the neediest Americans who will see services simply erased under the Republican's budget. In my district, as in so many others, the unemployment rate is not improving.

Yet the Republican budget proposal provides no extension of unemployment benefits for the one million Americans who have run out of federal benefits. The Republican plan also fails to create new jobs that would allow the currently unemployed to take care of their families.

Republicans are short changing vital priorities. With their budget proposals the President and the Republicans have shown their dedication to cutting taxes for the very wealthy.

The posture of the Republican majority decrees that there should be an end to Federal responsibility for domestic programs and an end to safety net compassion as we know it.

The Republican majority has snatched off their mask of patronizing charity and phony concern. Contempt for the poor is no longer camouflaged. By their current actions the Republicans have thrown a searing spotlight of exposure on their deep-seated belief that the nation, the government is primarily a structure for the protection of the privileges and interests of the rich. For Republicans the tax cuts have suddenly become the mission and purpose of this 2004 budget and this nation.

Our domestic priorities: Medicaid, Medicare, education, and benefits for veterans are underfunded in this budget. We must invest in people capital—our children, our poor, and our ill.

We do not know how much the war will cost, how long our soldiers will be fighting in the region, and how this war will impact our economy. Already, oil prices have risen and the stock market is uncertain in the face of this crisis.

We have been presented with a budget that cuts key domestic priorities and once again includes irresponsible accounting methods. It cuts domestic programs in a Draconian fashion.

We must make a commitment and investment in the education of our nation's children. Programs like Title I, which provides funds to impoverished school districts across the nation, would be cut under this budget.

We passed a landmark education law last year to reauthorize the Elementary and Secondary Education Act—now it is time to fund these programs fully, if we are serious about improving our nation's schools.

This budget cuts important higher education programs like the Pell Grant. The budget provides only $22.6 billion for programs under the No Child Left Behind Act, which is $9 billion below the amount authorized for 2004 and $199 million below the amount needed to maintain programs and services at the 2002 level.

The budget continues the theme of the previous budget by eliminating many education programs, freezing most others at the level in the 2003 continuing resolution and increasing funding for just a few programs such as special education and Title I. Education is critical to our country's growth.

In my 18th Congressional District in Houston, some of the nation's most under-funded schools rely on Title I funds to supplement state and local funding. It is absolutely unconscionable to cut this program.

The Republican budget cuts $215 billion in Medicare, Medicaid, school lunches and student loans, agriculture, and veterans' programs.

As the nation's unemployment rate remains at critically high levels, millions of Americans lack access to health care, education continues to be woefully underfunded, and veterans' benefits are cut, we must remember our moral obligation to our poor, disabled, children, and veterans. This Republican budget does not.

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, April 3, 2003 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

APRIL 7

1:30 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings to examine proposed budget estimates for fiscal year 2004 for the Department Energy's Office of Environmental Management and Office of Civilian Radioactive Waste Management.
SD–124

APRIL 8

9:30 a.m.
Foreign Relations
To resume hearings to examine NATO enlargement.
SD–419

Governmental Affairs
Oversight of Government Management, the Federal Workforce, and the District of Columbia Subcommittee
To hold joint hearings with the House Subcommittee on Civil Service and Agency Organization to examine the federal government's strategic human capital management and consider pending legislation on the federal workforce.
SD–342

Rules and Administration
To hold oversight hearings to examine the operations of the Sergeant at Arms, the Library of Congress and the Congressional Research Service.
SR–301

10 a.m.
Banking, Housing, and Urban Affairs
To hold oversight hearings to examine the impact of proposed RESPA rule on small business and consumers.
SD–538

Appropriations
Commerce, Justice, State, and the Judiciary Subcommittee
To hold hearings to examine proposed budget estimates for fiscal year 2004 for the Securities and Exchange Commission.
S–146 Capitol

Energy and Natural Resources
Business meeting to consider comprehensive energy legislation.
SD–366

Health, Education, Labor, and Pensions
To hold hearings to examine proposed legislation authorizing funds for programs of the Mammography Quality Standards Act, focusing on patient access to quality health care.
SD–430

Judiciary
To hold hearings to examine S.J. Res. 1, proposing an amendment to the Constitution of the United States to protect the rights of crime victims.
SD–226

2 p.m.
Environment and Public Works
Clean Air, Climate Change, and Nuclear Safety Subcommittee
To hold hearings to examine S. 485, to amend the Clean Air Act to reduce air pollution through expansion of cap and trade programs, to provide an alternative regulatory classification for units subject to the cap and trade program.
SD–406

Appropriations
Homeland Security Subcommittee
To hold hearings to examine the fiscal year 2004 Emergency Preparedness and Response Budget Overview.
SD–124

2:30 p.m.
Foreign Relations
International Economic Policy, Export and Trade Promotion Subcommittee
To hold hearings to examine global energy security issues.
SD–419

APRIL 9

9:30 a.m.
Foreign Relations
Business meeting to consider proposed legislation entitled ''Foreign Relations Authorization Act'', to authorize appropriations for the Department of State, and United States international broadcasting activities.
SD–419

Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings to examine proposed budget estimates for fiscal year 2004 for the Department of Labor.
SD–138

10 a.m.
Energy and Natural Resources
Business meeting to consider comprehensive energy legislation.
SD–366

Health, Education, Labor, and Pensions
Business meeting to consider proposed legislation entitled ''The Improved Vaccine Affordability and Availability Act'' and pending nominations.
SD–430

Judiciary
To hold hearings to examine the nominations of R. Hewitt Pate, of Virginia, to be an Assistant Attorney General, and Diane M. Stuart, of Utah, to be Director of the Violence Against Women Office, Department of Justice.
SD–226

1:30 p.m.
Health, Education, Labor, and Pensions
To hold hearings to examine the Severe Acute Respiratory Syndrome Threat.
SD–430

2 p.m.
Appropriations
Transportation, Treasury and General Government Subcommittee
To hold hearings to examine proposed budget estimates for fiscal year 2004 for the Internal Revenue Service.
SD–124

2:30 p.m.
Armed Services
Readiness and Management Support Subcommittee
To hold hearings to examine proposed legislation authorizing funds fiscal year 2004 for the Department of Defense, focusing on the readiness of the military services to conduct current operations and execute contingency plans.
SR–222

3:30 p.m.
Foreign Relations
To hold hearings to examine the nominations of Joseph LeBaron, of Oregon, to be Ambassador to the Islamic Republic of Mauritania, Gregory W. Engle, of Colorado, to be Ambassador to the Togolese Republic, Wayne E. Neill, of Nevada, to be Ambassador to the Republic of Benin, and Helen R. Meagher La Lime, of Florida, to be Ambassador to the Republic of Mozambique.
SD–419

4:30 p.m.
Foreign Relations
To hold hearings to examine the nominations of Heather M. Hodges, of Ohio, to be Ambassador to the Republic of Moldova, Eric S. Edelman, of Virginia, to be Ambassador to the Republic of Turkey, Ralph Frank, of Washington, to be Ambassador to the Republic of Croatia, Reno L. Harnish, of California, to be Ambassador to the Republic of Azerbaijan, and Stephen D. Mull, of Virginia, to be Ambassador to the Republic of Lithuania.
SD–419

APRIL 10

9 a.m.
Health, Education, Labor, and Pensions
To hold hearings to examine the teaching of American history and civics in the classroom.
SD–430

9:30 a.m.
Governmental Affairs
To hold hearings to examine the nomination of Peter Eide, of Maryland, to be General Counsel of the Federal Labor Relations Authority.
SD–342

10 a.m.
Banking, Housing, and Urban Affairs
To hold hearings to examine recent developments in Hedge Funds.
SD–538

Energy and Natural Resources
Business meeting to consider comprehensive energy legislation.
SD–366

Joint Economic Committee
To hold hearings to examine Medicare's financial crisis, focusing on the long-term financial viability of the program, proposals to add a prescription drug benefit and other reforms.
SD–562

1:30 p.m.
Appropriations
Legislative Branch Subcommittee
To hold hearings to examine proposed budget estimates for fiscal year 2004 for the Library of Congress and the Open World Leadership Center.
SD–116

APRIL 29

10 a.m.
Energy and Natural Resources
Business meeting to consider comprehensive energy legislation.
SD–366

APRIL 30

10 a.m.

Energy and Natural Resources

Business meeting to consider comprehensive energy legislation.

SD–366

MAY 1

10 a.m.

Energy and Natural Resources

Business meeting to consider comprehensive energy legislation.

SD–366

Appropriations

Legislative Branch Subcommittee

To hold hearings to examine proposed budget estimates for fiscal year 2004 for the U.S. Capitol Police Board and the Sergeant-at-Arms.

SD–124

MAY 8

1:30 p.m.

Appropriations

Legislative Branch Subcommittee

To hold hearings to examine proposed budget estimate for the Secretary of the Senate and the Architect of the Capitol.

SD–124

Daily Digest

Senate

Chamber Action

Routine Proceedings, pages S4651–S4732

Measures Introduced: Eleven bills and two resolutions were introduced, as follows: S. 763–773, S. Res. 103, and S. Con. Res. 32. **Pages S4702–03**

Measures Passed:

Postal Civil Service Retirement System Funding Reform Act: Senate passed S. 380, to amend chapter 83 of title 5, United States Code, to reform the funding of benefits under the Civil Service Retirement System for employees of the United States Postal Service, after agreeing to a committee amendment in the nature of a substitute, and the following amendment proposed thereto: **Pages S4726–29**

Frist (for Collins) Amendment No. 469, in the nature of a substitute. **Page S4729**

Senate Legal Representation: Senate agreed to S. Res. 103, to authorize representation by the Senate Legal Counsel in the case of *John Jenkel* v. *Daniel K. Akaka, et al.* **Pages S4729–30**

Wartime Supplemental Appropriations: Senate began consideration of S. 762, making supplemental appropriations to support Department of Defense operations in Iraq, Department of Homeland Security, and Related Efforts for the fiscal year ending September 30, 2003, taking action on the following amendments proposed thereto:

Pages S4657–66, S4676–98

Adopted:

Stevens/Inouye Modified Amendment No. 436, to increase Imminent Danger Special Pay.

Pages S4662–66, S4676

Allard Modified Amendment No. 451, to establish a panel to determine responsibility for an atmosphere at the United States Air Force Academy that was conducive to the recent acts of sexual misconduct at the United States Air Force Academy.

Pages S4686–87, S4697

Rejected:

Hollings Amendment No. 445, relative to port security. (By 52 yeas to 47 nays (Vote No. 115), Senate tabled the amendment.) **Pages S4678–86, S4690**

Landrieu Amendment No. 452, to appropriate $1,047,000,000 for procurement for the National Guard and Reserves. (By 52 yeas to 47 nays (Vote No. 116), Senate tabled the amendment.)

Pages S4590–91, S4687–90

Withdrawn:

Durbin Amendment No. 437 (to Amendment No. 436), of a perfecting nature. **Pages S4663–66, S4676**

McCain Amendment No. 456, to strike the appropriation of $50,000,000 for the Maritime Loan Guarantee Program under title XI of the Merchant Marine Act, 1936. **Pages S4692–94**

Pending:

Stevens Amendment No. 435, to increase the National Debt Ceiling of the United States.

Pages S4661–62, S4677

Reid Amendment No. 440, to provide critical funding to safeguard nuclear weapons and nuclear material in the United States and around the world.

Pages S4677–78

During consideration of this measure today, the Senate also took the following action:

Senate sustained a point of order against Corzine/Edwards Amendment No. 462, to help protect the public against the threat of chemical attacks, as being in violation of Rule XVI of the Standing Rules of the Senate which prohibits legislation on appropriations matters, and the amendment thus fell.

Pages S4694–97

A unanimous-consent agreement was reached providing for further consideration of the bill at 10 a.m., on Thursday, April 3, 2003, and that Senator Boxer be recognized to offer an amendment related to anti-missiles. **Page S4731**

Nomination Considered: Senate resumed consideration of the nomination of Miguel A. Estrada, of Virginia, to be United States Circuit Judge for the District of Columbia Circuit. **Pages S4666–76**

During consideration of this measure today, Senate also took the following action:

By 55 yeas to 44 nays (Vote No. 114), three-fifths of those Senators duly chosen and sworn, not having voted in the affirmative, Senate rejected the fourth motion to close further debate on the nomination.

Pages S4675–76

Appointments:

United States Capitol Preservation Commission: The Chair, on behalf of the President pro tempore, and upon the recommendation of the Majority Leader, pursuant to Public Law 100–696, appointed the following Senators as members of the United States Capitol Preservation Commission: Senator Bennett, vice Senator Durbin, and Senator Campbell, vice Senator Reid. **Page S4730**

Advisory Committee on the Records of Congress: The Chair announced, on behalf of the Majority Leader, pursuant to Public Law 101–509, the appointment of Alan C. Lowe, of Tennessee, to the Advisory Committee on the Records of Congress. **Page S4730**

United States Capitol Preservation Commission: The Chair, on behalf of the Democratic Leader, pursuant to Public Law 100–696, announced the appointment of Senator Durbin as a member of the United States Capitol Preservation Commission, vice Senator Bennett. **Page S4730**

Advisory Committee on the Records of Congress: The Chair announced, on behalf of the Democratic Leader, pursuant to Public Law 101–509, the appointment of Stephen Van Buren, of South Dakota, to the Advisory Committee on the Records of Congress, vice Elizabeth Scott of South Dakota. **Page S4730**

Treaty Approved: The following treaty having passed through its various parliamentary stages, up to and including the presentation of the resolution of ratification, upon division, two-thirds of the Senators present and having voted in the affirmative, the resolution of ratification was agreed to:

Joint Convention on Safety of Spent Fuel and Radioactive Waste Management Treaty Doc.106–48 with 3 conditions. **Pages S4730–31**

Nominations Received: Senate received the following nominations:

Stephen M. Young, of New Hampshire, to be Ambassador to the Kyrgyz Republic.

Steven A. Browning, of Texas, to be Ambassador to the Republic of Malawi.

Ronald L. Schlicher, of Tennessee, to be Ambassador to the Republic of Tunisia.

John F. Maisto, of Pennsylvania, to be Permanent Representative of the United States of America to the Organization of American States, with the rank of Ambassador.

William Emil Moschella, of Virginia, to be an Assistant Attorney General.

Teresa M. Ressel, of Virginia, to be an Assistant Secretary of the Treasury.

Herbert S. Garten, of Maryland, to be a Member of the Board of Directors of the Legal Services Corporation for a term expiring July 13, 2005.

Thomas R. Meites, of Illinois, to be a Member of the Board of Directors of the Legal Services Corporation for a term expiring July 13, 2004.

Stephen D. Krasner, of California, to be a Member of the Board of Directors of the United States Institute of Peace for a term expiring January 19, 2005.

Daniel Pipes, of Pennsylvania, to be a Member of the Board of Directors of the United States Institute of Peace for a term expiring January 19, 2005.

Charles Edward Horner, of the District of Columbia, to be a Member of the Board of Directors of the United States Institute of Peace for a term expiring January 19, 2007.

Elizabeth Courtney, of Louisiana, to be a Member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring January 31, 2010. (Reappointment)

1 Air Force nomination in the rank of general.

1 Army nomination in the rank of general.

2 Marine Corps nominations in the rank of general.

Routine lists in the Coast Guard, Foreign Service, Marine Corps. **Pages S4731–32**

Nominations Withdrawn: Senate received notification of withdrawal of the following nominations:

Ronald L. Schlicher, of Tennessee, to be Ambassador to the Republic of Tunisia, which was sent to the Senate on April 2, 2003. **Page S4732**

Messages From the House: **Pages S4701–02**

Measures Referred: **Page S4702**

Executive Communications: **Page S4702**

Executive Reports of Committees: **Page S4702**

Additional Cosponsors: **Pages S4703–04**

Statements on Introduced Bills/Resolutions: **Pages S4704–16**

Additional Statements: **Pages S4700–01**

Amendments Submitted: **Pages S4716–26**

Authority for Committees to Meet: **Page S4726**

Record Votes: Three record votes were taken today. (Total—116) **Pages S4676, S4690–91**

Adjournment: Senate met at 10 a.m., and adjourned at 7:39 p.m., until 9:30 a.m., on Thursday, April 3, 2003. (For Senate's program, see the remarks of the Majority Leader in today's Record on page S4731.)

Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS: NAVY

Committee on Appropriations: Subcommittee on Defense concluded hearings to examine proposed budget estimates for fiscal year 2004 for the Navy, after receiving testimony from Hansford T. Johnson, Acting Secretary of the Navy; Admiral Vernon E. Clark, U.S. Navy, Chief of Naval Operations; and General Michael W. Hagee, Commandant of the Marine Corps.

D.C. FOSTER CARE

Committee on Appropriations: Subcommittee on District of Columbia concluded hearings to examine the status of foster care in the District of Columbia, focusing on child welfare reform, and issues associated with the Child and Family Services Agency's performance and policies, after receiving testimony from Representative Tom Davis; Cornelia M. Ashby, Director, Education, Workforce, and Income Security Issues, General Accounting Office; Olivia A. Golden, Director, District of Columbia Child and Family Services Agency; Judith W. Meltzer, Center for the Study of Social Policy, Washington, D.C.; and Ann E. Schneiders, National Association of Counsel for Children, Denver, Colorado.

APPROPRIATIONS: FAA

Committee on Appropriations: Subcommittee on Transportation, Treasury, and General Government to examine proposed budget estimates for fiscal year 2004 for the Federal Aviation Administration, focusing on aviation safety and security issues, and financial challenges facing the aviation industry, after receiving testimony from Kenneth M. Mead, Inspector General, Marion C. Blakey, Administrator, Federal Aviation Administration, Jeffrey N. Shane, Under Secretary for Policy, all of the Department of Transportation.

DEFENSE AUTHORIZATION: DOE

Committee on Armed Services: Subcommittee on Strategic Forces concluded hearings to examine proposed legislation authorizing funds for fiscal year 2004 for the Department of Defense, focusing on the Department of Energy Office of Environmental Management and Office of Legacy Management, after receiving testimony from Jessie Hill Roberson, Assistant Secretary of Environmental Management, and Michael W. Owen, Director, Office of Worker and Community Transition, both of the Department of Energy.

UNIVERSAL TELECOMMUNICATIONS SERVICE

Committee on Commerce, Science, and Transportation: Subcommittee on Communications concluded hearings on the future of Universal Service, focusing on preserving and advancing high quality, reliable and affordable telecommunications services to the greatest extent throughout America, after receiving testimony from Kathleen Q. Abernathy, Commissioner, Federal Communications Commission; Carson Hughes, Telepax, Inc./Cellular South Licenses, Inc., Jackson, Mississippi, on behalf of the Wireless Independent Group; Joel E. Lubin, AT&T Corporation, Washington, D.C.; Matthew Dosch, Comporium Group, Rock Hill, South Carolina, on behalf of the United States Telecom Association; Robert W. Orent, Hiawatha Communications, Inc., Munising, Michigan, on behalf of the Independent Telephone and Telecommunications Alliance; William R. Gillis, Washington State University, Pullman; and Thomas R. Meade, Alaska Communications Systems, Jack H. Rhyner, TelAlaska, Inc., and Dana L. Tindall, General Communication, Inc., all of Anchorage, Alaska.

NASA

Committee on Commerce, Science, and Transportation: Subcommittee on Science, Technology, and Space concluded hearings to examine certain issues with respect to the NASA human space flight program, and the Space Shuttle Columbia accident, after receiving testimony from Marcia S. Smith, Specialist in Aerospace and Telecommunication Policy, Resources, Science and Industry Division, Congressional Research Service, Library of Congress; Brian E. Chase, National Space Society, Washington, D.C.; and Alex Roland, Duke University Department of History, Durham, North Carolina.

MILITARY ENCROACHMENT

Committee on Environment and Public Works: Committee concluded oversight hearings to examine certain provisions of the President's proposed budget request for the National Defense Authorization Act for fiscal year 2004 relating to encroachment of environmental laws on military bases and training operations, after receiving testimony from Benedict S. Cohen, Deputy General Counsel for Environment and Installations, Department of Defense; John Peter Suarez, Assistant Administrator for Enforcement, and Compliance Assurance, Environmental Protection Agency; H. Craig Manson, Assistant Secretary of the Interior for Fish and Wildlife and Parks; Barry W. Holman, Director of Defense Infrastructure Issues, General Accounting Office; Frank J. Gaffney, Jr., Center for Security Policy, and Jamie Rappaport

Clark, National Wildlife Federation, both of Washington, D.C.; Daniel S. Miller, Colorado Department of Law, and Douglas Benevento, Colorado Department of Public Health and Environment, both of Denver; Ingrid Lindemann, Aurora Colorado, on behalf of the National League of Cities; Bonner Cohen, Lexington Institute, Arlington, Virginia.

BUSINESS MEETING

Committee on Finance: Committee ordered favorably reported the following business items:

An original bill, to amend the Internal Revenue Code of 1986 to provide energy tax incentives;

S. 760, to implement effective measures to stop trade in conflict diamonds, with an amendment;

S. 753, to amend the Internal Revenue Code of 1986 to provide for the modernization of the United States Tax Court; and

The nominations of Mark W. Everson, of Texas, to be Commissioner of Internal Revenue, and Raymond T. Wagner, Jr., of Missouri, to be a Member of the Internal Revenue Service Oversight Board, both of the Department of Treasury, and Diane L. Kroupa, of Minnesota, Mark Van Dyke Holmes, of New York, Harry A. Haines, of Montana, Robert Allen Wherry, Jr., of Colorado, and Joseph Robert Goeke, of Illinois, each to be a Judge of the United States Tax Court.

FOREIGN ASSISTANCE

Committee on Foreign Relations: Committee held hearings to examine the President's proposed budget request for fiscal year 2004 for United States foreign assistance, focusing on security and economic assistance programs, Sub-Saharan Africa, Europe and Eurasia, and the Western Hemisphere, and development and expanding economies, after receiving testimony from William M. Bellamy, Principal Deputy Assistant Secretary, Bureau of African Affairs, Charles P. Ries, Principal Deputy Assistant Secretary, Bureau of European and Eurasian Affairs, and J. Curtis Struble, Acting Assistant Secretary, Bureau of the Western Hemisphere Affairs, all of the Department of State; and Constance Berry Newman, Assistant Administrator, Bureau for Africa, Kent R. Hill, Assistant Administrator, Bureau for Europe and Eurasia, Adolfo A. Franco, Assistant Administrator, Bureau for Latin America and the Caribbean, and E. Anne Peterson, Assistant Administrator, Bureau for Global Health, all of the United States Agency for International Development.

NOMINATIONS

Committee on Governmental Affairs: Committee concluded hearings on the nominations of Clay Johnson III, of Texas, to be Deputy Director for Management, Office of Management and Budget, who was introduced by Senators Hutchison and Cornyn, Albert Casey, of Texas, and James C. Miller III, of Virginia, each to be a Governor of the United States Postal Service, who were both introduced by Senator Hutchison, after each nominee testified and answered questions in their own behalf.

BUSINESS MEETING

Committee on Health, Education, Labor, and Pensions: Committee ordered favorably reported the following business items:

S. 719, to amend the Public Health Service Act to provide for the payment of compensation for certain individuals with injuries resulting from the administration of smallpox countermeasures, with an amendment;

S. 389, to increase the supply of quality child care, with amendments;

S. 231, to authorize the use of certain grant funds to establish an information clearinghouse that provides information to increase public access to defibrillation in schools.

INDIAN HEALTH CARE

Committee on Indian Affairs: Committee concluded hearing to examine S. 556, to amend the Indian Health Care Improvement Act to revise and extend that Act, after receiving testimony from Charles W. Grim, Interim Director, Indian Health Service, Department of Health and Human Services; Julia Davis-Wheeler, Denver, Colorado, on behalf of the National Indian Health Board; and Don Kashevaroff, Alaska Native Tribal Health Consortium, Anchorage, Alaska.

House of Representatives

Chamber Action

Measures Introduced: 26 public bills, H.R. 1553–1578; 1 private bill, H.R. 1579; and 4 resolutions, H.J. Res. 45; H. Con. Res. 135, and H. Res. 170–171, were introduced. **Pages H2702–03**

Additional Cosponsors: **Pages H2703–04**

Reports Filed: Reports were filed today as follows:

H.R. 1559, making emergency wartime supplemental appropriations for the fiscal year ending September 30, 2003, and for other purposes (H. Rept. 108–55);

H.R. 1280, to reauthorize the Defense Production Act of 1950, amended (H. Rept. 108–56); and

H. Res. 172, providing for consideration of H.R. 1559, making emergency wartime supplemental appropriations for the fiscal year ending September 30, 2003 (H. Rept. 108–57). **Page H2702**

Speaker Pro Tempore: Read a letter from the Speaker wherein he appointed Representative La Hood to act as Speaker Pro Tempore for today. **Page H2589**

Federal Deposit Insurance Reform Act: The House passed H.R. 522, to reform the Federal deposit insurance system by yea-and-nay vote of 411 yeas to 11 nays, Roll No. 98. **Pages H2603–25**

Agreed to the amendment in the nature of a substitute recommended by the Committee on Financial Services now printed in the bill (H. Rept. 108–50) and made in order by the order of the House of April 1. **Pages H2612–24**

Rejected the Ose amendment No. 1 printed in the Congressional Record of April 1 that sought to strike provisions increasing the deposit insurance amount from $100,000 to $130,000 and indexing it to inflation; **Pages H2619–24**

Social Security Protection Act: The House passed H.R. 743, to amend the Social Security Act and the Internal Revenue Code of 1986 to provide additional safeguards for Social Security and Supplemental Security Income beneficiaries with representative payees, to enhance program protections, by recorded vote of 396 ayes to 28 noes, Roll No. 102. **Pages H2625–69**

Rejected the Green motion to recommit the bill to the committee on Ways and Means with instructions to report it back to the House promptly with an amendment addressing the concerns of Federal, State, and local government employees about the government pension offset under title II of the Social Security Act by recorded vote of 203 ayes to 220 noes, Roll No. 101. **Pages H2667–68**

Pursuant to the rule, the amendment in the nature of a substitute recommended by the Committee on Ways and Means now printed in the bill (H. Rept. 108–46) was considered as adopted. **Page H2634**

Rejected the Green amendment in the nature of a substitute that sought to strike section 418 that requires government employees to be covered by Social Security for their last 60 months of employment in order to be exempt from the Government Pension Offset by yea-and-nay vote of 196 yeas to 228 nays, Roll No. 100. **Pages H2652–67**

H. Res. 168, the rule that provided for consideration of the bill was agreed to by voice vote. Agreed to order the previous question by yea-and-nay vote of 245 yeas to 177 nays, Roll No. 99. **Pages H2591–H2603, H2625**

Recess: the House recessed at 3:03 p.m. and reconvened at 5:27 p.m. **Page H2669**

Senate Messages: Messages received from the Senate today appears on page H2589.

Referrals: S. 704, S. 711, S. 712, and S. 718 were referred to the Committee on Armed Services. **Page H2701**

Amendments: Amendments ordered printed pursuant to the rule appear on pages H2704–06.

Quorum Calls—Votes: Three yea-and-nay votes and two recorded votes developed during the proceedings of the House today and appear on pages H2624–25, H2625, H2666–67, H2668, and H2668–69. There were no quorum calls.

Adjournment: The House met at 10 a.m. and adjourned at 10:22 p.m.

Committee Meetings

FOREIGN OPERATIONS, EXPORT FINANCING AND RELATED PROGRAMS APPROPRIATIONS

Committee on Appropriations: Subcommittee on Foreign Operations, Export Financing and Related Programs continued appropriation hearings. Testimony was heard from Members of Congress, and public witnesses.

INTERIOR APPROPRIATIONS

Committee on Appropriations: Subcommittee on Interior continued appropriation hearings. Testimony was heard from Members of Congress.

LABOR, HHS, EDUCATION AND RELATED AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, Education and Related Agencies held a hearing on NIH. Testimony was heard from Elias A. Zerhouni, M.D., Director, NIH, Department of Health and Human Services.

TRANSPORTATION AND TREASURY, AND INDEPENDENT AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on Transportation and Treasury, and Independent Agencies held a hearing on GSA Building Cost Drivers. Testimony was heard from the following officials of the

GSA: Stephen A. Perry, Administrator; and F. Joseph Moravec, Commissioner, Public Building Service; and public witnesses.

The Subcommittee also held a hearing on OPM. Testimony was heard from Kay Cole James, Director, OPM.

VA, HUD, AND INDEPENDENT AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on VA, HUD, and Independent Agencies held a hearing on EPA. Testimony was heard from Christine Todd Whitman, Administrator, EPA.

NATIONAL DEFENSE AUTHORIZATION BUDGET REQUEST

Committee on Armed Services: Subcommittee on Tactical Air and Land Forces held a hearing on the fiscal year national defense authorization budget request for the Department of the Navy and the Department of the Air Force tactical weapon system acquisition programs and future technology initiatives. Testimony was heard from the following officials of the Department of Defense: John J. Young, Jr., Assistant Secretary (Research, Development and Acquisition); Rear Adm. Mark P. Fitzgerald, USN, Deputy Director, Air Warfare Division, and Lt. Gen. Michael A. Hough, USMC, Deputy Commandant for Aviation, U.S. Marine Corps, all with the Department of the Navy; Marvin R. Sambur, Assistant Secretary (Acquisition), Lt. Gen. Ronald E. Keys, USAF, Deputy Chief of Staff, Air and Space Operations, and Lt. Gen. John D.W. Corley, USAF, Principal Deputy, Assistant Secretary (Acquisition), all with the Department of the Air Force; and Allen Li, Director, Acquisition Sourcing Management, GAO.

MILITARY RESALE AND MORALE, WELFARE AND RECREATION PROGRAMS ACTIVITIES

Committee on Armed Services: Subcommittee on Total Force held a hearing on Military Resale and Morale, Welfare and Recreation Programs Activities. Testimony was heard from the following officials of the Department of Defense: Charles S. Abell, Principle Deputy Under Secretary, Personnel and Readiness; Lt. Gen Michael E. Zettler, USAF, Chairman, Department of Defense Commissary Operating Board, Deputy Chief of Staff, Installations and Logistics Headquarters U.S. Air Force; Maj. Gen. Kathryn G. Frost, USA, Commander, Army and Air Force Exchange Service; Rear Adm. William J. Maguire, USN, Supply Corps, U.S. Navy, Commander, Navy Exchange Service Command; Maj. Gen. Mike Wiedemer, USAF, Director, Defense Commissary Agency; and Michael P. Downs, Director, Personnel and Family Readiness Division, Headquarters, U.S. Marine Corps.

IMPROVING EDUCATION RESULTS FOR CHILDREN WITH DISABILITIES ACT

Committee on Education and the Workforce: Subcommittee on Education Reform approved for full Committee action, as amended, H.R. 1350, Improving Education Results for Children With Disabilities Act of 2003.

ENERGY POLICY ACT

Committee on Energy and Commerce: Continued markup of the Energy Policy Act of 2003.

RATING THE RATING AGENCIES: THE STATE OF TRANSPARENCY AND COMPETITION

Committee on Financial Services: Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing entitled ''Rating the Rating Agencies: the State of Transparency and Competition.'' Testimony was heard from Annette Nazareth, Director, Division of Market Regulations, SEC; and public witnesses.

U.S. LEADERSHIP AGAINST HIV/AIDS, TUBERCULOSIS, AND MALARIA ACT

Committee on International Relations: Ordered reported, as amended, H.R. 1298, United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003.

PROTECTION OF LAWFUL COMMERCE IN ARMS ACT

Committee on the Judiciary: Subcommittee on Commercial and Administrative Law held a hearing on H.R. 1036, Protection of Lawful Commerce in Arms Act. Testimony was heard from public witnesses

OVERSIGHT—NONIMMIGRANT STUDENT TRACKING: IMPLEMENTATION AND PROPOSED MODIFICATIONS

Committee on the Judiciary: Subcommittee on Immigration, Border Security, and Claims held an oversight hearing on Nonimmigrant Student Tracking: Implementation and Proposed Modifications. Testimony was heard from Johnny N. Williams, Interim Director, Immigration Interior Enforcement, ICE, Department of Homeland Security; Glenn A. Fine, Inspector General, Department of Justice; and public witnesses.

ENERGY SECURITY ACT

Committee on Resources: Approved the Energy Security Act of 2003.

EMERGENCY WARTIME SUPPLEMENTAL APPROPRIATIONS

Committee on Rules: Granted, by voice vote, an open rule on H.R. 1559, making emergency wartime supplemental appropriations for the fiscal year ending September 30, 2003. providing one hour of general debate equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. The rule waives all points of order against consideration of the bill. The rule waives all points of order against provisions in the bill for failure to comply with clause 2 of rule XXI (prohibiting unauthorized appropriations or legislative provisions in a general appropriations bill). The rule provides that the bill shall be considered for amendment under the five-minute rule. The rule authorizes the Chair to accord priority in recognition to Members who have pre-printed their amendments in the Congressional Record. Finally, the rule provides one motion to recommit with or without instructions. Testimony was heard from Chairman Young of Florida, Northup, Obey, DeFazio, Waters, Scott, Jackson-Lee of Texas, Delahunt, and Emanuel.

ENERGY RESEARCH, DEVELOPMENT, DEMONSTRATION, AND COMMERCIAL APPLICATION ACT

Committee on Science: Ordered reported, as amended, H.R. 238, Energy Research, Development, and Commercial Application Act of 2003.

ECONOMIC DEVELOPMENT ADMINISTRATION REAUTHORIZATION

Committee on Transportation and Infrastructure: Subcommittee on Economic Development, Public Buildings and Emergency Management held a hearing on local economic development association issues relating to reauthorization of the Economic Development Administration. Testimony was heard from public witnesses.

FEDERAL HIGHWAY AND TRANSIT PROGRAMS REAUTHORIZATION

Committee on Transportation and Infrastructure: Subcommittee on Highways, Transit, and Pipelines continued hearings on Member Policy Initiatives and Project Requests for Reauthorization of Federal Highway and Transit Programs. Testimony was heard from Representatives Sanders, Frank of Massachusetts, Manzullo, Farr, McKeon. Spratt, Kucinich, Millender-McDonald, Davis of Alabama, Pearce, McGovern, Chocola, Hostettler, Tierney, Brown of South Carolina, DeMint, Terry, Acevedo-Vila, Ryan of Ohio, Eshoo, Grijalva, Edwards, Christensen, Maloney, Musgrave, Coble, and Davis of California.

Hearings continue tomorrow.

MEDICAL REGULATORY AND CONTRACTING REFORM ACT

Committee on Ways and Means: Ordered reported, as amended, H.R. 810, Medical Regulatory and Contracting Reform Act of 2003.

NATIONAL RECONNAISSANCE PROGRAM

Permanent Select Committee on Intelligence: Met in executive session to hold a hearing on National Reconnaissance Program. Testimony was heard from departmental witnesses.

COMMITTEE MEETINGS FOR THURSDAY, APRIL 3, 2003

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Agriculture, Nutrition, and Forestry: to hold hearings to examine proposed legislation authorizing funds for child nutrition programs, 10 a.m., SR–328A.

Committee on Appropriations: Subcommittee on VA, HUD, and Independent Agencies, to hold hearings to examine proposed budget estimates for fiscal year 2004 for the National Science Foundation and the Office of Science Technology Policy, 10 a.m., SD–138.

Committee on Armed Services: Subcommittee on Airland, to hold hearings to examine Navy, Marine Corps, and Air Force aviation and air-launched weapons programs in review of the Defense Authorization request for fiscal year 2004 and the Future Years Defense Program, 2:30 p.m., SR–232A.

Committee on Banking, Housing, and Urban Affairs: to hold oversight hearings to examine the Federal Reserve Board proposal on check truncation; to be followed by a business meeting to consider the nominations of Thomas Waters Grant, of New York, Noe Hinojosa, Jr., of Texas, Thomas Waters Grant, of New York, and William Robert Timken, Jr., of Ohio, each to be a Director of the Securities Investor Protection Corporation, and Alfred Plamann, of California, to be a Member of the Board of Directors of the National Consumer Cooperative Bank, 10 a.m., SD–538.

Committee on Finance: to hold hearings to examine health care services, 9:15 a.m., SD–215.

Committee on Foreign Relations: to hold hearings to examine the nominations of Lino Gutierrez, of Florida, to be Ambassador to Argentina, James B. Foley, of New York, to be Ambassador to the Republic of Haiti, and Roland W. Bullen, of Virginia, to be Ambassador to the Co-operative Republic of Guyana, 10 a.m., SD–419.

Full Committee, to resume hearings to examine NATO enlargement, focusing on qualifications and contributions, 2:30 p.m., SD–419.

Committee on the Judiciary: business meeting to consider S. 731, to prohibit fraud and related activity in connection with authentication features, S. 274, to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, the nominations of Edward C. Prado, of

Texas, to be United States Circuit Judge for the Fifth Circuit, Richard D. Bennett, to be United States District Judge for the District of Maryland, Dee D. Drell, to be United States District Judge for the Western District of Louisiana, J. Leon Holmes, to be United States District Judge for the Eastern District of Arkansas, Charles F. Lettow, of Virginia, and Susan G. Braden, of the District of Columbia, each to be a Judge of the United States Court of Federal Claims, Allen Garber, to be United States Marshal for the District of Minnesota, and Raul David Bejarano, to be United States Marshal for the Southern District of California, 9:30 a.m., SD–226.

House

Committee on Appropriations, Subcommittee on Commerce, Justice, and State, the Judiciary and Related Agencies, on State Department Management, 10 a.m., H–309 Capitol.

Subcommittee on Homeland Security, on Border Protection and Customs and Immigration Enforcement, 10 a.m., H–140 Capitol.

Subcommittee on Labor, Health and Human Services, Education and Related Agencies, on Center for Medicare and Medicaid Services, 10:15 a.m., and on Agency for Healthcare Research Quality, 11:15 a.m., 2358 Rayburn.

Subcommittee on Transportation and Treasury, and Independent Agencies, on Transportation Safety, 10 a.m., 2358 Rayburn.

Subcommittee on VA, HUD, and Independent Agencies, on Congressional Witnesses, 9:30 a.m., H–143 Capitol.

Committee on Armed Services, Subcommittee on Projection Forces, hearing on the Department of the Navy fiscal year 2004 research and development program in support of naval transformation and future naval capabilities, 12 p.m., 2212 Rayburn.

Subcommittee on Terrorism, Unconventional Threats and Capabilities, hearing on the fiscal year 2004 national defense authorization budget request for Department of Defense Information Technology Programs, 3 p.m., 2212 Rayburn.

Subcommittee on Total Force, hearing on Views from the Field—Perspectives of Mobilized Reservists, 2 p.m., 2118 Rayburn.

Committee on Education and the Workforce, Subcommittee on Workforce Protections, to mark up H.R. 1119, Family Time Flexibility Act, 10:30 a.m., 2175 Rayburn.

Committee on Financial Services, Subcommittee on Financial Institutions and Consumer Credit and the Subcommittee on Oversight and Investigations, joint hearing entitled ''Fighting Fraud: Improving Information Security,'' 10 a.m., 2128 Rayburn.

Committee on Government Reform, hearing entitled ''Toward a Logical Governing Structure: Restoring Executive Reorganization Authority,'' 10 a.m., 2154 Rayburn.

Subcommittee on Human Rights and Wellness, hearing entitled ''International Prescription Drug Parity: Are Americans Being Protected or Gouged?'' 2 p.m., 2247 Rayburn.

Committee on International Relations, Subcommittee on Africa, hearing on Democratic Republic of Congo: Key to the Crisis in the Great Lakes Region, 2 p.m., 2172 Rayburn.

Subcommittee on Europe, to mark up the following: H. Res. 165, expressing support for a renewed effort to find a peaceful, just, and lasting settlement to the Cyprus problem; H.R. 854, Belarus Democracy Act of 2003; H. Res. 154, commending the Prime Minister of Great Britain for his stalwart leadership and unwavering support of the United States in the effort to disarm Saddam Hussein of weapons of mass destruction and free the Iraqi people of the scourge of brutal dictatorship; and H. Con. Res. 129, expressing appreciation for the longstanding support and friendship of the people and Government of the United Kingdom, 11 a.m., 2172 Rayburn.

Committee on the Judiciary, to mark up H.R. 1036, Protection of Lawful Commerce in Arms Act, 10 a.m., 2141 Rayburn.

Subcommittee on Courts, the Internet, and Intellectual Property, hearing on H.R. 1561, United States Patent and Trademark Fee Modernization Act of 2003, 3 p.m., 2141 Rayburn.

Committee on Resources, Subcommittee on Water and Power, to mark up the following bills: H.R. 901, to authorize the Secretary of the Interior to construct a bridge on Federal land west of an adjacent to Folsom Dam in California; and H.R. 1284, to amend the Reclamation Projects Authorization and Adjustment Act of 1992 to increase the Federal share of the costs of the San Gabriel Basin Demonstration project; H.R. 135, Twenty-First Century Water Commission Act of 2003; and H.R. 495, Zuni Indian Tribe Water Rights Settlement Act of 2003, 10 a.m., 1324 Longworth.

Committee on Small Business, Subcommittee on Tax, Finance, and Exports, hearing on Small Business Expensing, Section 179 of the IRS Code, 10 a.m., 2360 Rayburn.

Committee on Transportation and Infrastructure, Subcommittee on Highways, Transit, and Pipelines, to continue hearings on Member Policy Initiatives and Project Requests for Reauthorization of Federal Highway and Transit Programs, 10 a.m., 2167 Rayburn.

Committee on Veterans' Affairs, to mark up the following bills: H.R. 100, Servicemembers Civil Relief Act; and H.R. 1297, Columbia Orbiter Memorial Act, 9:30 a.m., 334 Cannon.

Committee on Ways and Means, to mark up the following bills: H.R. 1531, Energy Tax Policy Act of 2003; and H.R. 1528, Taxpayer Protection and IRS Accountability Act of 2003, 10 a.m., 1100 Longworth.

Permanent Select Committee on Intelligence, executive, hearing on Joint Military Intelligence Program/Tactical Intelligence and Related Programs, 1 p.m., H–405 Capitol.

Next meeting of the SENATE

9:30 a.m., Thursday, April 3

Senate Chamber

Program for Thursday: After the transaction of any morning business (not to extend beyond 10 a.m.), Senate will continue consideration of S. 762, Wartime Supplemental Appropriations.

Next Meeting of the HOUSE OF REPRESENTATIVES

10 a.m., Thursday, April 3

House Chamber

Program for Thursday: Consideration of H.R. 1559, Emergency Wartime Supplemental Appropriations (open rule, one hour of debate); and

Consideration of H.R. 735, Postal Civil Service Retirement System Funding Reform Act (unanimous consent, one hour of general debate).

Extensions of Remarks, as inserted in this issue

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