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House of Representatives

The House met at 10 a.m.

The Reverend Michael Dolan, Pastor, Immaculate Heart of Mary Parish, Lexington Park, Maryland, offered the following prayer:

Almighty God, give us light and strength to know Your will, to make it our own, and to live it in our lives.

Guide us by Your wisdom, support us by Your power, for You are God.

You desire justice for all: Enable us to uphold the rights of others; do not allow us to be misled by ignorance or corrupted by fear or favor.

Unite us to Yourself in the bond of love, and keep us faithful to all that is true.

As we gather in Your name, may we temper justice with love, so that all Your decisions may be pleasing to You and earn the rewards promised to good and faithful servants. Therefore, teach us to be generous, to serve You as You deserve, to give and not to count the cost, to fight and not to heed the wounds, to toil and ask for no reward except that of knowing that we are doing Your holy will. Amen.

THE JOURNAL

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

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

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

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

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

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

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

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Texas (Mr. GREEN) come forward and lead the House in the Pledge of Allegiance.

Mr. GREEN of Texas led the Pledge of Allegiance as follows:

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

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Under clause 2 of rule I, it is the responsibility of the Speaker to preserve order and decorum in the proceedings of the House. As stated on page 330 of the House Rules and Manual, this responsibility requires that the Chair disallow the use of an exhibit that tends to degrade decorum. Thus, the Speakers previously have disallowed the introduction of a person on the floor as a guest of the House as an ''exhibit.''

Pursuant to clause 2 of rule I, the Chair reiterates the ruling of June 11, 2003, that it is inappropriate to use Pages of the House as part of a visual exhibit during debate. Although Members may enlist the assistance of Pages to manage the placement of exhibits on easels, it is not appropriate to use Pages as though part of an exhibit or otherwise include them in an exhibition.

The Chair also will continue to scrutinize the number of charts and other visual exhibits used simultaneously during the debate for any tendency to impair decorum.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will entertain five 1-minute speeches on each side.

FREE DR. OSCAR BISCET

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

Mr. SMITH of New Jersey. Mr. Speaker, on March 18 the Cuban Government began a massive crackdown on the best, the brightest, and the most courageous in Cuba. Some 75 journalists and human rights activists were arrested and subjected to kangaroo trials and now have gotten prison terms from 6 to 28 years.

Last week Amnesty International called it the most severe crackdown on dissents since the year following the Cuban revolution.

Sadly, these brave Cubans join 400 other political prisoners who are languishing in Castro's gulags. Their only crime is their love of freedom.

Among those unjustly imprisoned, is Dr. Oscar Biscet, a pro-life Afro-Cuban who has been a leader in the human rights movement for years. Although he was recently released, Mr. Speaker, from a 3-year term, he was rearrested, and now has been sentenced to 25 years in prison for organizing a human rights meeting.

His wife, Elsa Morejon, reports that Dr. Biscet is kept in a 6 by 3 punishment cell. They have been refused any visits and any kind of parcels of food or medicines. On May 28 Dr. Biscet wrote, ''I am innocent of the charges of which I have been condemned. A true man cannot betray himself, so I only appeal to the living God and pray to our Lord, as He is not neutral and never abandons his flock.''

According to his wife, Dr. Biscet's only crime is trying to observe and uphold the universal declaration on

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human rights, his opposition to abortion, his opposition to the death penalty, and for organizing civil rights movement through nonviolent civil disobedience.

We join this man and his wife and all of those who are suffering. We have got to speak out and not give up until they are free.

MISUSE OF FEDERAL POWER

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

Mr. GREEN of Texas. Mr. Speaker, we have so much to be proud of in our country: our young people serving in the military, protecting our Nation, our law enforcement working long hours to make us safe. We can even celebrate last night the Houston Astros winning a no-hitter against the New York Yankees with six pitchers.

What we cannot be proud of and what bothers many Americans is we have had three different congressional committee members ask the Department of Homeland Security, the Department of Justice, and the FBI to release all the information and audiotapes concerning the use of our Federal law enforcement to track Texas legislators. This sounds like an abuse of authority, and it smells.

Our law enforcement should not be used for partisan political purposes. Release these tapes and let the American people decide who is wasting our law enforcement's time, when they should be protecting our Nation, looking for Texas legislators.

FREE MARTA BEATRIZ ROQUE

(Mr. LINCOLN DIAZ-BALART of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, today we speak of a heroine, an extraordinary woman and leader who languishes in Castro's gulag, Marta Beatriz Roque, sentenced to 25 years for speaking her mind on behalf of freedom and democracy.

To those who wish to send billions of dollars to the dictatorship in Cuba by sending U.S. tourists to savor tropical drinks in the tourism apartheid resorts and take advantage of the regime-encouraged child prostitution, I think it is worthwhile to listen to Marta Beatriz, one of the last statements before she was picked up and sent to a gulag for 25 years.

We exhort all the governments of the civilized world not to prolong the agony of the Cuban people, not to finance the tyranny, not to support the tyranny; that they condemn the tourism apartheid, that they condemn the exploitation of laborers, the prostitution of our youth, the traffic of stolen property, the plunder of the Cuban nation. Solidarity is required today with those who advocated freedom in Cuba and those who also advocated freedom in exile.

Marta Beatriz Roque and all of the Cuban political prisoners, we do not forget you for one day. We will continue to fight until you are free and until all Cubans are free.

GROWING BUDGET DEFICIT

(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 voice my anger, my anger over the Bush administration's willingness to plunge our economy further into debt.

The Congressional Budget Office had projected that this year's shortfall to the budget would be $300 billion. But recently they came back and they now tell us it is going to be over $400 billion.

This year's budget deficit will be the biggest one since 1992 and it will be the second consecutive one under this President after we had 4 years of surplus by President Clinton's administration.

Instead of enacting fiscally responsible legislation, this administration continues to do further tax cuts for the wealthy. Former President Clinton recently said, When you find yourself in a hole, a practical person stops digging. But this Bush administration, it is asking for a bigger shovel.

Mr. Speaker, it is time to stop digging. Fiscal responsibility needs to be the rule and not the exception to the rule.

□ 1015

WESTERN SAHARA

(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, I am deeply concerned that the negotiations over the Western Sahara for the past decade have all been for nothing.

Former Moroccan Minister of Interior Driss Basri recently said, ''The Houston agreement did not come as a way to find a solution to the issue of Sahara. It came as a starting point of an American plan . . . and it will preserve the American interests,'' and as U.N. diplomat Marrack Goulding wrote, ''for enhanced autonomy for Western Sahara within the kingdom of Morocco.''

I find it deplorable and offensive that various officials of Morocco, the U.N., and the U.S. engaged in what amounted to a farce. They spent over $530 million and negotiated an agreement to hold a referendum for the people of Western Sahara without ever intending to hold that referendum.

Mr. Speaker, this is not a game. The people of Western Sahara agreed to a ceasefire on the basis that all parties would uphold the negotiated agreement of a free, fair, and transparent referendum for self-determination. The people of Western Sahara have no desire to suffer under the colonial rule of the kingdom of Morocco; and so the United States, the U.N., and Morocco should stop the game-playing and implement the referendum.

TAKE UP THE SENATE-PASSED CHILD TAX CREDIT

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

Mr. DEFAZIO. Mr. Speaker, it has been nearly 2 weeks since the embarrassing revelations that the $350 billion Republican tax cut left behind 6.5 million working families with incomes of $10,000 to $27,000 a year. Not a penny to them and their 12 million children. They were stiffed to make room for more millionaire tax cuts.

Last week, the Senate rushed to fix this. The President has endorsed what the Senate did; and if the Republican leaders here in the House really cared about these families and their kids, they would take up, pass the Senate bill today, send it down to the President tonight, get him to sign it; and they could get refund checks next month along with other families. But, no, that is not what they are going to do.

They are going to turn these families into second-class citizens. If this bill passes today, they can file for the money next year. A lot of working families with parents in combat will be excluded under this bill. They will be left out altogether, but it really does one thing that they really want to do. It assures this bill will not become law because they really do not care about those 6.5 million families and their 12 million kids. They are low-income people. They do not care.

CALL FOR RESPONSIBLE FATHERHOOD

(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, as we approach Father's Day, I rise to emphasize the importance of the father in a child's life. A father's presence at home contributes to a child's success in school. It also encourages a child to abstain from drugs and remain crime-free. Until we recognize these facts, we will struggle to defeat many of society's problems.

We provide funding to alleviate problems that are caused by absent fathers, but what we really need are fathers who are physically, emotionally, and spiritually present in their child's life.

I hope that this Father's Day will not just be a day for children to honor their fathers, but also a day for fathers to honor their children by investing in their lives.

Rather than writing legislation, I am calling on my fellow fathers in Congress to lead by example. Doing so will leave a powerful and lasting legacy. It is my prayer that our actions will set a standard for fathers across America and awaken the hearts of many to the necessity and the responsibility of fatherhood.

NOTICE OF DISCHARGE PETITION ON CONCURRENT RECEIPTS

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

Mr. MARSHALL. Mr. Speaker, today I will sign a discharge petition that I bring to right a wrong that has been done to disabled American veterans for more than a century.

In 1891, the United States of America imposed a tax on disabled veterans. We did not call it a tax. We called it a prohibition on concurrent receipts, something average Americans would not understand. Mr. Speaker, it is time to call the concurrent receipt prohibition what it is, the disabled veterans tax. It was wrong then; it is wrong now. It is time to end the disabled veterans tax.

Mr. Speaker, for years the majority and the Members of this House have cosponsored House Resolution 303, which would end the disabled veterans tax; and for years, House Resolution 303 has been bottled up in committee just like campaign reform was bottled up in committee. The discharge petition process forced a vote on campaign finance reform. I am using that same process to force a vote on ending the disabled veterans tax.

Mr. Speaker, at last count, 322 Members of this Congress have cosponsored House Resolution 303. Only 218 of these cosponsors must sign the discharge petition for it to be successful.

ALL-AMERICAN TAX RELIEF ACT OF 2003

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

Mr. PENCE. Mr. Speaker, last month this Congress, with the President's leadership, undertook to pass a tax relief measure that would get this economy moving again. Today, we will continue that good work with the All-American Tax Relief Act of 2003.

While some come to this floor, as we even heard this morning, and suggest that Republicans do not care about children, about 6.5 million families and 12 million children that they say were left out of the refundable per child tax credit, the truth is, Mr. Speaker, as we all know, it was Republican leadership that saw to it that that tax cut was already in place, set to take effect in 2005; but we will accelerate that today.

We will also encourage marriage by eliminating the marriage penalty. In the tax credit we will assist veterans and the heroes in space, we will do justice, we will love kids, and we will provide the compassionate Republican leadership that is so characteristic of this institution when we adopt the All-American Tax Relief Act today.

IT IS TIME TO STOP PENALIZING DISABLED MILITARY RETIREES

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

Mr. EDWARDS. Mr. Speaker, it is time to stop penalizing disabled military retirees for having served our country for 20 or 30 years. It is time to stop the disabled veterans tax that reduces military retirees' benefits when the Veterans Administration determines that they are disabled.

This issue is known by veterans as the concurrent receipt problem. I know it as the concurrent deceit problem.

Today, through the strong leadership of the gentleman from Georgia (Mr. MARSHALL), the 300-plus House Members who have year after year cosponsored the Bilirakis bill to deal with concurrent receipt for military retirees can actually do something about passing that bill, rather than just taking credit for cosponsoring it as they speak at home to their veteran service groups.

It is time to be honest with America's veterans. It is time to stop the hypocrisy of year after year having a majority of the House cosponsor this bill and we never have a hearing, never have a vote on it.

If cosponsors will sign the gentleman from Georgia's (Mr. MARSHALL) petition today, we can have a vote on this bill before the 4th of July. Let us pass the Marshall discharge petition.

APPOINTMENT OF MEMBER TO BOARD OF TRUSTEES OF HARRY S TRUMAN SCHOLARSHIP FOUNDATION

The SPEAKER pro tempore (Mr. SIMPSON). Pursuant to 20 U.S.C. 2004(b), and the order of the House of January 8, 2003, the Chair announces the Speaker's appointment of the following Member of the House to the Board of Trustees of the Harry S. Truman Scholarship Foundation:

Mr. AKIN, Missouri.

PERMISSION FOR COMMITTEE ON INTERNATIONAL RELATIONS TO FILE SUPPLEMENTAL REPORT ON H.R. 1950, FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 2004 AND 2005

Mr. PENCE. Mr. Speaker, I ask unanimous consent to file a supplemental report from the Committee on International Relations to accompany the bill H.R. 1950, the Foreign Relations Authorization Act, Fiscal Years 2004 and 2005.

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

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 1115, CLASS ACTION FAIRNESS ACT OF 2003

Ms. PRYCE of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 269 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 269

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1115) to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, to outlaw certain practices that provide inadequate settlements for class members, to assure that attorneys do not receive a disproportionate amount of settlements at the expense of class members, to provide for clearer and simpler information in class action settlement notices, to assure prompt consideration of interstate class actions, to amend title 28, United States Code, to allow the application of the principles of Federal diversity jurisdiction to interstate class actions, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. All points of order against the committee amendment in the nature of a substitute are waived. No amendment to the committee amendment in the nature of a substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

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

Ms. PRYCE of Ohio. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my friend, the

gentleman from Texas (Mr. FROST), the ranking member of our committee, pending which I yield myself such time as I may consume. During consideration of the resolution, all time yielded is for the purposes of debate only.

Mr. Speaker, H. Res. 269 is a structured rule providing for the consideration of H.R. 1115, the Class Action Fairness Act of 2003.

The rule provides 1 hour of general debate equally divided and controlled between the chairman and ranking minority member of the Committee on the Judiciary. It provides that the amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the bill be considered as an original bill for the purpose of amendment.

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

The rule waives all points of order against consideration of the amendment in the nature of a substitute now printed in the bill and waives all points of order against such amendment.

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

Mr. Speaker, I would like to point out to my colleagues that while this is a structured rule, it is a balanced rule. This rule makes in order four amendments, three Democrat amendments and one bipartisan amendment. In fact, only eight amendments were originally submitted to the Committee on Rules, and two of those amendments were withdrawn from consideration. In a world often frequented with sports analogies, we would say that four for six is pretty good at the plate.

Mr. Speaker, the history of our judicial process was purposely and deliberately constructed by our forefathers to be a system that employs fairness and balance in the rendering of justice. One of the many tools of this judicial system is the class action lawsuit. In its ideal form, the class action suit is meant to give many individuals who hold the same claim of wrongdoing against the same defendant an efficient and effective way to have their grievances heard as a unified voice. Essentially, it acts as a pedestal and a megaphone using the collective nature of the many to increase the profile and the potency of the group's accusations of injustice.

As used by public interest organizations and truly injured groups of individuals, class action lawsuits have proven effective in restoring justice and righting wrongs. By correcting egregious negligence, curbing dangerous misconduct, or even convincing people in organizations to merely abide by the law, class action suits are an integral part of the American system of justice.

However, and very sadly, these suits are also one of the most grossly abused parts of the American system of justice.

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We have seen a deluge of frivolous lawsuits designed to coerce quick and often unwarranted settlements only to enrich a few. This abuse of the system stunts economic growth and job creation, and it clogs the courtroom and our system, making it more difficult to receive justice in valid lawsuits. In fact, class action filings in State courts have increased 1,000 percent in just 10 years; 1,000 percent in just 10 years. Somebody is catching onto something around here.

One wonders how effective local courts and judges can even start to get through their workload when it is increasing so rapidly. Perhaps worst of all is the abusive way in which class action suits enrich a small group of trial attorneys and a very small fraction of plaintiffs while leaving most of the rest of the entire class with little or next to nothing.

In one instance, and there are thousands and thousands of these types of stories, but in one instance a State court approved a class action settlement in a case brought by account holders against a bank. The result, the plaintiffs' attorneys received over $8 million in fees and the 700,000 members of the class only received $10 each. Eight million dollars to the trial lawyers, $10 to the plaintiffs. In addition, each class member was stuck holding the remainder of the bank's legal bills, approximately $100 each. These class members had to pay the bank's liabilities, a net loss at the end of the day of $90. How thick the irony, and we want people to respect our system of justice when they see this type of result? This may seem extreme, but it is becoming the norm very, very rapidly.

My colleagues on the other side of the aisle will dispute these facts. They will allege that the system is fine as it is, and that by passing this plan and working to restore justice to our system, we are robbing consumers of their legal rights. Let me be clear, no one is eliminating or diminishing anybody's rights to sue. No one is taking a wrecking ball to the court system that our forefathers so carefully established, and no one is ignoring legitimate claims of negligence or advocating bad guys being left off the hook. We are not doing that.

This bill simply curbs the abuse of class action suits. It curbs the abuses while preserving the rights of the truly injured to bring meritorious claims to court. In addition, this plan would remove large interstate class action lawsuits to Federal court where appropriate. This provision would enable more efficient and effective consolidation of claims. It would also provide greater uniformity in consideration of these cases by requiring the decisions that affect individuals from all across the country be decided by courts that represent the Nation as a whole and not just one State which might have a particular bias for particular parties.

As this plan cracks down on the abuses of class action suits, it also protects the legal rights of individuals through a consumer class action bill of rights. This bill of rights requires that the notices sent to class members be simple and intelligible, ensures that victorious plaintiffs do not suffer a net loss because the attorneys took all of the money, it prevents geographic discrimination against certain class members, and it prohibits disproportionate awards from going to some class members at the expense of others.

The bottom line is that this plan provides greater judicial scrutiny to make our court system more efficient and effective, while restoring fairness to ensure that truly wronged victims receive their fair share of settlements.

Mr. Speaker, as a former judge, I have to say, our court system and the judges and attorneys that serve within it serve nobly by administering and executing true justice when they can. But it is the job of this Congress to make sure that our judicial system is not misused or abused to the point where it cannot perform its very purpose, or it provides the very opposite of justice.

The Class Action Fairness Act creates important reforms that will reduce lawsuit abuse and protect individuals. It is as simple as that. I urge support for this legislation and for the fair and balanced rule before us.

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, this can be a complicated legal issue, but at its core, this bill that Republicans have given such a misleading name, the Class Action Fairness Act, is very simple. Here is what it does. It protects big corporate wrongdoers like Enron and WorldCom against individuals that they harm. It makes it easier for fraudulent and unethical corporations and their executives to escape accountability for their actions.

That may not be what some of its supporters intend, but that is exactly what this bill would do, and it is exactly the type of thing the Republican House has been doing for the past 8½ years, turning the American people's government over to a small, elite group of the wealthiest and most powerful. We have seen it for the past week as House Republicans have tried to block tax relief for working and military families who need it the most. They gave millionaires tax breaks totaling $93,000, but they called it welfare when

Democrats tried to give $150 in tax relief to the military families who need it most to feed and clothe their children.

We are seeing it again here today on this class action bill. Believe it or not, the latest version of the Republican bill is even worse for consumers than the versions they have offered in the past two Congresses. That is because this one does not just protect future corporate wrongdoers, it acts retroactively to pull the rug out from under the victims of some of the worst corporate scandals in recent memory. If Members do not think that was intentional, just take a look at the rule the Republican leadership has written for this bill.

In the past two Congresses, the House has been allowed to vote on every amendment offered by a Member. In fact, let me read from the CONGRESSIONAL RECORD from a year ago when my friend the gentlewoman from Ohio (Ms. PRYCE) who is handling the rule today was handling the rule at that time.

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

In other words, last year and, in fact, the year before, the Republican majority made in order every amendment that was submitted to the committee. Now, this year they have neglected to make in order two amendments. Which two did they not make in order? The one dealing with retroactivity; that is, one cannot sue somebody for what they did a couple of years ago and suits are already on file, those suits will suddenly go away. Who are we talking about? We are talking about wrongdoers at Enron and WorldCom and other places. But they will not make that amendment in order. That, of course, is the amendment offered by the ranking member of the Committee on the Judiciary, the gentleman from Michigan (Mr. CONYERS), and the gentleman from Massachusetts (Mr. DELAHUNT).

What is the other amendment that they will not make in order this time? That deals with unnecessarily delaying lawsuits by interlocutory appeals and freezing everything in place. What is wrong with that? Well, because as it is written, this class action bill would give Enron the power to unilaterally freeze the case that defrauded retirees in Texas have filed against it. Many of these people have lost their life savings in a massive corporate fraud. Their case has already been delayed more than a year and a half, a delay that allowed Arthur Andersen to shred important documents; and now this bill would give Enron the power to unilaterally delay the case for many more years.

Just to be clear, last year, and 2 years ago, Republicans let all of the amendments be made in order. This year, they cannot do that; no amendment on the question of retroactivity and no amendment on the question of freezing lawsuits pending appeals.

That is not just wrong, it is indefensible, because it is simply welfare for some of the worst corporate wrongdoers, companies like WorldCom, Arthur Andersen, and Enron. But the Republican leadership has used this power to protect corporate criminals, killing the Conyers-Delahunt amendment on retroactivity last night in the Committee on Rules so they would not have to debate it in the light of day on the House floor.

Mr. Speaker, there are other major problems with the Republican bill. Its operating principle is: Justice delayed is justice denied. State and Federal judiciaries, including the Chief Justice of the Supreme Court, William Rehnquist, oppose it. And because the Federal courts are already overburdened, consumers will have to wait for years for their claims to be heard. In the meantime, big corporate wrongdoers like WorldCom and Enron will have new procedural tactics to run up the bills and run out the clock on the consumers they have injured.

At the same time, the so-called consumer protection provisions of the bill are a cynical sham. They do not provide any new protections for consumers, they just codify the ones that already exist, and they do not come close to making up for the fundamental lack on consumer rights that the entire bill represents.

I am sure the Republicans will come to the floor to complain about the so-called coupon settlements which are no more common in State courts than they are in Federal courts that Republicans favor. No matter how many times Republicans talk about this problem, their bill does not do anything about it. Only the Democratic alternative increases consumer protections against coupon settlements.

The truth is the Democratic alternative offered by the gentleman from Michigan (Mr. CONYERS) and the gentleman from Texas (Mr. SANDLIN) is the only sensible and workable class action reform on the House floor today. It will help consumers hold corporations accountable for their actions, and it will help courts manage large class action litigation. It tightens the rules on lawyers' fees and coupon settlements. It protects consumers against unfair settlements and enacts other consumer-friendly revisions that have been recommended by the Judicial Conference of the United States. And to protect the rights of out-of-State defendants, it establishes a State level multidistrict litigation panel, like those operating on the Federal level, to manage large class action suits filed in multiple jurisdictions.

So I urge my colleagues to support the Democratic alternative. But first I urge my Republican friends to stand up to the Republican leadership and oppose the previous question. If we defeat the previous question, then the House can consider the Conyers-Delahunt amendment to strike the retroactive provisions of this bill, and it also can consider another very important amendment on the provisions that permit lawsuits to be frozen in place. This is the only way we can block welfare for corporate wrongdoers like Enron and WorldCom.

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

Ms. PRYCE of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to set the record straight. Many of the objections that the gentleman from Texas (Mr. FROST) just iterated about the Committee on Rules being unfair about are contained in the Democratic substitute which was allowed by our committee. Retroactivity is specifically addressed there, so there is a chance to debate and vote on that. And it will be a lively debate, I am sure.

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

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

Mr. DREIER. Mr. Speaker, I thank the gentlewoman from Columbus, Ohio (Ms. PRYCE), my good friend and able colleague, and I thank her for her fine leadership on this and other issues.

Obviously our goal here is very simple. We want to empower individuals rather than the lawyers. That is what this comes down to. There is bipartisan interest in doing that, based on a number of amendments which have been proposed. And I would argue, Mr. Speaker, that we have a very fair and balanced process around which we are going to be debating this issue.

We have heard this juxtaposition between the consideration of this measure in the 107th Congress and what we are doing today. In the 107th Congress, we had a rule just like this one. It was a structured rule. We also have a structured rule in this measure. We had 8 amendments that were filed, 6 Democratic amendments, a bipartisan amendment and a Republican amendment. Two amendments were subsequently withdrawn. We made 4 amendments in order. Three of those 4 amendments have been offered by Democrats, including something they did not offer in the 107th Congress, and that is a Democratic substitute. We make a Democratic substitute in order.

In the last Congress, the gentleman from Texas (Mr. FROST) talked about the number of amendments made in order. Well, of the amendments made in order, 55 percent of them in the last Congress were Democratic amendments, and in this Congress, it is 75

percent. Three of the 4 amendments made in order have been offered by Democrats. That is why when we hear this issue of fairness continually raised, I argue that this is a very fair, a very balanced rule, that will allow us to take on one of the very, very important issues of the rights of individuals under this system of justice that we have.

□ 1045

I congratulate the members of the Committee on the Judiciary who have worked long and hard on this. We continue to try and bring this back, and we hope very much we will be able to bring about a resolution in behalf of the American people.

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

Of course, I just heard the comments by my friend, the chairman of the Committee on Rules; and my only point was in the last Congress, both times this came up, the last Congress and the Congress preceding, all amendments that were filed we permitted to be made in order. This time the majority has cherry-picked and said, well, we will have these couple of amendments made in order, but the ones that are really important, we are not going to let those be made in order.

Also, I would like to read from the hometown newspaper of my good friend, the gentlewoman from Ohio, who is managing the bill. This is an editorial that appeared in the Columbus Dispatch May 8, 2003: ''Courts have the power to police such abuses, and proponents of the bill have not shown that abuses are widespread or that the courts have failed such that the Congress needs to step in. If there are problems that require a legislative solution, the solution should be one that is carefully tailored, not the blunt instrument of this bill.''

Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. MCGOVERN), a member of the Committee on Rules.

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

Mr. Speaker, the Committee on Rules works in mysterious ways. As the newest member of the committee, I continue to be fascinated by the twists and contortions in the process. I have seen some crazy things: entire bills rewritten behind closed doors; Members of this House shut out of the process, and debate stifled. But last night takes the cake. Last night the Republicans in charge of the committee denied two of the six amendments that were filed. My good friend and colleague, the gentleman from Massachusetts (Mr. DELAHUNT), sponsored both of the denied amendments. He took time out of his busy schedule to testify before the Committee on Rules in support of his amendments, but the chairman and the other committee Republicans decided that the Delahunt amendments would not be considered by the House.

Now, I am sure that they had their reasons. After all, one of the Delahunt amendments would repeal the retroactive provision of the bill. In other words, the lawsuits filed by the former workers at Enron against Ken Lay after he destroyed their life savings would be delayed for years without the Delahunt amendments. And just in case all of the tax cuts for Ken Lay and his rich friends were not enough, now the Republicans are protecting him from facing his former employees in court.

Now, when we saw the rule in committee and I saw that the Delahunt amendments were not made in order, I assumed the chairman had a good reason, so I asked him why he denied these two amendments; and the chairman of the Committee on Rules, whom I have great respect for, replied that he denied these amendments ''because that is what they decided.'' I was even more surprised to hear another Republican on the committee declare that ''these amendments were denied because he wanted them denied.''

Now, the irony is almost overwhelming. Every day we hear the Republican leadership whine and complain about the other body, about how a single Senator can shut down the whole process, about how so-called ''holds'' and filibusters are threatening the very foundation of our democracy. I want my colleagues and the American people to know that there are holds right here in the House of Representatives. Apparently, a single member of the Committee on Rules, on a thoughtless whim, has the power to shut down debate on a critical issue.

Mr. Speaker, these amendments were thoughtfully and carefully drafted. They addressed real problems with the legislation. But shockingly, we were not even given the courtesy of a genuine response to our questions. Real questions about real public policy issues were simply waved away like nuisances. We were essentially told that what happens in the Committee on Rules and in this House really is none of our business.

Now, we have debated, as the gentleman from Texas (Mr. FROST) has said, the issue of class action reform twice before, both times under an open process with relevant amendments made in order by the Committee on Rules, but not anymore. The Republicans are setting a very dangerous precedent, Mr. Speaker; and people deserve to know what is happening behind closed doors in the people's House.

The leadership of this House has become so arrogant, they believe they can stifle debate without any accountability. This body, the greatest deliberative body in the world, and the constituents we represent deserve much, much better.

Ms. PRYCE of Ohio. Mr. Speaker, I am very pleased to yield 3 minutes to my good friend and very distinguished colleague, the gentleman from Georgia (Mr. LINDER), a member of the Committee on Rules.

Mr. LINDER. Mr. Speaker, I thank my friend and colleague of the Committee on Rules, the gentlewoman from Ohio (Ms. PRYCE), for yielding me this time.

I rise in support of House Resolution 269 and urge the House to approve this rule so that we can move on to consideration of the underlying legislation, H.R. 1115, the Class Action Fairness Act of 2003.

This structured rules makes in order a total of four amendments. In fact, three of those amendments are sponsored by Democrats. The other amendment has bipartisan sponsorship. Thus this rule will allow the House to work its will on the key issues that these amendments raise, and H. Res. 269 should receive bipartisan support for doing so.

The editorial staff for The Washington Post once wrote that ''no portion of the American civil justice system is more of a mess than the world of class actions. None is in more desperate need of policymakers' attention.'' I agree.

Class action litigation is one of America's most embarrassing judicial practices, pitting settlement-hungry lawyers against unsuspecting consumers seeking redress for their grievances. I know that all of the Members of this House are very familiar with some of the outrageous class action settlements that have become depressingly common in States all across the Nation.

In these instances, skillful trial lawyers earn million-dollar fees for filing meritless class action lawsuits which are frequently settled rather than litigated in court. When this happens, trial lawyers are the primary beneficiaries, and the individuals with the class action lawsuits receive very modest financial payments or even, in some cases, just coupons toward future purchases. Surely we can do better than that for the American people.

Mr. Speaker, H.R. 1115 contains a number of commonsense reforms all designed to curb these abusive lawsuits, while still ensuring that legitimate lawsuits can move through the court system.

The fact that this class action reform was crafted in a bipartisan fashion is a credit to its authors, the gentlemen from Virginia (Mr. GOODLATTE) and (Mr. BOUCHER). I support their responsible collection of legal reforms, and I hope legislation of this nature can be enacted during this Congress.

Mr. FROST. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia (Mr. SCOTT), a member of the Committee on the Judiciary.

Mr. SCOTT of Virginia. Mr. Speaker, I thank the gentleman from Texas for yielding me this time.

I rise in opposition to the rule and the bill, H.R. 1115, the so-called Class Action Fairness Act. This is an unfair bill that does nothing to resolve disputes. Moreover, the bill has a number of significant problems.

First, the bill will disrupt ongoing litigation because it applies to pending class actions. Some of those class actions that would be affected would be those cases against Enron, WorldCom, and Arthur Andersen for financial fraud; other major cases involving environmental damage or employment discrimination; and several drug companies involving problems with their pharmaceuticals. It is fundamentally unfair for Congress to change the rules for consumers midstream by including these pending cases and, therefore, making it more difficult to resolve disputes in a timely manner.

This bill is overly broad. It defines class actions not only to include class actions, but also State actions brought on behalf of the general public by State attorneys general. These cases are important consumer protection tools in some States, particularly California; and all of these cases would be considered class actions and subject to the provisions of the bill, even though they were not filed as class actions and even though they were brought by the State attorney general under State law.

Mr. Speaker, by shifting class actions to Federal court, H.R. 1115 will overload the Federal judiciary and increase delays. Criminal cases are always given priority in Federal courts; and because the courts are already overloaded with criminal cases, including many traditionally State cases that have been transferred to Federal jurisdiction over the past few years, State actions that are referred to Federal courts by this bill will be delayed. They also may get caught up in some judicial districts that have been dealing with terrorism cases or the temporary onslaught of other criminal cases. Adding in complex class action litigation to an already overloaded docket will only add to additional delays.

These delays will be exacerbated by the provision in the bill that grants an automatic, pretrial appeal and a stay of discovery during that appeal. Guilty corporations who use their appeals under the bill will be able to delay their inevitable judgment day by several years. A rule that was offered in committee by the gentleman from Massachusetts and myself would have specifically dealt with this problem, but that amendment was rejected by the Committee on Rules.

Mr. Speaker, many of the cases, in fact, should remain in State court. H.R. 1115 would often require Federal judges to apply State law when State judges have more familiarity with the law in their own States. This may result in mistakes being made in the application of State law, affecting both plaintiffs and defendants.

H.R. 1115 violates uniform rules of Federal procedure. For example, Federal courts will be required to apply one set of rules on diversity jurisdictions for everybody except class actions. There will be a separate rule for class actions. There will also be rules on removal, dismissal, remand, appellate review, and discovery where there will be rules for everybody, except class actions, another set of rules for class actions.

Now, there has been a whole lot of hoopla about so-called coupon settlements, about how legislation is necessary to address that problem when plaintiffs get a negligible recovery. Now, as the gentleman from Texas has pointed out, there are as many examples of Federal court abuses regarding coupon settlements as there are State court abuses.

But there is nothing inherently wrong with coupon settlements. If a business has been stealing only 50 cents at a time, the recovery for each individual class member will be minuscule. But a class action, even with a coupon settlement, will be effective in stopping the ongoing theft. One recent case involved a business which fraudulently calibrated its cash registers to steal small amounts of money from each customer. Now, how much will each customer be entitled to if they are cheated out of 3 cents? If you cannot have a favorable verdict when the individual damages are de minimis, you give an unscrupulous corporation a free pass, so long as they do not steal too much from each person.

Federal and State judges oppose this bill. The Federal Judicial Conference headed by the Chief Justice of the United States, the Conference of the Chief Justices which represents chief justices around the country, both oppose H.R. 1115. It is also opposed by the American Bar Association and consumer advocacy groups.

We have the responsibility to our citizens to ensure timely access to the courts for damages sustained. This bill will do nothing to help that issue. It will only give unscrupulous defendants new procedural schemes to delay justice, and justice delayed is justice denied.

Mr. Speaker, I ask that we reject the rule and reject the bill as unnecessary, unwise, and creating more problems than it solves. I urge my colleagues to oppose the bill.

Ms. PRYCE of Ohio. Mr. Speaker, I am very pleased to yield 3 minutes to the gentleman from Missouri (Mr. BLUNT), my very distinguished colleague and the whip of the Republican majority.

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

Mr. Speaker, I am here in favor of the rule and, of course, the underlying bill, and looking forward to the debate today.

This is an issue that we have brought to the floor now for the last several Congresses. And every time we do it, I see our Members on both sides of the aisle, many of whom will vote for it on both sides of the aisle, begin to understand that this is a great opportunity to talk about how badly the current system works. A debate that we used to dread, a debate that we used to fear, a debate that we used to be concerned about, now our Members are eager to talk about because of the incredible abuses out there in the system. We will see the gentleman from Virginia (Chairman GOODLATTE) and others stand up here during the day today with chart after chart after chart that shows what happens when consumers are unfairly treated in this system.

The changes we advocate today create an environment where the people that are impacted have a better chance to get money rather than the lawyers who put these class action suits together. It creates an opportunity to go to a court that will look carefully at the issues. We are going to see example after example of the millions of dollars that go to the lawyers involved and the $1 coupons and the smallest box of Cheerios and the 33-cent check that goes to the people in the class. Obviously, the lawyers thought the class had very little impact, as demonstrated by the settlement that they were willing to agree to.

□ 1100

If people were affected by this terrible thing that the lawyers contend happened, how is 33 cents a proper settlement? How is $1 a proper settlement? How is a coupon with money off, to go back to the same company that apparently had been so dastardly in launching suit, how could that possibly be a proper settlement?

How could any attorney spend time and go to the court and say to them at the end of this case, I want you to give my client a $1 coupon? I want you to give my client the smallest possible box of cereal? I want you to give my client a check for 33 cents?

This system is terribly abused. It needs to be changed. Vote for this rule. Seeing Democrats and Republicans on the floor today vote for the bill sends a message that will change this system in a way that benefits consumers and benefits justice.

Mr. FROST. Mr. Speaker, I yield 7 minutes to the gentleman from Massachusetts (Mr. DELAHUNT), a member of the Committee on the Judiciary.

Mr. DELAHUNT. Mr. Speaker, I thank the ranking member for yielding time to me.

Mr. Speaker, the proponents, they do not want to reform class actions; they really want to destroy them.

Not only have they for all intents and purposes barred States from considering these cases by means of a massive expansion of Federal jurisdiction, against the advice, by the way, of the Chief Justice of the Supreme Court, Chief Justice Rehnquist, the Judicial Conference of the United States, and the Conference of State Chief Justices, but they have cleverly changed the rules in the Federal courts to further thwart class action suits. I want to acknowledge that it is a brilliant strategy.

Do Members realize that even Washington cannot dictate the rules by

which State courts handle their cases? So they simply remove most of these cases to the Federal court. Then once they are in the Federal court, they design an obstacle course to make sure that most of these cases will just linger and linger and linger and never see the light of day. They did this by adding a section which creates an automatic right of appeal. If a Federal district court simply certifies, simply certifies a class, that appeal comes before the case is even heard on the merits.

Now, that is not all. The bill, as others have indicated, would halt all discovery proceedings in the case until the appeal, until the appeal is completed. This unprecedented new right for defendants is unheard of in the American civil justice system.

What does it mean in practical terms? There is already an enormous backlog in the Federal courts, as others have suggested. This bill in and of itself will seriously exacerbate that problem and it will delay the resolution of these cases by years. As the gentleman from Virginia has said: Justice delayed is justice denied.

What I find particularly unconscionable is that the sponsors claim that the first purpose of this act is to ensure fair and prompt, and prompt, recoveries for class members with legitimate claims. Well, as that great philosopher, Rodney Dangerfield, said, Give me a break. It is important to understand that class actions do not exist solely, solely, to provide relief for private wrongs. No, they exist to correct and punish and deter; most importantly, deter corporate misconduct that harms large numbers of ordinary people and can put all Americans at risk.

Remember, Mr. Speaker, the Firestone case, the tobacco cases, where it was class action suits that revealed the ugly truth that lives had been sacrificed because of corporate greed? Because of this bill, we will create fertile ground for future Firestone and tobacco cases. That is a tragedy.

We should also understand that the existing practice which was adopted by rule in 1998 gives the judge discretion to permit an appeal of a class certification order and to stay proceedings. But as Judge Scirica, writing on behalf of the Judicial Conference of the United States, said in a recent letter to the committee, and now I am quoting, ''Providing an appeal as a right might tempt a party to appeal solely for tactical reasons.''

He pointed out that many appeals are unnecessary, wasteful, and expensive. He said that he was unaware of any dissatisfaction, not a single complaint from the bench or bar, with the current rule; and that since the rule had only been promulgated recently, any consideration of it being amended should be deferred.

Well, as my colleague, the gentleman from Virginia (Mr. SCOTT) said, we agreed with Judge Scirica and filed an amendment to undo their damage. Of course, it was not made in order. I guess I should not be surprised.

Members should know that these concerns would not only affect future class action suits in the Federal court. No, the sponsors were not satisfied with that. They wanted the whole enchilada. Unbelievably, they made that provision retroactive, so it will alter the course of hundreds of cases that have already been filed in Federal court and cause further delay, further delay; cases like the ImClone case, in which that CEO was just sentenced to 7 years in prison for fraud and perjury and obstruction of justice; and like the Enron case, brought by thousands of investors who claim more than $20 billion in damages as a result of the series of fraudulent transactions that destroyed the company and rendered its stock worthless.

Are there abuses of the system? Of course. That is undeniable. The Democratic substitute would address them; but the underlying bill does not. That is not its purpose. Its purpose is to shield corporate wrongdoers from civil liability and leave the public unprotected.

This is not about protecting plaintiffs, and, as I said, ensuring prompt recoveries; it is about protecting large corporations whose conduct has been egregious. It is about protecting the powerful at the expense of the powerless, and to prevent people from banding together as a class to challenge power in the only way they can.

Defeat the rule and defeat the bill.

Mr. Speaker, there's a lot that's wrong with this bill. But nothing is as wrong as the provision that was added to it during our committee debate to give it retroactive effect with respect to cases already pending in court.

It's one thing to make new policy for future cases. It's quite another to rewrite the rules once the whistle has sounded.

Why in the world would the sponsors of the bill insist on making it retroactive?

During our markup, one of the supporters of the amendment making the bill retroactive said, and I quote, ''If this bill is enacted but pending cases that have not been certified for class treatment are excluded, it would discriminate against those who may be joined to a class in a pending case after the date of enactment.''

In other words, Mr. Speaker, we must transfer all pending cases to federal court and make every class certification subject to automatic appeal to ensure that no individual is forced to be a member of a class against his or her will. That's like saying that we have to quarantine the entire U.S. population to contain a single outbreak of West Nile virus. The truth is that individuals can already opt out of the class at the time they receive notice of the suit. And under rules that go into effect in December, judges will be able to extend the opt-out even after certification.

Such an argument does not deserve to be taken seriously. But the supporters also make a second argument. Unless we apply the new rules to pending cases, they say, there will be a rush to the courthouse by new plaintiffs seeking to file ''frivolous'' lawsuits under the old rules.

Here again, they propose to disrupt the hundreds of cases now awaiting class certification, some of which have already been in court proceedings for many months, in order to prevent certain other people, as yet unknown, from racing to file other cases.

This argument is almost so absurd that one is embarrassed to respond to it. If a suit is frivolous, it will survive a motion to dismiss, where it is filed in state or federal court. That is the customary remedy for frivolous lawsuits, and the courts are quite capable of using it.

No, I'm afraid that ''this dog won't hunt,'' as my good friend, the gentleman from North Carolina (Mr. COBLE), is so fond of saying.

The real reason they're so desperate to make the bill retroactive is obvious. It's the only way to throw a monkey wrench into the class actions that are now proceeding against the former executives at companies like Enron, WorldCom, and Global Crossing, who are facing both civil and criminal liability for the systematic looting of their companies. For the brazen misconduct and self-dealing that defrauded creditors and investors of billions of dollars, and stripped employees and retirees of their livelihood and life savings.

If this bill passes, those executives will be able to breathe a sign of relief. In fact, they'll get another year or two in which to spend down their ill-gotten gains before they need to worry about going to trial.

It's no surprise that the House leadership was unwilling to make in order an amendment that would have stripped the retroactivity language from the bill. They don't want the public to know what they're doing. They're embarrassed by it. And they ought to be.

Oppose the rule and vote ''no'' on the bill.

Ms. PRYCE of Ohio. Mr. Speaker, I am pleased to yield 8 minutes to my distinguished colleague, the gentleman from Virginia (Mr. GOODLATTE), chairman of the Committee on Agriculture; but more importantly, today, the author of this important reform legislation and a very valued member of the Committee on the Judiciary.

Mr. GOODLATTE. Mr. Speaker, I thank the gentlewoman, our excellent conference chairman, for yielding me this time.

Mr. Speaker, this is a good and fair rule. I would urge my colleagues to adopt it. It makes in order important amendments that should be considered and debated carefully. It makes in order an amendment offered by the gentleman from the other side of the aisle, the gentleman from Virginia (Mr. BOUCHER), along with the chairman of the Committee on the Judiciary, the gentleman from Wisconsin (Mr. SENSENBRENNER) and myself, which will take into account some of the provisions that were considered in the Senate. We are pleased to do that because we are certainly interested in making the bill better.

I would urge my colleagues to defeat the other amendments that are going to be offered because they do not make this legislation better; they would gut it, they would harm it. I would urge Members' opposition to it.

In response to my good friend, the gentleman from Virginia (Mr. SCOTT), this is not tort reform; this is court reform. As a result, we are not harming the ability of any of those cases that

the gentleman cited to be considered carefully and fairly.

In fact, because this legislation improves the court process, it is court reform, and it will make those cases heard better in courts more capable of hearing them. We will address some of those specific cases as the debate proceeds.

With regard to his comments about coupon settlement reform, let me point out that while the gentleman may laud coupon settlements, most of us think they are a considerable abuse. The reason is very simple: The plaintiffs' attorney sues a company and then settles the case for millions of dollars, not for the plaintiffs but in attorneys' fees. The plaintiffs, the people he is supposed to be protecting, supposed to be representing, get a coupon to buy more of the product that he alleged was defective in the first place.

Coupon settlements are a gross abuse, and what this bill does to correct the problem is to require greater scrutiny of those cases. It also cuts out the abuse of that plaintiffs' attorney going to his or her secretary or friend or neighbor and saying, hey, help me bring this case because you fit into this class, and I will give you $100,000 for doing that when we settle the case; but the rest of the plaintiffs will get a coupon. That is an abuse. It ought to be ended.

To the gentleman from Texas (Mr. FROST), I would point out that while he may cite the newspaper of the gentlewoman from Ohio criticizing this legislation, that newspaper is by far in the minority in this country on this issue.

America's newspapers know that this is a class act when they see it, and that is what this legislation is. The Washington Post called it ''Making Justice Work.'' They said, ''This'', the current system, ''is not justice. It's an extortion racket that only Congress can fix.''

Newsday, not a newspaper that ordinarily endorses legislation from this side of the aisle, they said, ''Congress should stem abuses of class-action lawsuits. Class-action lawsuits are ripe for reform.''

The Christian Science Monitor: ''Reforming Class-Action Suits.'' ''Class-action suits have also become an ATM for unscrupulous lawyers . . . ''

USA Today: ''Class-action Plaintiffs Deserve More Than Coupons.'' '' . . . lawyers, who put their own welfare ahead of their client's needs,'' under the current system.

The Hartford Current: The Class-Action Racket.'' They described the current system. '' . . . the Class Action Fairness Act would help eliminate some of the worst abuses.''

It does not stop there. The Buffalo News, the Indianapolis Star, the Des Moines Register, the St. Louis Post Dispatch, the Omaha World Herald, the Wall Street Journal, the Providence Journal, the Financial Times, the Chicago Tribune, the Oregonian, Cedar Rapids Gazette, the Akron Beacon Journal, the Albany Times Union, the list goes on and on of newspapers endorsing what we are trying to do. Why? Because of the abuses.

Here is a great case: A settlement with Cheerios over food additives produced a $2 million settlement in attorneys' fees, while class members only received coupons for more Cheerios.

Here is another one: After being named in 23 class action lawsuits, Blockbuster agreed to provide class members with only $1-off coupons; buy one, get one free coupons; and free Blockbuster Favorites video rentals. And those are the old videos you come back and hope they will rent more of, not the latest ones. Attorneys for the plaintiff received $9.2 million in fees.

It gets better. A settlement of a suit against an airline gave class members $25 coupons off to use when they purchased an additional airline ticket of $250 or more from the same airline from which, I presume, there was some complaint regarding the service they were providing. You get a 10 percent discount if you buy another ticket for $250 or more. What did the plaintiff's attorneys get? Sixteen million dollars.

The Bank of Boston, a settlement over disputed accounting practices produced an $8.5 million attorneys' fee and actually cost the class members they were representing. Why? Because they had to pay an additional $80. Later, the plaintiffs' attorney came into the case and sued the class members, the people they were representing, for an additional $25 million. You did not pay them enough. Even though you had to pay $80 in the settlement of the case and you did not get a coupon, they had to get more.

Here is my favorite. This is the case where consumers were awarded a 33-cent check in a class action against Chase Manhattan Bank, 33 cents. Great. There was a catch, though. At that time, in order to accept your 33-cent check, you had to use a 34-cent stamp to send in the acceptance.

□ 1115

Sounds like a 1-cent net loss. The attorneys in the case, well, they came out all right, $4 million in attorney fees. Here is one of the checks: 33 cents.

Now, some have said that there is an issue of federalism here, that somehow we are taking away rights from the States. But under current law, a simple slip-and-fall lawsuit involving a Virginia defendant and a Maryland plaintiff can be brought in Federal district court today. Yet, a nationwide class action lawsuit worth $100 million, $1 billion, with plaintiffs in the hundreds of thousands from all 50 States, with multiple defendants from more than one State, that winds up in a State court in Illinois. It cannot be removed to Federal court because of the antiquated class action laws.

Now, do people understand this? You bet they do. Here is a USA Today poll. Opinions on class action lawsuits. Who benefits most from class action lawsuits? Is it the plaintiffs? Is it consumers? No, they know. Lawyers for the plaintiffs, 47 percent of the public says that. Who is second? Lawyers for the defendants. They come out all right, too. They are going to get paid.

How about the plaintiffs themselves? Nine percent. Sixty-seven percent say the lawyers benefit. Nine percent say the plaintiffs themselves are benefiting.

And, again, I remind you, there is broad bipartisan support for this legislation. The clients get token payments while the lawyers get enormous fees.

This is not justice. This is an extortion racket that only Congress can fix. Who said it? The Washington Post.

I urge my colleagues to support this rule and to support the underlying legislation. This has great prospect for success this year. We are very close in the Senate to passage of this legislation as well. The President anxiously awaits it on his desk.

Let us support this bipartisan simple tort reform that will make it possible for class actions to be heard and dealt with fairly throughout this country.

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

Ms. PRYCE of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma (Mr. SULLIVAN), my very distinguished colleague.

Mr. SULLIVAN. Mr. Speaker, I would like to thank the gentleman from Virginia (Mr. GOODLATTE) for those very informative charts. I believe we need to stop the lawsuit lottery in this country.

Today I rise in support of H.R. 1115, the Class Action Fairness Act of 2002. H.R. 1115 is a critical piece of legislation that can reform tort law and give reprieve to our beleaguered State and local courts that are suffering under the weight of frivolous lawsuits.

Statistics have shown that upwards of 93 percent of Americans believe tort reforms are needed. These statistics also show that 50 percent of all tort awards go towards lawyers' fees and their administrative costs. From these figures it is easy to discern that the American people demand tort reform and protection from lawyers who are looking out for their own interests rather than those of the plaintiffs they represent.

The Class Action Fairness Act of 2003 seeks a balanced and sensible approach to address the worst class action abuses. It provides protections for consumers and assures fair and prompt recoveries for class members with legitimate claims. The bill specifically discourages lawyers from forum shopping for courts most likely to approve a prospective class of plaintiffs and award large monetary decisions.

By curbing these abuses of the class action system, consumer costs will be driven down and these lawsuits will benefit plaintiffs they are intended to compensate. This sensible legislation will restore balance, fairness, and uniformity to our civil justice system. It

is a good step in the right direction in reforming tort law and will protect plaintiffs and consumers alike.

I urge my colleagues to vote in favor of H.R. 1115 to set a precedent of judicial fairness.

Ms. PRYCE of Ohio. Mr. Speaker, I have one remaining speaker. Does the gentleman from Texas (Mr. FROST) have anyone further?

Mr. FROST. Mr. Speaker, does the gentlewoman have one speaker, and then will she close after that?

Ms. PRYCE of Ohio. Yes, Mr. Speaker.

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

Ms. PRYCE of Ohio. Mr. Speaker, how much time remains?

The SPEAKER pro tempore (Mr. SIMPSON). The gentlewoman from Ohio (Ms. PRYCE) has 5½ minutes remaining. The gentleman from Texas (Mr. FROST) has 7½ minutes remaining.

Ms. PRYCE of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa (Mr. KING), my distinguished colleague and a member of the Committee on the Judiciary.

(Mr. KING of Iowa asked and was given permission to revise and extend his remarks.)

Mr. KING of Iowa. Mr. Speaker, I would like to remark on the distinguished gentleman from Virginia's (Mr. GOODLATTE) comments.

There is nothing I can add to the emphasis he has put here today. I simply add my voice and I wish to associate myself with the very dramatic and emphatic presentation that the gentleman from Virginia (Mr. GOODLATTE) has made.

I would point out that our tort system consumes up to 3 percent of our gross domestic product. If we need 3½ growth just to sustain our economy, and our freedom, I might add, then our economy has to grow at 6½ percent in order to make up for the 3 percent that is consumed in our tort system.

It is a deep problem that we must address. It is a loophole in our current system that allows class action lawsuits involving plaintiffs from nearly every State to file suits in those few States that are known to be plaintiff-friendly and hostile to out-of-State defendants.

These few State courts are making the decisions that set the policy for other States and the entire country. Out-of-State companies and residents are being sued in class action lawsuits in other States where their rights are being determined under those State laws. H.R. 1115 appropriately addresses this forum shopping problem by allowing Federal courts to hear class action lawsuits involving plaintiffs or defendants from multiple States or foreign countries.

The biggest winners in the current class action scheme are trial lawyers, not consumers. The public knows that, as was pointed out. The large fees awarded class action lawyers through settlements all too often do not constitute legitimate harm, because many companies agree to these settlements in order to lower the costs of nuisance lawsuits. Unfortunately, settling cases with little or no merit results in higher prices for consumers. Frivolous class action cases are, in effect, a litigation tax imposed on consumers because the economic damage to a company results in higher prices for its products.

The explosion of class actions lawsuits has reached crisis proportions. I encourage you to vote for H.R. 1115 and help address the growing class action problem in America.

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

Mr. Speaker, I have been listening to the great crocodile tears shed on the other side on the issue of coupon settlement proposition. Of course, if they want to change that, they should support the Democratic substitute which is stronger on the issue of coupon settlements than their underlying bill.

Also, it is fascinating to listen to the advocates of States rights on the other side suddenly shift gears and become advocates of a very strong Federal system. I guess there is just a fundamental distrust of our State court system on the part of Republicans, and I find that very curious and very interesting. Also, particularly in light of the fact that the Chief Justice of the Supreme Court of the United States is opposed to dumping these additional lawsuits into the already overburdened Federal system.

So we just have a peculiar situation in which people on the other side of the aisle are disregarding the Chief Justice of the United States, a member of their own party, and are also suddenly, in this particular instance, advocating for stronger action by the Federal system which would override the State system that they normally support.

Mr. Speaker, I urge Members to vote no on the previous question. Last night the Committee on Rules broke with its past precedents and refused to make in order two important amendments Democratic Members brought to the committee.

If the previous question is defeated, I will offer an amendment to the rule that will restore fairness in the debate on class action reform that the House has adopted in the previous two Congresses. Under my proposal, the House will be allowed to debate one amendment by the gentleman from Michigan (Mr. CONYERS) and the gentleman from Massachusetts (Mr. DELAHUNT) that will delete the bill's retroactive provisions; and, two, the Delahunt-Scott amendment to prevent corporations from using interlocutory appeals to run out the clock on class action lawsuits.

No matter what their position is on this bill or on these particular amendments, all Members should support bringing fairness back to the process and vote no on the previous question.

I am merely asking that all Members with serious amendments be allowed to bring them to the House floor just as they have been able to on the earlier occasions when we have debated class action reform.

Let me make it very clear. A no vote would not stop the House from taking up the Class Action Fairness Act and would not prevent any of the amendments made in order by the rule from being offered. However, a yes vote will preclude the House from considering these two very important amendments that are critical to the debate on class action lawsuits.

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

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

There was no objection.

Mr. FROST. Mr. Speaker, again, vote no on the previous question.

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

Ms. PRYCE of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in closing let me just remind my colleagues that the critics had it backwards. This bill restores, rather than undermines, the principled balance of Federalism. It is the other 49 States' rights that are being protected when one State's judge is precluded from making law and determining the law and the outcome for the other 49. This is truly an example of a principle of federalism.

This legislation provides important and needed reform. It will help plaintiffs that are part of a class receive more than just a coupon for a box of cereal, a coupon that goes back to the very company that was sued in the first place.

It is laughable, Mr. Speaker. It will give needed accountability while preserving the rights of the truly injured. But more importantly for me as a former member of the bench, it will bring back the public's faith in our justice system, because really it has become a joke. As you listen to the debate this afternoon, it is so sad that it is almost funny. This country is only as strong as the faith our citizens have in its laws and how they are applied to them. When it becomes a joke, it weakens us.

H.R. 1115 has the strong support of the administration. It is an important step forward in commonsense reform. I urge my colleagues to put the plaintiffs first. Let us get justice back in our system. Support this fair and balanced rule and the underlying legislation.

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

PREVIOUS QUESTION FOR H. RES. 269—RULE ON H.R. 1115, CLASS ACTION FAIRNESS ACT OF 2003

At the end of the resolution, add the following:

''SEC. 2. Notwithstanding any other provision of this resolution, the amendments printed in section 3 shall be in order as

though printed after the amendment numbered 3 in the report of the Committee on Rules if offered by the Member designated. Each amendment may be offered only in the order specified in section 3 and shall be debatable for 20 minutes equally divided and controlled by the proponent and an opponent.

''SEC. 3. The amendments referred to in section 2 are as follows:''

(1) Amendment by Representative CONYERS of Michigan or a designee:

Strike section 8 and insert the following:

SEC. 8. EFFECTIVE DATE.

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

(2) Amendment by Representative DELAHUNT of Massachusetts or a designee:

Strike section 6 and redesignate the succeeding sections accordingly.

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

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

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

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

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

The Sergeant at Arms will notify absent Members.

Pursuant to clause 8 and 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting, if ordered on the question of adoption of the resolution and, thereafter, on approving the Journal.

The vote was taken by electronic device, and there were—yeas 229, nays 193, not voting 12, as follows:

[Roll No. 265]

YEAS—229

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
Boucher
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
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Dooley (CA)
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
Hyde
Isakson
Issa
Istook
Janklow
Jenkins
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
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Moran (VA)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
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
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—193

Abercrombie
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Clay
Clyburn
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
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)
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
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
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
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (VA)
Serrano
Skelton
Slaughter
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

NOT VOTING—12

Ackerman
Conyers
Cubin
Eshoo
Gephardt
Jefferson
Johnson (CT)
Marshall
Nunes
Rothman
Sherman
Smith (WA)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMPSON) (during the vote). Members are advised that 2 minutes remain in this vote.

□ 1148

Messrs. CAPUANO, BOYD, BAIRD and RODRIGUEZ changed their vote from ''yea'' to ''nay.''

So the previous question was ordered.

The result of the vote was announced as above recorded.

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

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

RECORDED VOTE

Mr. FROST. 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 235, noes 188, not voting 11, as follows:

[Roll No. 266]

AYES—235

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
Boucher
Boyd
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
Cramer
Crane
Crenshaw
Culberson
Cunningham
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Dooley (CA)
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
Hyde
Isakson
Issa
Istook
Janklow
Jenkins
John
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 (KY)
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Moran (VA)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
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
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sweeney
Tancredo
Tanner
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—188

Abercrombie
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Clay
Clyburn
Conyers
Cooper
Costello
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
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
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
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (VA)
Serrano
Skelton
Slaughter
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
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

NOT VOTING—11

Ackerman
Cubin
Eshoo
Gephardt
Johnson (CT)
Nunes
Rothman
Rush
Sherman
Smith (WA)
Sullivan

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised 2 minutes remain in this vote.

□ 1157

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the pending business is the question de novo of the Chair's approval of the Journal of the last day's proceedings.

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

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

RECORDED VOTE

Mr. MCNULTY. 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 347, noes 74, not voting 13, as follows:

[Roll No. 267]

AYES—347

Abercrombie
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baker
Ballance
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Becerra
Bell
Bereuter
Berkley
Berman
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Cardoza
Carson (OK)
Carter
Case
Castle
Chabot
Chocola
Clyburn
Coble
Cole
Collins
Conyers
Cooper
Cox
Cramer
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeGette
DeLauro
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Dooley (CA)
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emanuel
Emerson
Engel
Etheridge
Everett
Farr
Fattah
Feeney
Ferguson
Flake
Foley
Forbes
Frank (MA)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (WI)
Greenwood
Grijalva
Hall
Harman
Harris
Hastings (WA)
Hayes
Hayworth
Hensarling
Herger
Hill
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Honda
Hooley (OR)
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Janklow
Jefferson
Jenkins
John
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Kolbe
LaHood
Lampson
Langevin
Lantos
Larson (CT)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Manzullo
Markey
Marshall
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McCrery
McHugh
McInnis
McIntyre
McKeon
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Mollohan
Moran (KS)
Moran (VA)
Murphy
Murtha
Myrick
Nadler
Napolitano
Neal (MA)
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Owens
Oxley
Pallone
Paul
Payne
Pearce
Pelosi
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Rangel
Regula
Rehberg
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roybal-Allard
Royce
Ruppersberger
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sanders
Sandlin
Saxton
Schiff
Schrock
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Solis
Souder
Spratt
Stearns
Sullivan
Sweeney
Tancredo
Tanner
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner (OH)
Turner (TX)
Upton
Van Hollen
Walden (OR)
Walsh
Wamp
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Whitfield
Wilson (SC)
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOES—74

Aderholt
Baird
Baldwin
Berry
Brady (PA)
Brown (OH)
Capuano
Carson (IN)
Clay
Costello
Crane
DeFazio
Delahunt
Deutsch
English
Evans
Filner
Fletcher
Ford
Fossella
Franks (AZ)
Gonzalez
Green (TX)
Gutierrez
Gutknecht
Hart
Hastings (FL)
Hefley
Hinchey
Holt
Kaptur
Kucinich
Larsen (WA)
Lee
Lewis (GA)
Lipinski
LoBiondo
Matheson
McDermott
McGovern
McNulty
Miller, George
Moore
Oberstar
Obey
Olver
Ortiz
Pascrell
Pastor
Peterson (MN)
Ramstad
Rush
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Schakowsky
Shadegg
Stark
Stenholm
Strickland
Stupak
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Udall (CO)
Udall (NM)
Velazquez

Visclosky	Weller	Wicker
Waters	Wexler	Wu

NOT VOTING—13

Ackerman	Johnson (CT)	Smith (WA)
Cubin	Musgrave	Vitter
Davis (IL)	Nunes	Wilson (NM)
Eshoo	Rothman	
Gephardt	Sherman	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMPSON) (during the vote). Members are advised that 2 minutes remain in this vote.

□ 1204

So the Journal was approved.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. SHERMAN. Mr. Speaker, I was unavoidable detained during rollcall votes 265, 266 and 267. Had I been present, I would have voted: ''No'' on rollcall vote 265 and 266 and ''yes'' on rollcall vote 267.

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the bill, H.R. 1115.

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

There was no objection.

CLASS ACTION FAIRNESS ACT OF 2003

The SPEAKER pro tempore. Pursuant to House Resolution 269 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. 1115.

□ 1205

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. 1115) to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, to outlaw certain practices that provide inadequate settlements for class members, to assure that attorneys do not receive a disproportionate amount of settlements at the expense of class members, to provide for clearer and simpler information in class action settlement notices, to assure prompt consideration of interstate class actions, to amend title 28, United States Code, to allow the application of the principles of Federal diversity jurisdiction to interstate class actions, and for other purposes, with Mr. LATOURETTE in the chair.

The Clerk read the title of the bill.

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

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

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

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

Mr. Chairman, I rise in strong support of H.R. 1115, the Class Action Fairness Act of 2003. In years past, the occasional news account of some outrageous class action verdict or settlement was light humor. Now the stories are so common there is no punch line, the class action judicial system itself has become a joke, and no one is laughing except the trial lawyers, all the way to the bank.

Abuse of State class action lawsuits is now systemic and this mounting crisis is a threat to the integrity of our civil justice system and a persistent drain on the national economy. Since this House passed nearly identical class action reform legislation in the 107th Congress, a bill which died in the Democrat-controlled Senate, the problem has only gotten worse. One major element of the worsening crisis is the exponential increase in State class action cases, many of which deal with national issues and classes.

In the past 10 years, State court class actions filing nationwide have increased over 1,000 percent. In certain ''magnet courts'' known for certifying even the most speculative class action suits, the increase in filings over the last 5 years is approaching 4,000 percent. Take, for example, the court in Madison County, Illinois, a rural county of 250,000 people which is on pace for a projected 3,650 percent increase in class action filings over 1998 levels. Eighty-one percent of those cases sought to certify nationwide cases, including all nationwide Sprint customers ever disconnected on a cell phone, all Roto-Rooter customers nationwide whose drains were repaired by unlicensed plumbers, and all nationwide customers who purchased a ''limited edition'' Barbie doll at a higher price.

So why are all these class action cases filed there? Madison County did not experience a similar growth in population during this time, nor did it suddenly become a hub for interstate commerce. Furthermore, there is no evidence to suggest that the good people of Madison County are somehow cursed or more plagued by injuries than the average citizen. Indeed, the only explanation for this phenomenon is aggressive forum shopping by trial lawyers to find courts and judges who will act as willing accomplices in a judicial power grab, hearing nationwide cases and setting policy for the entire country in a local court.

A second major element of the present class action crisis is a system producing outrageous settlements that benefit only lawyers and trample the rights of class members. Class actions were originally created to efficiently address a large number of similar claims by people suffering small harms. Today they are too often used to efficiently transfer large fees to a small number of trial lawyers doing great harm. The present rules encourage a race to any available State courthouse in hopes of a rubber-stamped nationwide settlement that produces millions in attorneys' fees. Clearly, some trial lawyers are winners in this race, but as the Justice Department testified at the committee's last hearing, the losers in this race are the victims who often gain little or nothing through the settlement, yet are bound by it in perpetuity. These same victims and all consumers often bear the cost of these settlements through increased prices for goods and insurance.

Mr. Chairman, I would like to share with Members a survey that was published in the USA Today newspaper on Monday, March 24, 2003: ''Opinions on Class Action Lawsuits, Who Benefits the Most From Class Action Lawsuits.'' Forty-seven percent said lawyers for plaintiffs, 20 percent said lawyers for companies, 12 percent said don't know, 9 percent said plaintiffs, 7 percent said companies being sued, and 5 percent said buyers of products.

Two-thirds of the American public according to this survey indicate that the beneficiaries of class action lawsuits are lawyers and only 14 percent said plaintiffs and buyers of products. This bill is designed to change this mix so that the consumers and the plaintiffs are the ones that benefit rather than lawyers for plaintiffs or lawyers for defendants.

Summarizing the problem last November, The Washington Post editorial board in a critique of the present system wrote:

''Class actions permit almost infinite venue shopping; national class actions can be filed just about anywhere and are disproportionately brought in a handful of State courts whose judges get elected with lawyers' money. These judges effectively become regulators of products and services produced elsewhere and sold nationally. And when cases are settled, the clients get token payments while the lawyers get enormous fees. This is not justice. It is an extortion racket only Congress can fix.''

Mr. Chairman, today Congress has an opportunity to end this extortion racket and fix this problem. Article 3 of the Constitution empowers Congress to establish Federal jurisdiction over cases between citizens of different States, but current rules on class actions require that all plaintiffs and defendants be residents of different States and that every plaintiff's claim be valued at $75,000 or more. These jurisdictional statutes enacted before the advent of modern class actions lead to results the framers would find perverse.

For example, under current law, a citizen of one State may bring in Federal court a simple $75,001 slip-and-fall

claim against a party from another State. But if a class of 25 million product owners or users living in all 50 States bring claims collectively worth $15 billion against a manufacturer, that lawsuit usually must be heard in State court.

H.R. 1115 would apply new diversity standards to class actions by changing the diversity requirements for class actions where any plaintiff and any defendant reside in different States and where the aggregate of all plaintiffs' claims is at least $2 million. These modest changes will keep large actions of a national character in Federal court where they belong.

□ 1215

H.R. 1115 also addresses the other major area in need of reform, the incentives for settlements in class action cases and scrutiny of those settlements. Under current rules, the first case settled wins. Those left out must either find a way to join the settlement or forego their claim. This leads to bad settlements favoring lawyers over consumers in jurisdictions with lax class action requirements. In the last year, more such one-sided settlements benefiting only the lawyers occurred.

Example: A settlement with Blockbuster over late fees produced $9.25 million in lawyers' fees, and nothing more but dollar coupons for the consumers represented, only 20 percent of which are likely to be redeemed.

Another example: A settlement with Crayola over asbestos included in crayons produced $600,000 in attorneys' fees, and nothing but a 75-cent discount on more crayons for affected consumers.

In order to prevent abuses like this, H.R. 1115 aims to protect plaintiffs by prohibiting the payment of bounties to class representatives, barring the approval of net loss settlements, adopting better notice requirement provisions which clarify class members' rights, and by requiring greater scrutiny of coupon settlements and settlements involving out-of-State class members.

Finally, Mr. Chairman, it is important to note that the costs of class action abuses are not limited to the parties of the settlements. They are shared by the American consumer through higher prices and higher insurance premiums.

Class action lawsuits also pose a threat to investors and the security of American retirement plans, which are largely invested in equity securities of American corporations. While class action liability can be enormous, news of these lawsuits on Wall Street can drive down any particular stock by as much as 10 points in one day.

I also would note that we are likely to hear names like Enron, Adelphia and WorldCom tossed about today, and rhetoric that this bill would let such noted corporate wrongdoers off the hook. The truth of the matter is that nothing in H.R. 1115 would limit the rights of plaintiffs to seek redress in court in these types of cases.

Under current law, most lawsuits against these companies will be heard in Federal bankruptcy court, for the same reasons that Federal courts should be able to resolve many of the class actions. Federal courts protect the interests of diverse parties from all parts of the country. In addition, section 4 of H.R. 1115 specifically excludes a number of Federal securities and State-based corporate fraud lawsuits.

Mr. Chairman, the need to restore some common sense, fairness, certainty, and dignity in our class action system is clear. The time to act is now, and I urge my colleagues to vote for this bill and to put some sense back into our legal system.

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

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

Mr. Chairman, welcome to ''Bash Trial Lawyers Day'' in the House of Representatives. My friend the chairman used the term 13 times in his presentation.

I just keep wondering, I would ask the gentleman from Wisconsin (Chairman SENSENBRENNER), what kind of law did you practice? I am intrigued by the right of trial lawyers not to be as effective as they can in court.

I notice that the Enron people have pretty good trial lawyers. I notice that WorldCom has pretty good trial lawyers. I notice that Adelphia has pretty good trial lawyers. These are all Republican supporters. I notice that Tyco has pretty good trial lawyers.

Why cannot people with class action suits have trial lawyers that are effective and doing a good job and get compensated for it?

I would yield to the gentleman, if he chooses to comment on that.

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

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

Mr. SENSENBRENNER. Everybody has a right to have a lawyer, but you ought to be for court reform.

Mr. CONYERS. Mr. Chairman, reclaiming my time, everybody has a right to a lawyer. I thank the gentleman very much. I am very happy this gets reiterated.

I just want to count the number of times trial lawyers get it in the neck. Property lawyers, they are okay. Domestic relation lawyers, have you got any beef about them? They are okay. But trial lawyers that try these kinds of class action cases, they are making out like bandits, so, let us put it in the Federal courts. Let us take all of the class action cases and send them to the Federal courts, exactly where the Federal judiciary is begging you not to send them; begging you not to send them. All the consumer groups are begging you not to send them there.

Yet you tried it in 1998, 1999, 2001, and, now for the fourth time in 6 years, you are back at it again.

Why? What is the problem, guys? Should not people, consumers injured, be able to bring their cases to their State courts where they have traditionally?

Well, the answer is, for me, yes; but for you, no.

Could somebody explain to me why we would make the cases retroactive on top of it? I yield the floor. Tell me why Tyco, Enron, WorldCom, Adelphia, just tell me why those five corporations should be granted a delay?

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

Mr. CONYERS. I yield with pleasure to the gentleman from Virginia, my friend on the Committee on the Judiciary.

Mr. GOODLATTE. Mr. Chairman, it is not a delay, it is an expedition. Quite frankly, they have no different treatment in Federal courts than State courts.

Mr. CONYERS. Mr. Chairman, I take my time back. I thank the gentleman very much for his contribution.

What this bill does, and I just ask that you would read it, I will quote you the exact place in the bill, is grant an automatic right of appeal in class certification cases automatically. Is that going to expedite things?

Most of the judges do not even grant an appeal if they had the discretion, and think I think you or your staff may be aware of this. That is a delay, I would say to the gentleman from Virginia (Mr. GOODLATTE).

Now, in addition to the automatic delay, there is a stay of all discovery proceedings while the right of appeal is exercised. Do you know how long that could take, I would ask the gentleman from Virginia (Mr. GOODLATTE)? About 2 years. Now you are telling me that is really expediting the process. I wait to hear your explanation of that.

I rise in strong opposition to H.R. 1115. Although the legislation is described by its proponents as a simple procedural fix, in actuality it represents a major rewrite of the class action rules that would bar most forms of State class actions and massively tilt the playing field in favor of corporate defendants.

This is why the legislation is opposed by both the State and Federal judiciaries, consumer and public interest groups, environmental and health groups, and civil rights groups. There are several critical problems with the bill before us.

First, H.R. 1115 will have serious adverse impact on the ability of consumers and other harmed individuals to obtain compensation in cases involving widespread harm. At a minimum, the legislation will force most State class action claims into Federal courts where there will be far more victims to litigate cases and where defendants could force plaintiffs to travel long distances to attend proceedings. At worst, because it is so much more difficult to certify class actions at the Federal level, the bill will operate to terminate most class action entirely.

Second, the bill includes a whole series of unrelated provisions that have nothing to do with class action jurisdiction, but will serve to benefit corporate wrongdoers. For example, section 6 of the bill gives the defendant an absolute right to appeal preliminary court decisions, which will delay the case by up to 2

years. The section also stops the discovery process dead in its tracks while the appeal is pending.

Most outrageously of all, the bill was amended so that it applies retroactively to pending cases. This means that the bill would apply to pending in corporate fraud cases. As my hometown paper, the Detroit Free Press wrote yesterday, ''the House version of the legislation is particularly offensive because it is retroactive, meaning it would affect class action claims now pending against Enron, Worldcom, Adelphia and other corporations accused of defrauding investors while their executives made millions of dollars.'' Is there a single Member in this Chamber who could defend Congress intervening in a pending case to help these corporate scam artists?

Fourth, the bill federalizes far more than just class actions. Section 4 provides that private attorney general actions and mass tort actions are to be treated as class actions and removed to Federal court. This means that district attorneys will no longer be able to combat fraud and abuse in their own State courts, and groups of harmed tort victims will be forced out of their State courts as well.

Do not be fooled by the Boucher amendment, which proponents claim will incorporate the Feinstein language from the Senate. What they do not tell you is that unlike the Feinstein compromise, the Majority's bill applies retroactively, allows for two year delays or more, and knocks out private attorney general actions. None of these provisions were in the Feinstein amendment in the Senate.

I believe it is time for more corporate accountability, not less. I urge a no vote on this one-sided, anti-consumer legislation.

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

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

Mr. Chairman, I would be happy to invite the gentleman from Michigan to my district, or I would be happy to go to Detroit, and have him explain to my constituents or me explain to his constituents why giving a consumer a coupon for 75 cents or $1 off a product that was manufactured by the company that injured that consumer and had a judgment entered against them, while giving a lawyer hundreds of thousands or millions of dollars' worth of legal fees, or having the lawyer send a deficiency bill to every member of the class, this bill takes care of this, is correct, and how it puts consumers in charge rather than lawyers.

Mr. Chairman, I yield 3 minutes to the gentleman from Virginia, Mr. GOODLATTE.

Mr. GOODLATTE. Mr. Chairman, I thank the gentleman for yielding me time and for his leadership in moving this legislation to the floor.

The reason why the interlocutory appeal allowed in the bill expedites the process and does not make it longer is that that issue is going to be heard on appeal anyway at the end of the trial, and, as you know, that takes years and years. Interlocutory appeals have historically been heard on average faster than appeals at the end of the trial, and, therefore, this will speed up the bringing of whatever allows the process to come to a conclusion.

Now, here is what we are talking about. Cheerios. What justice is done when the plaintiffs' attorney gets $2 million in attorney's fees and his clients get a box of Cheerios, the very product they allege was defective in the first place? What kind of justice for the plaintiffs is done there? I see the justice for the attorneys.

By the way, I say to the gentleman from Michigan, most trial lawyers are embarrassed by this abuse. Only a small cartel of very wealthy class action attorneys benefit from the current system. Most trial lawyers who represent most plaintiffs in America are embarrassed by this kind of abuse in the current system.

Abuses like $8.5 million in the Bank of Boston case for the plaintiffs' attorneys. The plaintiffs wound up having to pay money to their attorneys. Why did the attorneys get fees in a contingent fee case when their plaintiffs wound up having to pay them? They did not get anything.

Or the Blockbuster case that the gentleman from Wisconsin cited: $9.25 million to plaintiffs, $1 off on your movie ticket.

The great airline case, the frequent flier case. A 10 percent discount on your plane flight, if you buy another ticket on this so-called defective airline for $250 or more. The attorneys got $25 million.

The Coca-Cola case, the lawyers got $1.5 million, the plaintiffs got a 50-cent coupon.

Of course, my favorite case, the case of Chase Manhattan Bank, the attorneys got $4 million, the plaintiffs got 33 cents. Here is one of the checks, 33 cents. There is a little catch though, because you had to use a 34-cent stamp in order to send in the acceptance to get the 33 cents. That does not sound like a good deal for me either.

This restores federalism. It removes to our Federal courts the cases that involve the complexity and the diversity that our Founding Fathers created diversity jurisdiction for. A simple change in the law does not change the substance of class action, does not take away the right of anybody to bring a class action, but it does protect our system and the integrity of justice in America.

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

Mr. Chairman, my distinguished friend, the gentleman from Virginia, forgot to put in Enron class action cases. I guess that was an oversight.

Mr. Chairman, I am pleased to yield 1 minute to the gentlewoman from Ohio (Mrs. JONES), a former prosecutor, judge, and attorney.

Mrs. JONES of Ohio. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I rise in opposition to H.R. 1115. It is another series in ill-advised attempts to institute broad tort reform measures by this body. Class actions are often the only way in which small but meritorious claims can find redress, and, as such, they are an essential tool for enforcing civil rights, public health, environmental and consumer rights and laws.

It is very important, because my colleague disparages the integrity of elected State court judges. As a former State court judge, I speak for all of my colleagues to say that we are as qualified as those appointed by Presidents to the Federal bench.

I would also say that it is very important that if you look at the campaign funds of the people who are supporting this legislation, I guarantee you the organizations that do not want class actions are funding their campaigns.

I do not have enough time to say much more, except to say to all of you, vote against this legislation. It is not good for the consumer.

Mr. Chairman, I rise today in opposition to H.R. 1115, another in a series of ill-advised attempts to institute broad tort reform measures by this body. Class action lawsuits play an important role in our Nation's civil justice system, serving the dual objectives of practicality and fairness. Class actions are often the only way in which the small, but meritorious claims can find redress, and, as such, they are an essential tool for enforcing civil rights, public health, environmental and consumer rights and laws. The bill before us seeks to remove this tool and impair consumers' access to justice. Further, it disregards longstanding principals of federalism and would stress an already overburdened Federal judiciary.

There is no statistical evidence of a State class action ''crisis'' as proponents of this bill claim. In fact, there is empirical evidence to the contrary. For the past several years, the RAND Institute for Civil Justice has been studying class action settlements, only to find that given the small dollar amount of individuals' losses, it was ''highly unlikely that any individual claiming such losses would find legal representation without incurring significant personal expense.'' This study also found that class actions often resulted in changes to a companies business practices and that ''class counsel's fees were a modest share of the negotiated settlements.'' Overall, it concluded that its survey ''contradicts the view that damage class actions invariably produce little for class members and that class action attorneys routinely garner the lion's share of settlements.''

There is also no basis for the unfounded premise that big companies cannot get a fair trial in State courts—claims that are promulgated by sensationalist rhetoric surrounding a mere fraction of the class action suits that are introduced. Where the infrequent abuse has occurred, it is important to note that it is not an endemic feature of State judiciaries as proponents of this legislation would have us believe—in fact, many Federal class acitons have expeirenced the same outcomes that attract criticism at the state level.

My colleague disparges the integrity of elected State court judges. As a former judge I protest—if the campaign coffers of those supporting this legislation were reviewed—I venture a guess then—the contributors are supportive of this legislation.

But there is an overwhelming amount of evidence pointing to the fact that this bill would

make it harder—if not impossible—to bring cases against major corporations in an era of increasing consumer and shareholder vulnerability. Legitimate lawsuits could be thrown out or stalled if defendants are given the right to move just about any class action case from States to a crowded Federal court docket. Since the mid-1990s, the Federal civil dockets have been severely backlogged. From 1993 to 2002, U.S. district court civil filings climbed by nearly 37,000 cases (16 percent). And according to the U.S. Judicial Conference, the Federal courts are short by 150 judges.

This legislation would not only further overburden the schedules of Federal judges, but would put them in the difficult position of interpreting a host of State law issues that don't belong in Federal courts in the first place. This would result not only in extended delays in obtaining benefits for class members, but also increase delays for individual plaintiffs in other cases. And since Federal judges are required to provide speedy trials to criminal defendants, it is likely that class action suits would end up at the end of the long Federal docket line, giving corporate offenders more time to ''shred'' documents or dump stock shares.

There is no doubt that State courts are institutionally better suited to handle class actions than Federal courts. State courts' civil dockets typically experience smaller caseloads than their Federal counterparts, not to mention greater experience with State civil laws. State courts are also more prepared to decide controversial issues of State law than Federal courts. Without State court interpretations, States' bodies of law will not develop solutions to new problems, or guide future conduct of businesses.

It is also important to remember that State courts are held to the very same standards of due process as their Federal counterparts. If State judges fail to perform their duties appropriately, States have adequate mechanisms for reprimanding them. And let us not forget that State judiciaries are capable of self-regulation. Where real problems with the certification process have occurred, the offending States have responded with reforms aimed at improvement. In Alabama, the often-cited ''swamp justice'' State according to the proponents of this legislation—both the legislature and the judiciary have been acting to tighten class action procedure in response to accusations for ''drive-by'' certifications.

If the foundation of our democracy relies on the strength and preservation of federalism and deference to State's rights, how can we support legislation that has as its backbone the notion that State judiciaries are not as competent as Federal courts? Just ask the substantial number of Federal judges who have served on State judiciaries if they are ''better judges'' now that they operate on a Federal court level. I doubt any of them will respond that they are more neutral, or less biased, as a result of their Federal appointment. Put simply, neither the State nor Federal judiciaries are seeking class action reform because they are quite confident in their own competence.

Indeed, Chief Justice Rehnquist and the Judicial Conference of the United States are opposed to this legislation for reasons beyond ''unduly burdened'' Federal courts and disturbing States' jurisdiction over in-State class actions—they are opposed because at its heart it questions the principles that our Nation's courts are the backbone of a fair and unbiased justice system.

Class actions play an important role in our civil justice system. We need to refrain from targeting the few class-action infractions at the expense of many citizens' right to their day in court. We also need to refrain from altering the delicate balance between State and Federal judiciaries established by the drafters of the Constitution and carefully engineered by their contemporaries.

Let us heed the advice of our most senior authority on this matter, Chief Justice Rehnquist, that ''Congress should commit itself to conserving the Federal courts as a distinctive judicial forum of limited jurisdiction in our system of federalism.'' This legislation is nothing more than a technically unsupportable effort to enact institutional advantages for large corporations in all class actions. Instead of promoting fairness and efficiency, H.R. 1115 simply gives tobacco companies, Enrons, Worldcoms, HMO's and polluters the power to choose the legal forum they believe will benefit them most.

A vote against the bill will send the reassuring message to our State and Federal judiciaries that their judgment and integrity is recognized by Congress. As a former judge, and now as a Member of this body, I urge my colleagues to vote against this bill.

Mr. SENSENBRENNER. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. SMITH), the chairman of the Subcommittee on Courts, the Internet, and Intellectual Property of the Committee on the Judiciary.

□ 1230

Mr. SMITH of Texas. Mr. Chairman, I thank the gentleman from Wisconsin, the chairman of the Committee on the Judiciary, for yielding me this time.

Mr. Chairman, I support H.R. 1115, the Class Action Fairness Act. This bill reforms the class action system and addresses the abuses that harm so many Americans.

In recent years, State courts have been flooded with thousands of frivolous lawsuits. Lawyers looking for the most favorable jurisdictions conduct the equivalent of a legal shopping spree. They use loopholes so class action suits can be heard in State courts rather than Federal courts. Today, State courts employ criteria so loosely defined that virtually any controversy can qualify as a class action.

We have all heard of the lawsuits in which the plaintiffs walk away with pennies, sometimes literally, while their attorneys walk away with millions of dollars in fees. For instance, in a suit against Chase Manhattan Bank that was referred to by the gentleman from Virginia (Mr. GOODLATTE) a few minutes ago, consumers were awarded 33-cent checks while the attorneys pocketed $4 million in fees. Mr. Chairman, to describe this suit, as well as other class action lawsuits, as ''frivolous'' is an insult to frivolousness. Even The Washington Post has acknowledged that under the present system ''lawyers cash in, while the 'clients' get coupons.''

There are many ''magnet'' State courts that have a reputation for doling out enormous judgments. This bill makes it easier to get cases into Federal court to avoid such unfair results.

Mr. Chairman, I, along with the gentleman from Virginia (Mr. BOUCHER), amended this bill in the Committee on the Judiciary to apply the law to cases that have been filed, but not yet certified as class actions. Cases that gain class certification after the date of enactment will have, in fact, the new rules apply to them.

This language eliminates any incentive to rush to the courthouse to avoid the reforms contained in the legislation. It also prevents individuals from being made part of a frivolous suit that has been filed before enactment of the new laws.

The widespread abuse of class action lawsuits must be stopped. The Class Action Fairness Act includes bipartisan, sensible reforms that clarify the rights of consumers and restore confidence in America's civil justice system.

Mr. Chairman, I urge my colleagues to support this legislation, and I also thank the chairman of the committee for his action in passing this today.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 2½ minutes to the gentleman from New York (Mr. WEINER), a distinguished member of the committee.

Mr. WEINER. Mr. Chairman, something in me enjoys this exercise in self-flagellation by all of the lawyers in this Chamber. From time to time, those of us who are not lawyers in this Chamber, we convene a meeting, and we can do it in the phone booth in the cloakroom; but now we are all so angry at lawyers.

But this is not about lawyers. Frankly, most Americans are neither lawyers nor, thank God, are they victims, so they do not have to go into courts; and that is a good thing. But the groups that do represent victims, that do represent average Americans, almost universally oppose this legislation. Those that represent cancer patients, the American Cancer Society, oppose this legislation. Those who fight against pollution, the Clean Water Action, oppose this legislation. Those who represent seniors, the Gray Panthers, oppose this legislation. Those who represent consumers oppose this legislation. Those who fight against violence against women, the National Women's Health Network, oppose this legislation, because it is bad for victims and it is bad for those who use the system.

The gentleman from Virginia had these great charts. I am going to have to gesture because he would not let me use them. He had these great charts about 35 cents; that is all people are getting. Do my colleagues know why? Because there are millions and millions of victims; millions and millions of victims in that class. That is all that can go around is 35 cents. There

are hundreds and thousands of victims in this class. When you brag that, well, all the money that was left after they gave out these multimillion dollars was only 35 cents a person, that is a subject of how many people there were in that class.

I say to my colleagues, the bottom line is that it is ironic to hear the same people who came to this floor a couple of weeks ago and said, oh, the amount the victims are getting is too high, let us cap it at $250,000, now they are saying that 35 cents is too low. Do my Republican colleagues want to have a minimum? Sign me up. What is the number going to be? I know it is lower than $250,000 and higher than 35 cents, but we have to let my colleagues decide, because a jury cannot handle it. Oh, no. It is too mind-boggling for a jury to handle, because that is nine or 12 people from your district. They chose you, but they cannot figure out if Cheerios was right to short-change millions of consumers.

And let me say one other thing. Let me tell my colleagues one other group who should oppose this legislation: anyone that has the audacity to call themselves conservative. If you think it is conservative to take power away from the people and their States and give it to 1,500 Federal judges who sit in there in their marble chambers, who never talk to anyone or touch anyone, if you think that is conservative, you have it completely backwards. But then again, you do. You have it completely backwards.

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

The gentleman from New York unfortunately has got it all wrong. What this bill does is it takes the power away from one State court judge to decide national legal and national economic policy and puts it in the Federal courts where the founders intended it to be when they established the right of Congress to establish diversity jurisdiction.

The second point that I would like to make is why did all of these consumers only get 33-cent checks? It is because the lawyers signed off in the settlement that filled their pockets to overflowing with legal fees and giving 33-cent checks to the clients that they supposedly represented. Now, if those lawyers were a little bit more fighting for their clients and less for themselves, maybe those checks would have been bigger because the fees would have been smaller.

Mr. Chairman, I yield 2 minutes to the gentlewoman from Pennsylvania (Ms. HART).

Ms. HART. Mr. Chairman, I thank the chairman of the Committee on the Judiciary, the gentleman from Wisconsin (Mr. SENSENBRENNER), for his work on this issue.

I am a lawyer. I am for class action reform. These lawsuits continue to victimize the victims. Even The Washington Post, as the gentleman from Texas referred to, said the clients get token payments: 33-cent checks, boxes of Cheerios. In one case, the clients even ended up having to pay. The lawyers get enormous fees. This is not justice; it is an extortion racket that only Congress can fix. That is why we are here today. We are here to fix it.

The intent of the class action system is to facilitate large groups who have similar harm caused to them to efficiently recover damages. Recover damages. That is appropriate damages, not 33-cent checks. We are here to change that so that appropriate damages will be recovered.

How are we going to do that? We are going to change the system. We are going to make sure that not one small court in one State makes a decision for an entire Nation of victims. We are going to put it in the Federal court where it should be.

Recent studies of the class action system show there is a 1,315 percent increase in class action suits filed in State courts. Listen closely: 1,315 percent increase in class action suits filed in State courts. Why? Because some of those State courts have been very friendly to that small group of trial lawyers who take on these suits and get 33 cents for their clients and large, million-dollar settlements for themselves.

Here is another number: those attorneys who search for local friendly courts like Madison County, Illinois. Madison County, Illinois, has seen a 1,850 percent increase in class action filings that certify their classes and they will rubber-stamp these ridiculous, useless settlements.

This abuse has three larger consequences. First, as I said, the plaintiffs are denied real relief, and we have heard many examples, while the attorneys pocket huge rewards. It is time for us to take responsibility and make sure that clients get proper settlements. Support this reform.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts (Mr. DELAHUNT).

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

Mr. Chairman, let me tell my colleagues who does support this bill, and particularly the provision that makes the automatic appeal and the stay of the discovery proceedings retroactive. It is none of the groups that were enumerated by the gentleman from New York, no. We have two letters that were submitted as testimony, as exhibits before the Committee on the Judiciary. One is the Association to Advance Technology. Another is a similar trade association involving the high-tech industry. My memory is that it was submitted by the gentleman from Virginia.

I just wonder, and I am really posing a question, I guess, do any members of either of these trade associations have class action suits pending against them now? I do not know, and I do not see the gentleman responding. But he was very effective with his parade of horror stories.

Well, let me tell my colleagues, too, I do not have any charts; but maybe we could present pictures here, pictures of dead people, people who died as a result of defective tires that were manufactured by Firestone. Maybe we could read the names of those who died as a result of not being informed by the tobacco industry about the carcinogens that are present in a cigarette. But thank God we had class action suits, because this Congress is not ready to take action until some lawyer, yes, a lawyer, went out and filed a class action suit and finally revealed what the truth was, that these industries were withholding information that affected the public welfare of the people of the United States.

Mr. Chairman, this bill doesn't ''reform'' the class action system. It eviscerates it. And before we curtail the ability of our citizens to bring class actions, we need to be clear about why they exist in the first place.

Class actions do not exist solely or even primarily to provide relief for private wrongs. They exist to correct, punish and deter misconduct that harms large numbers of ordinary people and society as a whole. Class actions level the playing field, uniting ordinary citizens who could never undertake complex and costly litigation on their own.

You can understand why a mechanism like this is threatening to major corporations. Faced with a single lawsuit by an average citizen, most major companies can barely stifle a yawn. It is only the prospect of a class action suit joined by hundreds or thousands of such citizens that can get their attention.

You can understand why corporate defendants would do all they can to stack the deck in their favor. Or in this case, to shuffle the deck in their favor.

The sponsors have hit on a brilliant strategy. Since Congress cannot dictate the rules by which state courts handle their cases, the bill simply removes the cases from state court and transfers them to federal court. Then, once they're in federal court, the bill changes the rules to make sure that most of these cases will never see the light of day.

As soon as the district court either grants or denies certification to the class, the bill gives the parties the right to an automatic interlocutory appeal of the decision. And as soon as a party files an appeal, the bill halts all discovery proceedings in the case until the appeal is completed.

What does this mean in practical terms? Given the huge backlogs in federal court—backlogs which this bill will only make worse—it will be years before discovery can resume. And years more before plaintiffs who have suffered grievous injuries can get to trial on the merits.

What's important to understand is that this doesn't just delay recoveries. It undermines the very purpose of the class action system by removing the incentive for corporate defendants to fix problems. And delaying the release to the public of information that might save lives.

The current federal rules permit the judge to entertain an appeal of a class certification order, and even to stay proceedings until the appeal is resolved. But as Judge Scirica has

explained in a recent letter to the committee on behalf of the Judicial Conference of the United States: ''Providing an appeal as of right might tempt a party to . . . appeal solely for tactical reasons. Staying discovery and other proceedings in the district court would only increase the tactical advantages of filing an interlocutory appeal, particularly because resolution of the appeal may not occur for 12 to 18 months.''

Nor will this problem affect only the cases that the bill transfers to federal court. It will also affect the hundreds of cases that are already there, since the bill applies retroactively to cases that have not yet been certified at the time it goes into effect.

Thoses cases include some of the most notorious corporate fraud cases in history, including—

The Enron case, on behalf of thousands of investors who claim more than $20 billion in damages as a result of the series of fraudulent transactions that destroyed the company and rendered its stock worthless.

The WorldCom case, in which the plaintiffs contend that corporate insiders and auditors disseminated materially false and misleading information and used illegitimate accounting schemes to hide losses and inflate reported earnings.

The Adelphia case, in which plaintiffs allege violations of federal securities laws flowing from the failure to disclose billions of dollars in debt.

The Global Crossing case, in which plaintiffs cite the accounting schemes that grossly misrepresented the company's financial picture and precipitated the ruin of the company.

The ImClone case, in which senior corporate executives engaged in fraud, perjury, and obstruction of justice for which the CEO has just been convicted in federal court and other indictments are pending.

These class actions seek to address the looting of company after company by corporate insiders, whose brazen misconduct and self-dealing defrauded creditors and investors of billions of dollars, and stripped employees and retirees of their livelihood and life savings.

Yet if this bill becomes law, the victims of those practices will face new obstacles in their efforts to call those executives to task.

Are there abuses of the class action system? Of course. We've all herd about abusive coupon settlements, collusive settlements, excessive fees, and the like. The Democratic substitute would address these problems. But the bill does not. That is not its purpose. Its purpose isn't to fine-tune the class action system but to eviscerate it. To shield corporate malefactors from civil liability and leave the public unprotected.

At our markup of this bill, one of its supporters said, ''The goal of this bill is to ensure that legitimate plaintiffs receive fair and prompt recoveries.''

Plainly that is not the goal of the bill. The goal is to ensure that legitimate plaintiffs are denied any recovery at all. And that whatever recovery they do receive is delayed as long as possible.

This bill is not about protecting plaintiffs. It's not about protecting the public. It's about protecting large corporations whose conduct has been egregious. It's about protecting the powerful at the expense of the powerless. And to prevent people from banding together as a class to challenge that power in the only way we can.

We must also see this bill in its proper context. It is only part of an ambitious and multipronged campaign by major corporations to evade their obligations to society.

Under the guise of ''deregulation'' we're watching the wholesale dismantling of health and safety standards, environmental protections, and longstanding limits on concentration of ownership within the media and other key industries.

This House has just passed a bill that releases gun manufacturers from liability for the death and destruction they cause. And a bankruptcy ''reform'' bill that rewards abuses by credit card companies and does nothing to curb the greed and irresponsibility that have bankrupted major corporations and left employees, retirees and creditors holding the bag. And a medical malpractice bill that caps recovery for the injuries inflicted on patients by negligent health care providers, while doing nothing to reduce the rate of medical errors or curb the exorbitant premiums charged by insurance companies.

Today's bill completes this picture. It takes aim at the civil justice system that exists to correct the wrongs that the government cannot or will not address. Not content to put an end to regulation, the proponents seek to muzzle the courts as well.

We cannot allow them to do it, Mr. Chairman. I urge my colleagues to vote ''no.''

Mr. SENSENBRENNER. Mr. Chairman, I yield 2 minutes to the gentlewoman from Tennessee (Mrs. BLACKBURN).

Mrs. BLACKBURN. Mr. Chairman, I rise in support of H.R. 1115, the Class Action Fairness Act, and I want to thank the chairman of the Committee on the Judiciary and the gentleman from Virginia (Mr. GOODLATTE) for bringing this legislation to the floor today. It is critical that the House act on this issue.

Over the past 10 years, there has been a dramatic increase in the filing of class action lawsuits in the United States. Some of these lawsuits have played a valuable role in our legal system allowing for the efficient resolution of legitimate claims where there were numerous parties involved. Unfortunately, too many class actions are frivolous and are brought about by greedy trial lawyers who are more concerned with shopping for the best venue to collect fees than with producing justice for the injured parties.

We have heard about some of these examples. The Blockbuster Video case where customers got a coupon for a dollar off the next video. The court in Minnesota that gave the credit card company that was engaged in deceptive practices, those customers got some coupons, and the chance to apply for a credit card at a lower rate. The attorneys got $5.6 million there. In the Blockbuster case, we heard they split $9.25 million. The Coca Cola case, the customers got some 50-cent coupons and the lawyers split $1.5 million.

Mr. Chairman, Americans love couponing. They love double couponing. They love triple couponing. But let me tell my colleagues something: this is a mighty expensive way to do it. The American people get ripped off, and the big-time lawyers and the greedy trial lawyers are getting the millions of dollars. They are hitting the coupon jackpot.

It is time to reform the system. I encourage my colleagues to support this legislation.

Mr. CONYERS. Mr. Chairman, I am happy to yield 3 minutes to the gentlewoman from California (Ms. WATERS), a member of the Committee on the Judiciary.

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

The so-called Class Action Fairness Act has nothing to do with fairness. This corporate defendants' ''Choice of Forum Act'' is a one-sided, unfair gift to the polluters, the Enrons, and the pharmaceutical companies that will hurt consumers by delaying their access to justice. It will indefinitely delay hearings for people who may be victims of defective products, fraud, discrimination, and environmental pollution.

Mr. Chairman, this class action bill was a terrible bill when the House passed it in the last Congress; and fortunately, that bill died in the other body. Incredibly, H.R. 1115, this year's iteration of the bill, is even worse, as it now contains retroactivity language that will allow some of the worst corporate wrongdoers, companies like Enron, WorldCom, and Arthur Andersen, to remove cases filed against them in State court to the Federal courts where their attorneys can use the huge civil case backlogs in our Federal court system to just ''slow-walk'' the victims of their misconduct.

□ 1245

The bill provides an automatic right of an interlocutory appeal of a class action certification, slow walk, and a stay on all discovery while the class certification appeal is pending. Slow walk.

This unwise, ill-conceived intrusion on the jurisdiction of the State courts will destroy access to justice while overwhelmingly increasing the burdens on our Federal courts. That is why this bill is opposed by the Judicial Conference of the United States and the Conference of Chief Justices.

It is also strenuously opposed by every Democratic member of the caucus who has served as a trial judge at either the State or Federal level. It is even opposed by Chief Justice Rehnquist.

Finally, the bill will destroy the efficacy of private attorney general actions that consumers may now bring in the State of California to combat corporate fraud and wrongdoing. No one is better situated than the people of California to protect their rights as consumers under California law. That is why we should not support any bill that would allow corporate defendants to remove these cases to Federal court where they can avoid having to answer

to those State court judges with real expertise and the greatest knowledge of California law.

I strongly support the amendment that the gentlewomen from California (Ms. LOFGREN) and (Ms. LINDA T. SANCHEZ) will offer to strike the language permitting California private attorney general actions to be removed to Federal court. Mr. Chairman, this bill will injure consumers and assist those corporate defendants who simply want to game the system.

We can protect consumers from any perceived abuses in coupon settlements without adopting this assault on consumer access to full, fair, and timely justice. I urge my colleagues to reject this latest Republican miscarriage of justice. I urge my colleagues, just simply oppose this bad bill.

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

Mr. Chairman, once again the opponents of this bill are wrong. The gentlewoman from California (Ms. WATERS) is talking about Enron and WorldCom cases being removed to Federal court. They already are there. Both of these corporations have filed for bankruptcy. Once there is a bankruptcy filing by anybody, the cases are heard in Federal court, simple as that.

I really would hope that they get their facts straight before they attack the bill the next time.

Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. FEENEY).

Mr. FEENEY. Mr. Chairman, I want to congratulate and thank the gentleman from Wisconsin (Chairman SENSENBRENNER) and the gentleman from Virginia (Mr. GOODLATTE) for this fine bill. This is a commonsense reform of the class action process throughout the United States.

Mr. Chairman, this bill does not deny anybody access to a court or to a judge. What it does say is that lawyers that have a special relationship with a judge cannot forum shop and select their own judge; they have to have equal-handed justice. This cuts down on the lottery mentality in the court system and gives everybody the same fair and equal access.

Mr. Chairman, the Founders of our great Republic were very concerned about some forum shopping throughout the States where some States would not treat out-of-state defendants fairly, so they created diversity jurisdiction to allow Federal courts to make sure there was an even-handed array of justice.

In some States where they elect their justices, literally we have special interests, in some cases the trial lawyers, that are actually able to buy elections and have their favorite justices determine the entire constitutionality of issues because they run the supreme court.

All this bill does is to say everybody gets a fair shot at a Federal judge if there is legitimate diversity jurisdiction. It stops the lottery game in our court system.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Virginia (Mr. BOUCHER), ranking member of the Committee on the Judiciary.

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

The CHAIRMAN. The gentleman from Virginia (Mr. BOUCHER) is recognized for 3 minutes.

Mr. BOUCHER. Mr. Chairman, I thank both gentlemen for yielding time to me. It is my pleasure to rise in support of the bill that is before us.

In the 20 years that it has been my privilege to serve in the House, the class action reform measure that is before us today is the most modest litigation reform that has been debated, and it strikes in a narrow and appropriate way at an egregious abuse and miscarriage of justice.

The bill that is before us makes procedural changes only. There are no restrictions on the substantive rights of plaintiffs. There are no caps on damages. There is no limitation on the rights of plaintiffs to recover. The bill simply permits the removal to Federal court of class actions that are national in scope, with plaintiffs living across the Nation and a large corporate defendant doing business throughout the country, even if current diversity of citizenship rules are not strictly met.

This change is much needed. Cases that are truly national in scope are being filed as State class actions before certain favored judges who employ an almost anything-goes approach that renders virtually any controversy subject to certification as a class action. Once the certification occurs, there is then a rush to settle the case. The lawyers who filed the case tend to make an offer that is very hard for the corporate defendant to refuse. They ask for large fees for themselves, typically in the millions of dollars, and then coupons are requested for the class members.

Rather than go through years of expensive litigation, the defendant settles. The judge who certified the case quickly approves the settlement. The lawyer who filed the case gets rich; the plaintiff class members he represents get virtually nothing. That is the problem. That is the abuse that this reform is designed to resolve.

This reform permits the removal of these national cases to the Federal court in the State in which the State class action is pending. In the Federal court, the rights of plaintiffs will be more carefully observed. Any settlement involving noncash compensation will be carefully reviewed to assure that it is fair. Under the bill, cases that are local in scope will remain in the State court where they are filed.

Later today I will be joining with the gentleman from Wisconsin (Mr. SENSENBRENNER) and other Members in offering an amendment that the Committee on the Judiciary and the other body adopted, originally drafted by Senator FEINSTEIN of California, that gives Federal judges greater direction in deciding which cases are national in scope and should be removed to Federal court, and which cases should remain in the State courts in which they are filed.

This is a needed reform. It is a modest remedy. It is procedural only. The rights of all plaintiffs to participate in a class action will be respected, either in State or Federal court. I am pleased to rise in support of this measure and urge its adoption in the House.

Mr. SENSENBRENNER. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. CHABOT).

Mr. CHABOT. Mr. Chairman, I rise in strong support of the Class Action Fairness Act of 2003.

Mr. Chairman, I want to thank the gentleman from Wisconsin (Chairman SENSENBRENNER) and the gentleman from Virginia (Mr. GOODLATTE) for proposing this good legislation.

As chairman of the Subcommittee on the Constitution, I welcome this opportunity to address some of the criticism that we have heard about this legislation, that it would diminish State court authority or otherwise offend basic federalism principles.

Opponents of this bill have suggested that removing a lawsuit filed in State court to Federal court deprives the State court of its right to decide matters of State law, but all State law-based actions do not presumptively belong in State court. Federal diversity jurisdiction, established by the Framers of the Constitution, allows State law-based claims to be moved from local courts to Federal courts to ensure that all parties will be able to litigate on a level playing field and to ensure that interstate commerce interests will be protected.

Additionally, the expansion of diversity included in the Class Action Fairness Act is consistent with current diversity law, since it allows Federal courts to hear large cases which have interstate implications. By nature, class actions fulfill these requirements.

Mr. Chairman, in most State law-based class actions, the proposed classes encompass residents of multiple States. Therefore, the trial court, regardless of whether it is a State or a Federal court, must interpret and apply the laws of multiple jurisdictions. It is far more appropriate for a Federal court to interpret the laws of various States as opposed to having one State court dictate the substantive laws of others States.

I strongly support this legislation and urge my colleagues to do the same.

Mr. CONYERS. Mr. Chairman, I am happy to yield 3 minutes to the gentleman from North Carolina (Mr. WATT), a distinguished member of the Committee on the Judiciary.

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

Mr. Chairman, I have followed my colleagues' debate about this, particularly my colleague on the Democratic

side, the gentleman from Virginia, who says that there are no substantive changes in this bill, there are only procedural changes, and that this is a modest change.

The thing that is amazing about that is the modest change is going to move a tremendous volume of cases from the State court to the Federal courts, which is exactly why the Federal judges are opposed to this.

If this is only procedural in nature, I am not sure that I, for the life of me, can understand why we are doing it. If this is only process, it would seem to me that we should be able to get the same result in the Federal court or the State court, because if we listen to what the supporters of this bill are saying, they are not making any substantive changes.

Now, I used to think that I understood my Republican colleagues when they said that they believed in States' rights, and that when we have the level of government or a judicial system that is close to the people, that is where we are likely to get the best kinds of results in cases.

Why, then, if we follow that theory, would we take all of the cases that are now being tried in State court and pick them up and move them into Federal court? For some reason, there is something wrong with that picture. They say the rights of the parties will be carefully preserved in the Federal court. I think that is what I heard my friend, the gentleman from Virginia, say. Well, does that mean that the rights of the parties for all of these years have not been carefully preserved in the State court? I thought that is what the Republican Party stood for, taking things back to the local and State level. I thought they believed in States' rights.

They said, well, if we move to Federal court, we are going to get fairness. We are going to get fairness. They have also said, for some reason, if we move the cases into Federal court we are going to get fairness. The opposite of that is if we leave them in the State court somehow we are not going to get fairness. If we are not changing the substance, then why are they doing this? Why are they doing this?

So this must be about the results that some people are getting that they are not happy with. I am telling the Members, I think if we have the same case in Federal court or State court, we ought to get the same result. That is the way it has always been, and that is the way it would be in the absence of this new bill. I encourage my colleagues to oppose the bill.

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

Mr. Chairman, my friend, the gentleman from North Carolina (Mr. WATT), seems to have forgotten that the civil rights laws that were passed in the 1960s were passed with Republican support because his predecessors in North Carolina would not support civil rights laws, no way, no how. Those laws took away from the States the right to ensure equal treatment of all American citizens. I am proud my party, the party of Lincoln, led the charge on that.

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

Mr. MORAN of Virginia. Mr. Chairman, I thank the gentleman for yielding time to me.

I thank others who have advanced this legislation, the gentleman from California (Mr. DOOLEY), the gentleman from Virginia (Mr. BOUCHER), on our side, and the gentleman from Virginia (Mr. GOODLATTE), and many others.

Mr. Chairman, we know that class actions have played a very important role in advancing progressive goals, like civil rights and consumer rights. But something has gone wrong. A lot of trial lawyers will tell us, privately, that this has to be fixed, and, You guys need to rein it in.

There is an unintended loophole in the interpretation of diversity jurisdiction. That is where we are getting the abuse. We are getting a few trial lawyers who go forum shopping, and they go into the courts of judges who are elected, oftentimes with the contributions of trial lawyers. I am not saying this alone, but The Washington Post said this in their own editorial. They know what decision they are going to get. Oftentimes, they get the thing certified before even notifying the defendants, and then they wind up settling.

□ 1300

But who gets hurt? The consumer gets hurt. And it is not just in paying higher prices for products. They get those worthless coupons. A lot of them do not even know they are members of the plaintiff class. There is any number of consumer provisions in here. It requires scrutiny of these coupon settlements. It prohibits settlements where the class members come out as losers. It bars bounties for class representatives. Settlement awards cannot be based on geography. How unfair a system to base it on where you happen to live. It requires the settlement to be put in plain English so the consumers know what they are dealing with.

This is commonsense legislation. Let us pass it.

Mr. CONYERS. Mr. Chairman, I yield 30 seconds to the gentleman from North Carolina (Mr. WATT).

Mr. WATT. Mr. Chairman, I appreciate the gentleman yielding me time.

Every time a black Member of Congress gets up to talk about an issue like this, it always becomes a race debate; but I want to tell the gentleman that he is absolutely right.

We used to file every race discrimination case in America in the Federal court, but the law allows those cases to be filed in the State courts, too. And in many cases now, because the States have started appointing judges who came out of this century as opposed to the 19th and 18th century in their racial opinions, then you can get a fair trial in the State courts. And I think you can get a fair trial in the State courts on this issue if you will let the State courts do what they are supposed to do.

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

Mr. Chairman, I just want to remind my friend, the chairman of the Committee on the Judiciary, that he was not that happy with Federal courts in the University of Michigan affirmative action case. Remember that one?

Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. SOLIS).

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

Mr. Chairman, I would like to also voice my strong opposition to this bill, H.R. 1115. This bill is worse than what we saw last year, and it would be applied retroactively to pending cases, including those brought by employees at Enron for financial fraud, Dow Chemical for environmental charges, and Wal-Mart for employment discrimination against women.

In midstream the bill would strip the rights of plaintiffs in these cases, causing expensive and wasteful interruption of their pursuit for justice and equal treatment under the law.

In the wake of corporate scandals, workers in our country have lost well over $175 billion in retirement savings. Let us look at the real facts here. In California alone, workers have lost over $18 billion in retirement savings. At a time when we should be holding corporations more accountable, not less, their bill sends the wrong message.

Congress should stand up and protect consumers, employees, pensioners, and not corporate wrongdoers. They call this the Class Action Fairness bill? I am sorry. In my language it is a mentiras. That means it is a lie.

I urge my colleagues to please vote for the Sandlin-Conners substitute.

Mr. CONYERS. Mr. Chairman, I yield 1 minute to the gentleman from Missouri (Mr. CLAY).

Mr. CLAY. Mr. Chairman, I thank the gentleman from Michigan (Mr. CONYERS) for yielding me time.

Mr. Chairman, I rise to oppose H.R. 1115 and in support of the Democratic substitute. There is no fairness in this so-called Class Action Fairness Act. This bill amounts to a sweeping Federal takeover of State class action lawsuits.

Instead of improving the class action litigation process, this bill guarantees that those victims of discrimination of corrupt corporate practices will be forced to wait for years for any hope of justice.

H.R. 1115 alters the constitutional distribution of judicial power by moving State class action suits into the Federal court system. This bill undermines State rights and jeopardizes civil rights. Adding cases to the already clogged Federal court system will delay hearings for all class action

cases and cause those civil rights class action cases that truly belong in the Federal courts to await behind cases that should be heard in the State court.

This misnamed bill is opposed by both Federal and State judges. It is opposed by consumer groups. It is opposed by civil rights groups. It is opposed by environmental groups. But predictably it is supported and endorsed by the big corporations. I urge my colleagues to adopt the Democratic substitute.

Mr. CONYERS. Mr. Chairman, I yield 1 minute to the gentleman from Washington (Mr. INSLEE).

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

Mr. INSLEE. Mr. Chairman, Teddy Roosevelt would be spinning in his grave if he knew his party had decided to join ranks with what he referred to as the malefactors of great wealth. And that is exactly what this bill does.

It is incredible to me that some of my colleagues who support this bill come to this well and purport, say that they are on the side of consumers because they have such great sorrow and empathy for consumers. Well, you have to decide what you are on. The Consumers Federation of America knows this is a bad bill for consumers and they are against it. The Consumers Union of America knows this is a bad bill and they are against it. The Consumers for Auto Liability and Safety know this is a bad bill and they are against it. The consumers of America recognize this bill reduces their rights.

And the part that I want to focus on, and I heard one speaker refer to it as mere rhetoric that the consumers are going to get hurt, tell that to the thousands of people that are damaged by Ken Lay and Enron's depredations on them, whose lawsuit will be stayed for at least another year and a half to 2 years if this bill passes. You ought to know what side consumers are on, and in this bill they are against it.

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

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

Mr. Chairman, what are the Republicans trying to hide with H.R. 1115? Who are they are trying to protect? Do the names WorldCom, Enron and Arthur Andersen strike a familiar note?

Our colleagues on the other side of the aisle are jumping up and down like rodeo dogs trying to claim that they are interested in protecting individuals. Now, is that not a fine kettle of fish?

They must mean individuals like Ken Lay, Jeff Skilling, Bernie Ebbers and the CEOs of corporate wrongdoers who enrich themselves at the expense of American families and pensioners.

Oh, now, I understand. Those are the individuals who we are protecting.

Mr. Chairman, these CEOs do not need further protections. They have the fifth amendment and they use it all the time. Individual groups, the real individual groups such as the American Cancer Society, the American Heart Association, the American Lung Association, CWA, MALDEF, National Education Association, National Women's Health Network, SEIU, United Church of Christ, NAACP, true individuals oppose this legislation. They are the ones that need protections.

Mr. Chairman, who knows more about the judicial system than the Chief Justice of the United States Supreme Court? He is opposed. How about the Judicial Conference of the United States? Opposed. How about ten attorney generals who gave a statement just yesterday? Opposed. Federal courts? Opposed. State courts? Opposed. And I find it interesting that the Republicans have now adopted the Washington Post as their spokesman.

Well, Mr. Chairman, I will see their Washington Post and raise them the Augusta Journal. I will raise them the Columbus Dispatch. I will raise them the Wilmington, North Carolina Star News. I will raise them the Salt Lake City Tribune. I will raise them the Milwaukee Journal Sentinel. The list goes on and on.

And why, oh why, did our Republican friends make this retroactive? We do not do that. Who are they trying to protect? The individuals they are claiming to be interested in? Give me a break, Mr. Chairman. Do the Republicans actually believe anyone in America will believe that the Republicans are standing up for individuals against corporate wrongdoers? And the automatic appeal? That gives Enron some extra years to destroy evidence. That is why they want that.

Make no mistake about it. Thus far it is Enron, for; the American Cancer Society, opposed. Worldcom says yes; the National Education Association, the teachers, they say no. Arthur Andersen, good; United Church of Christ and NAACP, bad.

This act should be called exactly what it is: the Corporate Wrongdoer Past, Present and Future Protection Act; and, by the way, do not forget to send the money.

Let us shred up this document. Let us shred up this piece of legislation just like the documents that the corporate wrongdoers love to destroy. That would be true justice. That is what ought to happen to this legislation.

It is improper. It is unconstitutional. Our friends on the other side know it, and the judicial system of the United States has said this should be opposed.

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

Mr. Chairman, I wish the Democrats would get their facts straight before they come to the floor. First, any entity, individual or corporate, that is in bankruptcy is in Federal court and all claims go there: Enron, WorldCom, anybody else that is in bankruptcy.

Secondly, page 16 of the bill, which I will send over to the gentleman from Texas (Mr. SANDLIN), provides specific exemptions for the removal of class action cases to Federal court for all the types of corporate wrongdoing that he said on the floor.

Read the bill, be accurate in your arguments, and support it.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes 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. Chairman, I thank the distinguished gentleman from Detroit, Michigan (Mr. CONYERS), the ranking member, for yielding me time, and I appreciate this debate. I just wish it was longer, to be able to be more edifying of what we are talking about.

My voice is a little raspy this morning, but it seems that day after day and time after time, we come to this floor to try to keep the door of justice open.

This seems like a one-sided victory. We know they have the votes. But this is personal. And I have always been taught that when we uphold the Constitution and speak on behalf of the American people, we should remove our personal considerations. There is a fight between a few defense lawyers who have come up against worthy plaintiffs' lawyers who prevailed on behalf of class action plaintiffs in a myriad of issues, whether it is the Ford Pinto, whether it has to do with thalidomide that made babies deformed in the 1950s. These are the causes that we are talking about.

This class action legislation is an abuse of power because it undermines the tenth amendment that I have thought we respected in some instances; and that is, we leave certain issues to the States. There are 68 vacancies in the Federal court. All you need to do is kick class action lawsuits out of the State courts that have moved progressively along to allow plaintiffs to have their say, and you will have a backlog of Federal jurisdiction and docket, and you will never see the light of day.

So individuals who have been injured with respect to medical devices or other kinds of manufacturing devices and have drawn together because their resources are small will not have their day in court.

The Lawyers Committee for Civil Rights have brought up another issue. Is it because the juries are predominantly minority in many cases that you run away from justice? Let me say to my friends, justice comes in all shapes, colors, and sizes. I want to stand for justice.

Vote against this bad bill. It closes the door of justice to the American people.

Mr. Chairman, today this Chamber is considering H.R. 1115, the "Class Action Fairness Act of 2003." I oppose H.R. 1115 for several policy reasons including severe infringement on the discretion of the judiciary. I remain steadfast in my belief that this legislation is yet

another example of the legislature interfering in the affairs of the judiciary.

It is remarkable that the proponents of this legislation have always espoused the wisdom of allowing state courts and legislatures to decide for their own citizens what is best for them. They have professed that, as much as possible, the Federal government should not interfere in state business. But H.R. 1115 directly interferes with state court discretion by broadening Federal jurisdiction over state class action lawsuits.

H.R. 1115 makes severe changes to diversity jurisdiction requirements. The bill also makes substantial revisions to the rules governing aggregation of claims. Both of these changes would result in significantly more state court actions being removed to federal courts thereby overburdening the federal caseload.

H.R. 1115 also provides a party to a class action lawsuit with the right to an interlocutory appeal of the court's class certification decision provided an appeal notice is filed within 10 days. The appeal would stay discovery and other proceedings during the pendency of the appeal. This is a substantial change to Rule 23(f) which presently provides the court with discretion to allow an appeal of the class certification order without staying other proceedings. The automatic stay under H.R. 1115 provides defendants with another delaying tactic and another tool to increase the expense for plaintiffs.

These delay tactics and other provisions give a decisive advantage to well-financed corporate defendants. I am deeply concerned that if we pass H.R. 1115 we would eliminate the means by which innocent victims of corporate giants can find justice. First, I believe that before we consider this legislation, Congress should insist on receiving objective and comprehensive data justifying such a dramatic intrusion into state court prerogatives. This legislation has the potential to damage federal and state court systems. H.R. 1115 will expand federal class action jurisdiction to include most state class actions. H.R. 1115 will dramatically increase the number of cases in the already overburdened federal courts.

For example, as of February 2, 2002, there were 68 federal judicial vacancies. Judicial vacancies mean other courts must assume the workload. Assuming this additional burden contributes to federal district court judges having a backlogged docket with an average of 416 pending civil cases. These workload problems caused Supreme Court Chief Justice Rehnquist to criticize Congress for taking actions that have exacerbated the courts' workload problem.

H.R. 1115 also raises serious constitutional issues because it strips state courts of the discretion to decide when to utilize the class action format. In those cases where a federal court chooses not to certify the state class action, the bill prohibits the states from using class actions to resolve the underlying state causes of action. Federal courts have indicated in numerous decisions that efforts by Congress to dictate such state court procedures implicate important Tenth Amendment federalism issues and should be avoided. The Supreme Court has already made clear that state courts are constitutionally required to provide due process and other fairness protections to the parties in class action cases.

H.R. 1115 also adversely impacts the ability of consumers and other victims to receive compensation in cases concerning extensive damages. The bill has the potential to force state class actions into federal courts which may result in increase litigation expenses. Corporate defendants may attempt to force less-financed plaintiffs to travel great distances to participate in court proceedings. There are also added pleading costs for plaintiffs. For example, under the bill, individuals are required to plead with particularity the nature of the injuries suffered by class members in their initial complaints. The plaintiff must even prove the defendant's ''state of mind,'' such as fraud or deception, to be included in the initial complaint. This is a very high standard to impose of plaintiffs who may not yet have had the benefit of formal discovery. If the pleading requirements are not met, the judge is required to dismiss the plaintiff's complaint.

Additionally, plaintiffs under H.R. 1115 will face a far more arduous task of certifying their class actions in the federal court system. Fourteen states, representing some 29 percent of the nation's population, have adopted different criteria for class action rules than Rule 23 of the federal rules of civil procedure. Plaintiffs may also be disadvantaged by the vague terms used in the legislation, such as ''substantial majority'' of plaintiffs, ''primary defendants,'' and claims ''primarily'' governed by a state's laws, as they are entirely new and undefined phrases with no precedent in the United States Code or the case law.

Mr. Chairman, H.R. 1115 is riddled with provisions that are burdensome to potential plaintiffs and that potentially infringe on the discretion of state courts. I urge all of my colleagues to reject H.R. 1115 as it is presently written. I commend my colleagues for proposing numerous amendments to this bill and I hope that these amendments will address the gross inequities in this legislation.

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

The SPEAKER pro tempore. The gentleman is recognized for 2½ minutes.

(Mr. CONYERS asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. CONYERS. Mr. Chairman, this bill is class warfare with a vengeance.

Here my conservative friends, Republicans, are supporting the bill that will help Enron, Ken Lay, that is right, Adelphia, WorldCom, Tyco, by making retroactive all the automatic appeal provisions. By the way, the Chambers of Commerce are enthusiastic that maybe the fourth time this will get through the Congress. The National Association of Manufacturers are for it, and so is the President of the United States. That is one side.

Now, who are the victims? All consumers groups are against the bill. All civil rights groups are against the bill. All environmental groups are against the bill. All health care groups are against the bill. All judges, Federal and State, including the Chief Justice of the Supreme Court, are against the bill.

Get the picture? We do. And so do the people in your districts from whom you are taking the right to be jurors in these trials away from.

□ 1315

Let us talk about the coupon business, because in the Democratic substitute, on page 12, section 1711, is the only corrective action to coupons, which have been cried about on this floor this morning. If there is any provision in the bill that is on the floor now about coupons that will eliminate it or make it harder to bring, I would sure like to hear about it in the closing comments; and I have a Detroit Free Press editorial that came out yesterday saying class action, the plan seems less about justice than helping business. And I will insert it and a letter from the NAACP for the RECORD at this point.

[From the Detroit Free Press, June 11, 2003]

CLASS ACTION: PLAN SEEMS LESS ABOUT JUSTICE THAN HELPING BUSINESS

Now don't go making a federal case of it . . .

That old expression is a good one to direct at Congress, since the House and Senate appear to be racing each other to pass bills that would discourage class-action lawsuits by shifting them from state courts to the federal system. This is an interesting tack for a lot of conservative lawmakers who profess to want less federal involvement in American lives. Federal judges, already buckling under case overload, are opposed to it. So are state judges. Consumer groups see the bills as an overkill remedy for a system that's already being repaired by judicial initiatives.

Class-action suits allow one or a few people to seek damages for hundreds or even thousand of individuals who may have been affected by a bad product or policy. They are, understandably, the bane of big business and have been outrageously lucrative to some lawyers. But they also have produced changes in dangerous products or practices and held companies accountable.

Shifting such suits to federal courts sets up new procedural hurdles, appeal possibilities, and delays even before the merits of a claim are addressed. Even suits in which the entire ''class'' of potentially harmed people resides in the same state as the company being sued would be moved to the federal system, where cases languish years longer than in state courts.

The House version of the legislation is particularly offensive because it is retroactive, meaning it would affect class-action claims now pending against Enron, WorldCom, Adelphia and other corporations accused of defrauding investors while their executives made millions of dollars.

Supporters will say these bills are about reforming a bad process. What they really are about is discouraging a legitimate right to seek redress for wrongdoing—without making a federal case of it.

NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE,
Washington, DC, June 11, 2003.

MEMBERS,
House of Representatives,
Washington, DC.

RE: OPPOSE H.R. 1115 CLASS ACTION LAWSUIT LEGISLATION

DEAR REPRESENTATIVE: on behalf of the NAACP, our nation's oldest, largest and most widely-recognized grassroots civil rights organization, I urge you, in the strongest terms possible, to oppose H.R. 1115, the so-called ''Class Action Fairness Act of 2003'', legislation that would substantially

alter the constitutional distribution of judicial power and have a severely negative impact on the struggle for civil rights in this country.

Class action lawsuits are essential to the enforcement of our nation's civil rights and voting rights laws. They are often the only means by which individuals can challenge and obtain relief from systemic discrimination. Indeed, federal class actions were designed to accommodate, and have served as a primary vehicle for, civil rights litigation seeking broad equitable relief.

The proposed legislation, if enacted, would remove most state law class actions into federal court; clog the federal courts with state law cases and make it more difficult to have federal civil rights cases heard; deter people from bringing class actions; and impose barriers and burdens on settlement of class actions. The pending legislation would also discourage people from bringing class actions by prohibiting settlements that provide named plaintiffs full relief for their claims and would impose new, burdensome delay tactics for all class actions by automatically allowing a defendant to appeal any class certification in federal court and staying all the proceedings while the appeal is pending.

I urge you again, in the strongest terms possible, to oppose H.R. 1115, the so-called ''Class Action Fairness Act of 2003'' if and when it comes before you. If enacted, its impact would be profound, and it would result in new and substantial limitations on access to the courts for victims of discrimination. Should you have any questions about the NAACP position, please feel free to contact me at (202) 638–2269. Thank you for your attention.

Sincerely,

HILARY O. SHELTON,
Director.

My colleagues may get a Tyco and Enron out of jail with this delay, but they are not going to get this bill through the Federal legislative body.

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

Mr. Chairman, this country has a crisis in manufacturing. Particularly, small- and medium-sized manufacturing jobs are going overseas by the droves, particularly to China, and there are a whole lot of reasons for that; but one of the reasons is a judicial system that is out of control.

My colleagues can talk about business, but it is business that creates the jobs that hire our constituents who pay the taxes to make the government run; and by having court reform, which is what this bill does, it is not tort reform because nobody's rights to a jury trial or to get into a court are constricted by one iota. It is where this is done and how class actions get certified and protections for consumers such as the coupon settlements and the deficiency judgments that are entered against class members.

This is going to help keep America's economy vibrant. Pass the bill.

Mr. STARK. I rise today to oppose this misguided legislation. Don't be fooled by the title of this bill. It would lead some to believe that Congress is standing up for the average American—modifying certain inequities in our judicial system. Instead, it is a Republican sponsored hoax unfairly threatening the very people we are all elected to protect.

I don't think that the American public would be satisfied knowing that if H.R. 1115 passes, the accountability of such companies as Enron, WorldCom, and Arthur Anderson and pharmaceutical giants like Eli Lilly, Aventis Pasteur and Abbott laboratories would be held less responsible in pending class action cases againt them. This bill will adversely affect low-income groups and consumers to effectively assert their rights against large corporations.

Why should corporations reap the benefits of our judicial system by avoiding civil penalties? They are the ones committing crimes. The intent of pursuing a class action suit in court allows redress for average Americans financially unable to launch a judicial battle on their own. Class action suits empower consumers to challenge wrongdoings by wealthy corporations who would otherwise ignore their appeal.

We know that truthful law-abiding citizens are the ones who will lose if this bill becomes law. Apparently, in America today, you must contribute a significant amount to the Republican Party's campaign pocketbook to be considered protected under the law. This bill certainly protects major Republican campaign contributors—too bad for all the average working people who are left behind.

I ask my colleagues to stand up for real people and vote against H.R. 1115.

Mr. BLUMENAUER. Mr. Chairman, the pages of our newspapers have been filled with accounts of corporate abuse of investors and consumers. Part of the reason Oregon has the highest unemployment rate in America for over a year is the result of the Enron scandal and the California energy crisis. To make it harder for Oregonians who have been abused to seek legal redress is nothing short of outrageous.

This legislation would severely undermine the ability of Americans to seek relief from activities that harm consumers, the environment and public health. We should be working in Congress to help mend the relationship between corporations and the American public, rather than promote measures like this which will make it more difficult for injured consumers to bring class-action lawsuits.

By allowing corporations to move most class-action lawsuits from state courts, where they properly belong, into already overburdened federal courts and by imposing new procedural hurdles, the measure would delay, if not deny, justice to plaintiffs in legitimate class-action lawsuits. The federal courts have fewer than 1,500 judges compared to more than 30,000 judges currently serving on state courts. Thousands of class actions lawsuits spending in state courts around the country would be added to the federal docket under H.R. 1115 because of its retroactivity provision.

This legislation would also dilute the right of consumers to bring class action lawsuits against the firearms industry. Firearms are one of the only consumer products not subject to federal consumer safety regulation. Citizen lawsuits—including class actions—are one of the only incentives for the firearms industry to act responsibly.

We should not take away this important tool for the American public to protect their rights and secure compensation for their injuries and losses.

Ms. SCHAKOWSKY. Mr. Chairman, I rise today in opposition to H.R. 1115, the so-called Class Action Fairness Act. This bill is actually unfair to consumers because it would make it more difficult, more expensive, and more time-consuming for Americans with legitimate claims to access justice in class-action lawsuits. Instead, this bill rewards corporate wrongdoers and companies that fail to avoid dangerous practices and refuse to remove faulty products from store shelves.

Class action suits are an invaluable asset to consumers and all who engage in business of any kind. No one is immune from potentially being treated unfairly, being discriminated against, being taken advantage of, or being cheated. However, those who are victims are often those with no voice and no resources to fight back. But class action suits allow them to join with hundreds of others who have suffered the same harm and, together, become a strong voice for justice. In many cases, class action lawsuits are the only way that those who have been harmed can be heard and have their day in court.

Unfortunately, this bill would make most class action suits and the empowerment they provide to consumers a thing of the past. We've seen this bill repeatedly in the past, and we're seeing it again today because the Republicans will stop at nothing to protect their big money corporate supporters—those who get them elected—from being held accountable for their actions. This is especially evident in the bill before us today which goes further than the Republican class action bills of the past by making the legislation retroactive! If passed, this bill would apply to pending class actions, including the cases against Enron and WorldCom for financial fraud, Dow Chemical for environmental damage, Wal-Mart for employment discrimination, and Eli Lilly, GlaxoSmithKline, Abbott Laboratories and others for autism and other neurological damage.

This bill would change the rules midstream. While a class action has been filed against Enron by retirees, this class has yet to be certified. Under this bill, Enron for the first time would be given the opportunity to make an immediate appeal of any court decision granting class certification. The result could be a hold on all proceedings, including investigations to make discoveries of evidence, while the appeal was pending. This is an unwarranted, expensive, and wasteful use of time, and all while Enron retirees sit and wait for a decision regarding their retirement funds. This is not compassionate and not fair.

This bill looks the other way as workers are taken advantage of by big corporations, as patients are abused by HMOs, and as the environment continues to suffer damage from big polluters. In such a claim, it is critical that people have access to justice. This bill takes away that access and protects those who will continue to do harm. Republicans are committing fraud against the American people by proposing this bill, and I urge my colleagues to oppose H.R. 1115.

Mr. POMEROY. Mr. Chairman, I rise in reluctant opposition to H.R. 1115, the Class Action Fairness Act.

Our system of class action litigation is in dire need of reform. Most class action cases are national in scope and should be heard in federal court, where like claims may be combined and uniform decisions rendered. Under the current system, however, these interstate suits are often filed in state or country court, where the decision of a local judge and jury may affect the laws of all 50 states. As a former state insurance commissioner, I am

deeply troubled that a jury panel in a class action case in Mississippi or New Mexico could effectively overturn state regulations in my home state of North Dakota.

In addition, by allowing interstate class action claims to be filed in any of the thousands of local courts across the country, the likelihood is increased that a plaintiffs lawyer will find at least one judge who is willing to entertain a claim that most people would consider to be without merit. Once a sympathetic judge is found, the plaintiffs' attorney can leverage nationwide settlements that all too often provide little benefit to the actual plaintiffs but enormous benefit to the attorney.

I support the amendment brought forward by Representatives SENSENBRENNER, BOUCHER, DOOLEY, STENHOLM, and TERRY, that incorporates the so-called ''Feinstein Amendment.'' Through this amendment, class action suits would be apportioned to federal or state courts depending on the domicile of the plaintiffs. I believe that the Feinstein Amendment addressed an important criticism to the bill in that it would leave lawsuits that are clearly of local concern, with state courts.

However, I was disheartened to learn that an amendment that would effectively strike the retroactivity provision in the bill was ruled out-of-order and will not be brought forward for a vote here today. This provision would unfairly apply the new law to cases already filed in state courts, but not granted class certification. It sets bad public policy because it changes the rules for injured Plaintiffs in the middle of the game. I understand that this provision was added during Committee debate of the bill and was added at the urging of a special interest. Such political favoring produces bad policy that I cannot support. Therefore, I cannot support class action reform that retroactively applies to active cases.

We have not heard the last of this issue. I look forward to continuing to work on this issue so that we can finally reform the class action system.

Mr. BACA. Mr. Chairman, I rise in opposition to H.R. 1115, the Class Action Fairness Act of 2003.

H.R. 1115 is just another attempt by Republicans to deny people their fair day in court. Once again, they are siding with Goliath at the expense of David. They are siding with the big corporate interests at the expense of the public interest. They are siding with their campaign contributors at the expense of the American people.

This legislation is unfair to consumers. It wrongly limits the authority of State courts, bogs down Federal courts, and makes it more difficult for consumer claims to be heard. This is a deliberate attempt b7 conservatives to protect big businesses like WorldCom, Arthur Andersen and Enron.

When a company violates the rights of consumers, consumers are entitled to have their claim go before a judge and jury in a timely manner. Republicans would love to be the judge and jury in these cases, siding with and protecting their corporate friends. But that's not the way it works.

In my home state, the University of California pension plan lost $353 million as a result of the WorldCom accounting scandal. Like many other Americans, they were victims of the fraudulent activities of Arthur Andersen.

Under H.R. 1115, the University of California would have been prevented from having their day in a State court. Instead, the suit would have been moved to Federal court, causing terrible delays and hurting those Californians who depended on their pensions.

The people of California and all across this nation deserve to have fair and easy access to a speedy judicial system.

This legislation places huge barriers in the path of consumers. It limits the rights of consumers, undermines the authority of state courts, and increases the burden on federal courts.

That sound you hear is the sound of big business applauding this legislation. They appreciate the additional time this bill would give them to shred documents, destroy evidence and cause harm to hard-working Californians and to all Americans.

It simply isn't fair and we must do more to protect our consumers.

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

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, 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. 1115

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

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

(a) SHORT TITLE.—This Act may be cited as the ''Class Action Fairness Act of 2003''.

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

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

Sec. 1. Short title; reference; table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Consumer class action bill of rights and improved procedures for interstate class actions.
Sec. 4. Federal district court jurisdiction of interstate class actions.
Sec. 5. Removal of interstate class actions to Federal district court.
Sec. 6. Appeals of class action certification orders.
Sec. 7. Enactment of Judicial Conference recommendations.
Sec. 8. Effective date.

SEC. 2. FINDINGS AND PURPOSES.

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

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

(2) Over the past decade, there have been abuses of the class action device that have—

(A) harmed class members with legitimate claims and defendants that have acted responsibly;

(B) adversely affected interstate commerce; and

(C) undermined public respect for the judicial system in the United States.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

''CHAPTER 114—CLASS ACTIONS

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

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

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

''§ 1712. Protection against loss by class members

''The court may approve a proposed settlement under which any class member is obligated to pay sums to class counsel that would result in a net loss to the class member only if the court

makes a written finding that nonmonetary benefits to the class member outweigh the monetary loss.

"§ 1713. Protection against discrimination based on geographic location

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

"§ 1714. Prohibition on the payment of bounties

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

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

"§ 1715. Definitions

''In this chapter—

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

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

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

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

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

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

"114. Class Actions ..... 1711".

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

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

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

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

''(d)(1) In this subsection—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) CONFORMING AMENDMENTS.—

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

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

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

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

"§ 1453. Removal of class actions

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SEC. 6. APPEALS OF CLASS ACTION CERTIFICATION ORDERS.

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

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

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

SEC. 7. ENACTMENT OF JUDICIAL CONFERENCE RECOMMENDATIONS.

Notwithstanding any other provision of law, the amendments to Rule 23 of the Federal Rules of Civil Procedure which are embraced by the order entered by the Supreme Court of the United States on March 27, 2003, shall take effect on the date of the enactment of this Act or on December 1, 2003 (as specified in that order), whichever occurs first.

SEC. 8. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by this Act shall apply to—

(1) any civil action commenced on or after the date of the enactment of this Act; and

(2) any civil action commenced before such date of enactment in which a class certification order (as defined in section 1332(d)(1)(C) of title 28, United States Code, as amended by section 4 of this Act) is entered on or after such date of enactment.

(b) FILING OF NOTICE OF REMOVAL.—In the case of any civil action to which subsection (a)(2) applies, the requirement relating to the 30-day period for the filing of a notice of removal under section 1446(b) and section 1453(d) of title 28, United States Code, shall be met if the notice of removal is filed within 30 days after the date on which the class certification order referred to in subsection (a)(2) is entered.

The CHAIRMAN. No amendment to the committee amendment is in order except those printed in House Report 108–148. Each amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

It is now in order to consider amendment No. 1 printed in House Report 108–148.

AMENDMENT NO. 1 OFFERED BY MR. SENSENBRENNER

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. SENSENBRENNER:

In section 1332(d) of title 28, United States Code, as proposed to be inserted by section 4(a)(2) of the bill—

(1) in paragraph (2), strike ''$2,000,000'' and insert ''$5,000,000'';

(2) redesignate paragraphs (4) through (9) as paragraphs (5) through (10), respectively;

(3) strike paragraph (3) and insert the following:

''(3) A district court may, in the interests of justice, decline to exercise jurisdiction under paragraph (2) over a class action in which greater than one-third but less than two-thirds of the members of all proposed plaintiff classes in the aggregate and the primary defendants are citizens of the State in which the action was originally filed based on consideration of the following factors:

''(A) Whether the claims asserted involve matters of national or interstate interest.

''(B) Whether the claims asserted will be governed by laws other than those of the State in which the action was originally filed.

''(C) In the case of a class action originally filed in a State court, whether the class action has been pleaded in a manner that seeks to avoid Federal jurisdiction.

''(D) Whether the number of citizens of the State in which the action was originally filed in all proposed plaintiff classes in the aggregate is substantially larger than the number of citizens from any other State, and the citizenship of the other members of the proposed class is dispersed among a substantial number of States.

''(E) Whether 1 or more class actions asserting the same or similar claims on behalf of the same or other persons have been or may be filed.

''(4) Paragraph (2) shall not apply to any class action in which—

''(A) two-thirds or more of the members of all proposed plaintiff classes in the aggregate and the primary defendants are citizens of the State in which the action was originally filed;

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

''(C) the number of members of all proposed plaintiff classes in the aggregate is less than 100.'';

(4) in paragraph (5), as so redesignated, strike ''$2,000,000'' and insert ''$5,000,000''; and

(5) in paragraph (10), as so redesignated—

(A) in the third sentence, strike ''paragraphs (3) and (6)'' and insert ''paragraph (7)''; and

(B) in the last sentence, strike ''(6)'' and insert ''(7)''.

The CHAIRMAN. Pursuant to House Resolution 269, the gentleman from Wisconsin (Mr. SENSENBRENNER) and a Member opposed each will control 5 minutes.

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

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

Mr. Chairman, this bipartisan amendment is intended to mirror the amendment offered by Senator FEINSTEIN over in the other body. It is in keeping with the spirit and intent of the bill and would slightly broaden the category of class action cases that would remain in State court in two ways.

First, the amendment raises the aggregate amount and controversy required for Federal jurisdiction from $2 million to $5 million. Second, it allows Federal courts discretion to return intrastate class actions in which local law governs the State courts after weighing five factors to determine the case is appropriately of a local character.

This discretion would come into play when between one-third and two-thirds of the plaintiffs are citizens of the same State as the primary defendants. If less than one-third are citizens of the same State, the case would automatically be eligible for Federal court jurisdiction under the new diversity rules in the bill. Likewise, if more than two-thirds are citizens of the same State, the case would not be subject to the new rules in this bill and would remain in State court.

I urge my colleagues to adopt this amendment to help speed passage of this important legislation.

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

The CHAIRMAN. Who seeks time in opposition to the amendment?

Mr. CONYERS. Mr. Chairman, I do.

The CHAIRMAN. The gentleman from Michigan (Mr. CONYERS) is recognized for 5 minutes.

Mr. CONYERS. Mr. Chairman, I yield myself 2 minutes.

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

Mr. CONYERS. Mr. Chairman, this is to celebrate the gentlewoman, the Senior Senator from California Day in addition to Attorney Bashing Day. We have a letter from the senior Senator of California, which says she is opposed to the bill and why she is. So what we have here is a Feinstein-lite or a fake Feinstein here.

I do not know what we are trying to do here, but this attempt to fix the class action bill creates, as I expected, more confusion and does not deal with the real defects in the bill.

Her letter says: ''As I said in committee before this amendment was adopted, I will not support any class action legislation that moves those suits to Federal court.''

So we have the senior Senator from California saying that this is a class action bill, and there has been general agreement that we need reform on class actions; but these provisions in the bill do not relate to class actions.

This is far from a done deal. I do not think we correct the basic defects in the bill; and since this is Feinstein-lite, I am going to reject the amendment that I am sure is made in good faith by the chairman of the Committee on the Judiciary.

I include the letter from Senator FEINSTEIN in the RECORD at this point.

JUNE 11, 2003.

Hon. RICK BOUCHER,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN BOUCHER: I wanted to clarify several issues with regard to S.274, the Class Action Fairness Act, and two

Amendments I offered to it in the Senate Judiciary Committee. During House consideration of H.R. 1115, there has been some misunderstanding about my position. I thought a clarification might be helpful to you in your deliberations.

During Committee consideration of S.274, I offered an amendment to raise the amount in controversy to $5 million and to set specific criteria based on a percentage formula to determine whether certain intrastate cases should be heard in state or federal court. This is what has popularly become known as the ''Feinstein Amendment.'' It is my understanding that Chairman Sensenbrenner and a number of Democrats plan to offer this as an amendment to H.R. 1115 on the House floor, and of course, I support its inclusion.

I also co-authored an amendment with Senator Specter to strike a provision from the bill that would have made certain citizen suits and ''private attorney general'' actions removable to Federal Court as well. I felt strongly then, and I feel strongly now, that such suits—particularly those brought under Section 17200 of the California Business and Professional Code—properly belong in state court and should not be classified as class actions under the bill. As I said in Committee before this amendment was adopted, I will not support any class action legislation that moves those suits to federal court.

Senators Specter's amendment also, however, struck a provision from the bill that would make so-called ''Mass Actions'' subject to the same removal provisions in the bill that apply to class actions. That was not my concern, and in fact I believe that truly national ''Mass Actions'' should be removable to Federal Court under the same procedures as class actions.

I hope this clarifies some of my views on this matter. I appreciate your concerns about this important legislation and welcome you to contact me or to have your staff contact my Chief Counsel, David Hantman, at 224–4933 if you have further questions.

Sincerely,

DIANNE FEINSTEIN.

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

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

What the gentleman from Michigan is saying is this is a good amendment but not good enough. I think if it is a good amendment, it ought to be supported; and I know my cosponsor, the gentleman from Virginia (Mr. BOUCHER), will tell us it is a very good amendment.

Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. BOUCHER).

Mr. BOUCHER. Mr. Chairman, I thank the gentleman from Wisconsin for yielding me the time and for his willingness to accept the amendment that was drafted by Senator FEINSTEIN of California, which was approved by the Committee on the Judiciary of the other body when that committee reported class action fairness legislation.

We are joined in offering this amendment by the gentleman from Virginia (Mr. GOODLATTE), the gentleman from Virginia (Mr. MORAN), the gentleman from California (Mr. DOOLEY), the gentleman from Texas (Mr. STENHOLM), and the gentleman from Nebraska (Mr. TERRY); and I thank them for their cosponsorship as well.

Under the approach of the bill, only cases that are filed as State class actions which are national in scope will be removable to Federal court, notwithstanding the absence of complete diversity of citizenship. Cases that are local in nature will remain in the State courts where they are filed.

Senator FEINSTEIN's amendment, which is the same as the amendment we are now offering, gives Federal judges clear directions in determining which cases are national in character and which are local. Under this test, if two-thirds of the members of the plaintiff class reside outside of the State and at least one of the primary defendants resides outside of the State, the case is deemed to be national in scope and can be removed to Federal court. By contrast, if two-thirds of the plaintiffs and the primary defendants are residents of the foreign State, the case is local and will remain in State court.

There is a middle category of cases in which more than one-third and less than two-thirds of plaintiffs are residents of the foreign State, and in these instances the amendment directs the Federal judge to weigh five specific criteria that will be set forth in the statute in order to determine whether the case is national or local in character. This approach will promote a higher degree of uniformity among the Federal districts in the application of the new law and assure that local class actions remain in State courts.

The amendment also raises from $2 million to $5 million the aggregate jurisdictional amount for removals under the bill, assuring that cases which are of lesser value remain in the State courts.

The amendment is a useful addition to the bill, and I urge its adoption.

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

Mr. Chairman, the name of the senior Senator from California, Ms. FEINSTEIN, has been bandied about on both sides of the aisle; and she has sent a letter to the gentleman from Virginia (Mr. BOUCHER), which says in part: ''It is my understanding that Chairman SENSENBRENNER and a number of Democrats plan to offer this as an amendment to H.R. 1115 on the House floor, and of course, I support its inclusion.''

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

Mr. CONYERS. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. DOOLEY).

(Mr. DOOLEY of California asked and was given permission to revise and extend his remarks.)

Mr. DOOLEY of California. Mr. Chairman, I rise in support of the amendment and the bill.

Mr. Chairman, over the last decade, elements of the class action litigation system have gone terribly wrong. H.R. 1115 is a moderate, sensible measure. This bill is not tort reform. This legislation makes a common sense correction in Federal law so that large, multistate class action lawsuits can be heard in Federal court. Cases that are national in scope should be decided by courts that represent the nation at large, not individual county courts, where oftentimes, judges are elected by the very trial lawyers who are bringing suits to their courtroom.

This bill does not take away anyone's right to file a class action. This bill does not cap damages. This bill is a process improvement.

Chairman SENSENBRENNER has worked with Democrats to improve the bill and make key changes to include a provision crafted by Senator DIANNE FEINSTEIN that keeps a single state case in that state's courts, not Federal court.

On February 10th 2003, the American Bar Association's House of Delegates overwhelmingly endorsed a resolution of the ABA's Class Action Task Force, voicing qualified support for the principle of expanded Federal jurisdiction over class actions.

That is precisely what this bill accomplishes.

H.R. 1115 is the only proposal on the table that will curb abuse.

Vote ''yes'' on Final Passage. Vote ''yes'' on the Sensenbrenner, Boucher, Moran, Dooley, Stenholm, Terry amendment.

Mr. CONYERS. Mr. Chairman, I yield such time as he may consume to my good friend, the gentleman from Texas (Mr. STENHOLM).

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

Mr. STENHOLM. Mr. Chairman, I rise in support of this amendment, and I commend the gentleman from Wisconsin (Chairman SENSENBRENNER) and the gentleman from Virginia (Chairman GOODLATTE) and the gentleman from Virginia (Mr. BOUCHER) for their work on this bill and the amendment.

Mr. Chairman, I rise in support of this amendment and the underlying bill. As one who often comes to this well to express frustration at the unwillingness of the other side of the aisle to work with members on this side, I am extremely pleased to come to the floor in support of this bipartisan amendment which reflects the input of several members on this side of the aisle.

I want to thank Chairman SENSENBRENNER and Mr. GOODLATTE for working with me and other members on this side of the aisle to develop a balanced approach on this issue that deserves strong bipartisan support. I also want to comment Mr. BOUCHER for his hard work on this legislation.

This legislation is based on a simple, common sense principle that class action lawsuits that affect several states should be considered in federal courts. It does not make sense to allow state judges in a few local jurisdiction to make decisions that will affect businesses and consumers nationwide. Cases that are brought on behalf of folks from across the country and will have consequences in many states should be heard in the federal court.

The amendment before us, which was the product of bipartisan negotiations in the other body, clarifies the line between class actions that may be handled by federal courts and class actions that should be resolved by state courts. It ensures that class actions of predominantly local concern remain in state court, while allowing federal courts to handle larger cases that are national or interstate in character. In other words, if a class action lawsuit

is primarily a multi-state lawsuit, it goes to federal court and if it is a primarily a single state lawsuit it stays in state court.

The legislation before us is much stronger because of the commitment of Chairman SENSENBRENNER to deal with this issue in a truly bipartisan manner. The legislative process and the American people are served best when we work together across party liens to find a reasonable middle ground on legislation. I hope that the process by which Chairman SENSENBRENNER has handled this legislation is a model for other legislation in this body.

Mr. CONYERS. Mr. Chairman, I yield the balance of the time to the gentleman from Texas (Mr. SANDLIN).

Mr. SANDLIN. Mr. Chairman, I thank my friend for yielding me the time.

Mr. Chairman, we have heard some very charming stories about this amendment, but how about a little truth in advertising. The Sensenbrenner amendment that we are considering today is not Feinstein. While it is true that a rose by any other name is still a rose, calling a dandelion a rose do not make it so. Yet that is precisely the hoax that is being perpetrated by the Sensenbrenner amendment.

In a desperate attempt to make H.R. 1115 appear moderate, trying to hide that it is really a radical expansion of Federal authority and away from the States, the proponents of the Sensenbrenner amendment want the House to believe that adopting this amendment makes H.R. 1115 the same proposal advanced by Senator FEINSTEIN last month in the Senate Committee on the Judiciary.

Mr. Chairman, that is just not so. The Feinstein amendment was only about class actions, period. That is it. It was not meant to apply, nor does it apply, to mass tort cases, consolidated cases, joinder cases or State Attorney General actions; and as my friends on the other side of the aisle are so prone to say, why do they not read their own darn amendment.

Let us get real on this. Here is what the proponents of the Sensenbrenner amendment will not tell my colleagues and do not want us to know:

In the Senate, committee passage of the bill, including adoption of the Feinstein amendment, was tied to the passage of another amendment, the Feinstein-Specter amendment that narrowed the scope of the bill so that it applied only to class action. Now Sensenbrenner is more extreme in other ways, of course. That is what we are about here, extremist policy.

There are three very important ways that it is more extreme. Feinstein does not apply to joinder or consolidated cases or attorney general actions. Sensenbrenner does. Feinstein does not apply retroactively to pending cases such as ongoing actions against Enron and WorldCom. Sensenbrenner does. We know who they are protecting. We know what they are doing.

Feinstein does not allow defendants to remove cases into a Federal settlement and give those same defendants the right to delay proceedings, appeal intelocutory orders, and stay discovery. Sensenbrenner does.

It is time to tell the truth about the Sensenbrenner amendment. We know what it does. We know what it says. We know who it protects. We have read the thing.

In closing, I have brought a chart to explain this amendment. If my colleagues can understand it, they are wasting their time in the House. They should be confirmed as the Chief Justice of the United States Supreme Court if they can go over the Sensenbrenner amendment and the Feinstein wording and make any sense whatsoever of it. It is poorly drafted, it does not have definitions, it does not allow one to remain in Federal court or State court. It bumps a person back and forth on a jurisdictional merry-go-round that never ends, that protects corporate wrongdoers. It is bad for America.

The CHAIRMAN. All time having expired, the question is on the amendment offered by the gentleman from Wisconsin (Mr. SENSENBRENNER).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in House Report 108–148.

□ 1330

AMENDMENT NO. 2 OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Ms. JACKSON-LEE of Texas:

In section 1332(d) of title 28, United States Code, as proposed to be inserted by section 4(a)(2) of the bill—

(1) in paragraph (9), strike the quotation marks and second period at the end; and

(2) add after paragraph (9) the following:

''(10)(A) For purposes of this subsection and section 1453 of this title, a foreign corporation which acquires a domestic corporation in a corporate repatriation transaction shall be treated as being incorporated in the State under whose laws the acquired domestic corporation was organized.

''(B) In this paragraph, the term 'corporate repatriation transaction' means any transaction in which—

''(i) a foreign corporation acquires substantially all of the properties held by a domestic corporation;

''(ii) shareholders of the domestic corporation, upon such acquisition, are the beneficial owners of securities in the foreign corporation that are entitled to 50 percent or more of the votes on any issue requiring shareholder approval; and

''(iii) the foreign corporation does not have substantial business activities (when compared to the total business activities of the corporate affiliated group) in the foreign country in which the foreign corporation is organized.''.

The CHAIRMAN. Pursuant to House Resolution 269, the gentlewoman from Texas (Ms. JACKSON-LEE) and the gentleman from Wisconsin (Mr. SENSENBRENNER) each will control 5 minutes.

The Chair recognizes the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rose earlier today and said this is a personal conflict. This is a personal issue. This is the issue of some powerful lawyers who have lost cases in the courts of America against those who have stood for those individuals who could find no way to enter into the court of justice except to join together as many plaintiffs on behalf of their issue.

The issue today is whether or not we can ensure that whatever happens in this legislation, if a corporation that has a class action against them decides to abscond by being purchased by a foreign corporation, that that class action lawsuit will not be null and void.

Specifically, Mr. Chairman, the language says ''a foreign corporation which acquires a domestic corporation in a corporate repatriation transaction shall be treated as being incorporated in the State under whose laws the acquired domestic corporation was organized.''

Let me give an example, Mr. Chairman. The example is as follows. Just remember the case that dealt with the parent company of Jack-in-the-Box restaurants that agreed to pay $14 million in a class action settlement. The class involved 500 people, mostly children. They had to come in a class represented by an attorney. They became sick in 1993 after eating undercooked hamburgers tainted with E. coli bacteria. The children did not go to Jack-in-the-Box to fake injury or to fake sickness. They did not go to the place they enjoyed to eat a hamburger that was tainted. Just imagine that Jack-in-the-Box subsequently had been bought by a foreign corporation. That would have quashed or could have quashed both the settlement and the judgment that was obtained on behalf of sick children.

So this is an amendment that protects consumers, it protects the innocent, it is not a personal amendment; it is an amendment that rids itself of a personal conflict between allegedly defense lawyers who have lost and those plaintiff attorneys who may have won a class action case once in awhile. If we pass this class action litigation, it will inhibit those individuals from being heard.

Mr Chairman, I propose this amendment to H.R. 1115, to prevent domestic corporations from escaping liability from class action lawsuits by incorporating abroad. I ask the Rules Committee to make my amendment in order.

Under this amendment, ''a foreign corporation which acquires a domestic corporation in a corporate repatriation transaction shall be treated as being incorporated in the State under whose laws the acquired domestic corporation was organized.''

Simply put, this amendment ensures that U.S. corporations cannot escape class action

liability or the jurisdiction of U.S. courts by repatriating or merging with a foreign-based corporation. Under this amendment if an American corporation is guilty of corporate crimes or malfeasance, and thereafter the corporation merges with a foreign corporation, the corporation will be deemed incorporated in the State where the corporation was domiciled before the merger.

This amendment prevents American companies from fleeing abroad to avoid liability in a class action lawsuit.

To see the benefit of this amendment one need only consider the hypothetical impact on Enron employees without this amendment. In the Enron collapse, corporate executives criminally failed to disclose corporate decision-making in pension plans, and in other financial decisions. In the Enron case, executives and senior management staff were fraudulently encouraging employees to buy company stock. At the same time, those same executives and senior managers were cashing out millions of dollars shortly before the company declared bankruptcy in December of 2001. As a result of the corporate executives crimes, 4,500 Enron employees lost their jobs in my home district alone.

Without my amendment, it would be possible for the bankrupt Enron corporation to agree to be acquired by a foreign company, relinquish their status as a company incorporated in the United States, avoid the jurisdiction of Federal courts, and avoid liability for their corporate crimes.

A result of this egregious would be a slap in the face to the 4,500 Enron employees who lost their jobs because of corporate wrongdoing and are undoubtedly entitled to damages. It would also be a slap in the face to the victims of tobacco companies, negligent automobile manufacturers, asbestos litigation clients, and any number of other class action plaintiffs who are opposed by well-finance, business and legal savvy defendants. This amendment would ensure that potential corporate defendants are unable to avoid liability.

Mr. Chairman, I urge my colleagues to support my amendment to protect victimized class action plaintiffs form runaway corporations.

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

Mr. CONYERS. Mr. Chairman, the problem that is presented in the bill that the Jackson-Lee amendment attempt to correct is the incredible ability of corporations doing business in this country to move offshore, Bermuda as an example, to do business and then escape coming into State court on class action by claiming they are a foreign corporation.

These are the same companies that are eager to put ''Made in the U.S.A.'' on their products, while they at the same time avoid United States taxes and attempt to minimize their legal liability by merely shuffling corporate documents. Support the Jackson-Lee amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I ask my colleagues to support this amendment. Think of the children playing on playgrounds and broken equipment with a class action lawsuit and ultimately the company is bought by a foreign corporation. This amendment makes this litigation better on behalf of the consumers and the people who need justice in America.

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

Mr. SENSENBRENNER. Mr. Chairman, I yield such time as he may consume to the gentleman from Virginia (Mr. GOODLATTE).

Mr. GOODLATTE. Mr. Chairman, I rise in opposition to this amendment. This is the ''if you cannot win the argument, try to change the subject'' amendment. This amendment would preclude companies opened by foreign or offshore companies from using the jurisdictional provisions in H.R. 1115. The amendment would make for bad policy, and I urge my colleagues to reject it.

Apparently the gentlewoman from Texas (Ms. JACKSON-LEE) believes that the State class action abuse problem is so bad that companies forced to litigate in State court will move back onshore. Well, I think that belief tells us a lot about how unfair some of these select magnet State courts are around the country where these abuses occur to defendants and to consumers in this country.

Nonetheless, this bill is not the proper vehicle for debating tax policy. Our goal today is to curb class action abuse, to stop coupon settlements that rip off consumers, and to make sure that county courts do not dictate our Nation's economic policies. If this body wants to debate the problems regarding foreign ownership of companies, let us do that in the appropriate context.

Let me add that one of the important things that we need to understand and that the other side of the aisle keeps trying to target here is that somehow there are certain companies that are bad actors, and that we should write Federal policy based on that rather than having one fair, across-the-board treatment of one type of lawsuit. That is exactly what this legislation is attacking and why they are objecting to it.

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

Mr. Chairman, this amendment I think can probably be referred to as the ''back-door erosion of the 14th amendment to the Constitution amendment'' to this bill because it erodes the concept of equal protection under the law, meaning everybody gets treated equally in court.

What the gentlewoman from Texas (Ms. JACKSON-LEE) is trying to do is to say for certain types of corporations, they would be treated under a different law than other types of corporations. That poses some really profound problems as far as I am concerned.

The crux of this whole matter is that this is an attempt to establish tax policy in a civil litigation procedure bill. It mixes up apples and oranges. It is not going to have the effect that the gentlewoman from Texas (Ms. JACKSON-LEE) is stating, and that is preventing corporations that wish to go offshore from going offshore. The amendment is not wrong, it just does not make any sense. It should be rejected.

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

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE).

The question was taken; and the Chairman announced that the noes appeared to have it.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE) will be postponed.

The CHAIRMAN. It is now in order to consider amendment No. 3 printed in House Report 108–148.

AMENDMENT NO. 3 OFFERED BY MS. LOFGREN

Ms. LOFGREN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Ms. LOFGREN:

In section 1332(d)(9) of title 28, United States Code, as proposed to be inserted by section 4(a)(2) of the bill—

(1) in the first sentence, strike ''if—'' and all that follows through ''(B) monetary relief'' and insert ''if monetary relief—'';

(2) strike ''The provisions of paragraphs (3) and (6)'' and all that follows through ''subparagraph (A).''; and

(3) in the last sentence, strike ''subparagraph (B)'' and insert ''this paragraph''.

The CHAIRMAN. Pursuant to House Resolution 269, the gentlewoman from California (Ms. LOFGREN) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from California (Ms. LOFGREN).

Ms. LOFGREN. Mr. Chairman, I yield myself 2½ minutes.

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

Ms. LOFGREN. Mr. Chairman, the question is not whether there have been problems with coupon-award cases; there have been. The question is whether this bill is the remedy for those problems. I have two concerns about the bill. One, it goes too far; and secondly, I do not see how the bill really addresses and solves the coupon settlement problem.

But what is really offensive to me is the scorched-earth approach of the bill does not just stop at class actions, it also targets California's prosecutors.

California has strong consumer protection, section 17200 of the Business and Professions Code, and it provides that not just AGs, but district attorneys, can sue in the public interest. District attorneys are not bringing abusive class actions to collect attorneys' fees; they are trying to protect their constituents.

For example, in People v. National Travel, two California DAs shut down an unscrupulous Florida travel agency. In People v. Providian Bank, the San Francisco district attorney stopped predatory credit card practices and recovered $300 million for California consumers. In People v. Rite-Aid, DAs stopped the sale of expired baby formula. In People v. Cook Brothers, DAs stopped an Illinois company from selling illegal weapons through a mail-order catalog. These are a few examples of how local DAs use consumer protection actions to safeguard Californians. Their ability to bring these cases in State court would be eliminated under this bill.

Put simply, if my amendment is not passed, this will have a chilling effect on local DAs, and that is why it is opposed by the California District Attorneys Association. I want to read from a letter I received from the California District Attorneys Association. They say, As currently written, H.R. 1115 would severely limit our ability to protect the public. Under the definition of class action, our consumer protection cases would be eligible for removal.

They wrote, That if these offenders remove our cases to Federal court, the cost of prosecution and inconvenience to the victims will make pursuit of many such cases a practical impossibility.

So the question is not whether there are problems with class actions, but whether this bill is the remedy. I say it is not.

CALIFORNIA DISTRICT
ATTORNEYS ASSOCIATION,
Sacramento, CA, June 11, 2003.

Re HR 1115, oppose unless amended.

Hon. ZOE LOFGREN,
House of Representatives, Cannon House Office Building, Washington, DC.

DEAR REPRESENTATIVE LOFGREN: The California District Attorneys Association (CDAA) has taken an Oppose Unless Amended position on HR 1115 (Goodlatte), the Class Action Fairness Act of 2003.

As you may know, District Attorneys in California and many other states are charged with protecting the public from unfair, unlawful, and predatory practices used by unscrupulous businesses. In California, our Business and Professions Code §17200 allows District Attorneys to bring civil actions against such businesses in the name of the People of the State of California, and thereby seek civil penalties, restitution, and injunctions on the People's behalf. This law has been successfully used by California's District Attorneys to protect the public from false advertising, predatory lending, fake cures for cancer, and other shameful scams perpetrated by out-of-state businesses.

As currently written, HR 1115 would severely limit our ability to protect the public from these wrongs. Under the definition of class action currently used by HR 1115, our consumer protection cases would be eligible for removal to Federal court. If these offenders remove our cases to Federal court, the cost of prosecution and the inconvenience to the victims will make pursuit of many such cases a practical impossibility.

We appreciate that HR 1115 currently exempts actions brought by Attorneys General from its provisions. For this reason, we are hopeful that the supporters of HR 1115 did not intend to extend its provisions to actions brought by District Attorneys and other public prosecutors. Therefore, we ask that the author considers amending page 15, line 20 to read ''. . . attorney general, state or local district attorney, other governmental prosecutor, or group thereof . . .'' We would also ask that the following text be inserted at page 13, between lines 6 and 7; ''(D) the action is brought by a State attorney general, state or local district attorney, other governmental prosecutor, or group thereof.'' With these amendments, HR 1115 would preserve the ability of California's District Attorneys, and those of many other states, to protect the public from unlawful, unfair, and predatory practices disguised as legitimate businesses.

We also appreciate the recent efforts of Senators Feinstein and Specter to address our identical concerns with S 274 (Grassley). We look forward to continuing to work with the Senators, and any other interested party, to resolve this issue. Please feel free to contact us if we can be of any further assistance.

Very truly your,

GILBERT G. OTERO,
President.
District Attorney, Imperial County.

Mr. SENSENBRENNER. Mr. Chairman, I claim the time in opposition to the amendment.

The CHAIRMAN. The gentleman from Wisconsin (Mr. SENSENBRENNER) is recognized for 5 minutes.

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

Mr. Chairman, the gentlewoman from California (Ms. LOFGREN) has spent a lot of time referring to suits by local district attorneys being removed to Federal court under this bill because she believes they would not be covered by the exemption contained in the bill for State attorney generals.

I would say to the gentlewoman that we believe that suits by local elected district attorneys do fall within that exempted category, and are not covered by the bill. It is clearly the intent of the bill to exclude elected law enforcement officials like district attorneys.

If we need to work further with the gentlewoman from California (Ms. LOFGREN) as this bill moves forward to clarify that intent with regard to suits by local officials, I would offer her to do that. However, I do want to make it quite clear that private attorney general actions are another matter. If the gentlewoman will withdraw her amendment, we can work on clarification of this. Otherwise, I would urge the membership to vote against the amendment since the gentlewoman has rejected my offer.

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

Ms. LOFGREN. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. LINDA T. SÁNCHEZ), my colleague on the Committee on the Judiciary and a cosponsor of this amendment.

Ms. LINDA T. SÁNCHEZ of California. Mr. Chairman, I rise to speak in support of this amendment. I agree that there are some problems with our class action system, but the so-called Class Action Fairness Act is not the solution.

I am particularly concerned because the bill intrudes on a specific provision of California law, one which allows State laws to be enforced by district and city attorneys as well as private attorneys general. This California law has been used successfully to protect the public from false advertising, predatory lending, fake cures for cancer and other shameful scams perpetrated by out-of-State business.

For example, in People v. Life Alert, California's district attorney stopped Life Alert, the purveyors of the ''I have fallen and cannot get up'' advertisements from aggressive door-to-door sales tactics. Those tactics included refusing to leave elderly people's homes until they bought the product, and refusing to issue refunds to consumers who complained about such tactics.

□ 1345

Unfortunately, the Class Action Fairness Act takes away California's ability to protect consumers in this way. It does so by defining private attorney general actions as class actions and removing them to Federal court. Why does this matter? Because private attorney general lawsuits are less likely to proceed if they are deemed class action lawsuits. That would force the private attorney general to certify a class when in fact he or she is bringing the suit to protect consumers from harm. In addition, Federal court is more expensive and time consuming for plaintiffs, especially when it involves greater travel.

This bill is also an insult to States' rights. It usurps decisions made by States regarding their court system and their class action system. Some members of Congress talk about the importance of States' rights, but in the end it appears that that is only true when it is convenient for their purposes. Apparently federalism is not as important when consumer protections are at stake.

I urge my colleagues to support this amendment and to oppose the underlying bill. Voting for H.R. 1115 is like trying to address automobile fatalities by dumping gasoline into the ocean. It fails to do anything about the first problem while creating a second one. If we are going to fix the class action system, then let us do it right. This bill is not the way to do it.

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

I wanted to quote from a letter I received from Senator FEINSTEIN. This amendment is identical to what Senator FEINSTEIN wrought in the Senate, and she has pointed out that she will not support this bill unless this amendment is adopted and that is to protect section 17200 of California's Business and Professions Code in its entirety. There is no rationale, no reason, there have been no problems with section 17200; and I would urge all members of

the House, and especially the Californians, to stand up for federalism and protect California State law.

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

Mr. Chairman, I really regret that the gentlewoman from California was not interested in the compromise and clarification that I proposed, where we would allow elected district attorneys to continue to utilize the State court, but not private citizens with private attorney general actions which are authorized only in California and no place else. One of these private attorney general actions should not set national legal and economic policy. When you have an elected official like a district attorney or a State attorney general, that is one thing, because these people represent the public and it is their job to do this. When you have a private citizen in a procedure that has not been adopted by 49 out of the 50 States, they should not get a carve-out under this bill. Because there was no compromise that was agreed to, I would urge the rejection of this amendment.

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

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from California (Ms. LOFGREN).

The question was taken; and the Chairman announced that the noes appeared to have it.

Ms. LOFGREN. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by gentlewoman from California (Ms. LOFGREN) will be postponed.

It is now in order to consider amendment in the nature of a substitute No. 4 printed in House Report 108–148.

AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 4 OFFERED BY MR. SANDLIN

Mr. SANDLIN. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. 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 No. 4 offered by Mr. SANDLIN:

Strike all after the enacting clause and insert the following:

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

(a) SHORT TITLE.—This Act may be cited as the ''Class Action Improvement Act of 2003''.

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

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

Sec. 1. Short title; reference; table of contents.
Sec. 2. Improved procedures for certain interstate class actions.
Sec. 3. Establishment of State Court Multidistrict Litigation Panel.
Sec. 4. Establishment of procedure for transferring certain actions to Federal court.
Sec. 5. Best practices study.

SEC. 2. IMPROVED PROCEDURES FOR CERTAIN CLASS ACTIONS.

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

''CHAPTER 114—CLASS ACTIONS

''Sec.
''1711. Coupons and other noncash settlements.
''1712. Protection against loss by class member.
''1713. Protection against discrimination based on geographic location.
''1714. Additional requirements.
''1715. Protecting the integrity of the courts.
''1716. Interlocutory appeals.
''1717. Definitions.''.

''§ 1711. Coupons and other noncash settlements

''(a) CONTINGENT FEES.—If a proposed settlement in a class action provides for an award of a noncash benefit to a class member, and the attorney's fee to be paid to class counsel is based upon a portion of the recovery, then the attorney's fee shall be based on the value of the noncash benefit that is redeemed.

''(b) OTHER ATTORNEY'S FEE AWARDS.—If a proposed settlement in a class action includes a noncash benefit to a class member, and a portion of the recovery is not used to determine the attorney's fee to be paid to class counsel, then the attorney's fee shall be based upon the actual amount of time class counsel expended working on the action. Any attorney's fee under this subsection shall be subject to approval by the court. Nothing in this subsection shall be construed to prohibit application of a lodestar with a multiplier method of determining attorney's fees whenever appropriate under applicable law.

''(c) SETTLEMENT VALUATION EXPERTISE.—In a class action involving the awarding of noncash benefits, the court may in its discretion, upon the motion of a party, receive expert testimony from a witness qualified to provide information on the actual value of the settlement.

''§ 1712. Protection against loss by class members

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

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

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

''§ 1714. Additional requirements

''(a) SETTLEMENTS.—The court may not approve a proposed settlement of a class action unless the court determines that—

''(1) the settlement is fair, reasonable, and adequate to the plaintiff class; and

''(2) the settlement applies only to claims with respect to which the plaintiff class was authorized to represent class members.

''(b) NOTICE TO DEFENDANTS.—The court in a class action shall require that, before the class is certified, defendants receive notice of the action and be given an opportunity to respond to the complaint.

''(c) BLOCKING REMOVAL.—A defendant in a class action may not elect to block removal of the action to Federal court that is sought by other defendants if the court finds that plaintiffs named the defendant solely for purposes of blocking such removal.

''§ 1715. Protecting the integrity of the courts

''(a) OPEN RECORDS.—No order, opinion, or record of the court in a class action, including a record obtained through discovery, whether or not formally filed with the court, may be sealed or made subject to a protective order unless the court finds—

''(1) that the sealing or protective order is narrowly tailored and necessary to protect the confidentiality of a particular trade or business secret of one or more of the settling parties and is in the public interest; or

''(2) that—

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

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

''(b) DESTRUCTION OF DOCUMENTS PROHIBITED.—All parties filing or receiving service of a class action shall maintain all documents, including those in electronic format, related to the subject matter of the class action. Any person who knowingly alters, destroys, mutilates, conceals, or falsifies any record, document, or tangible object with the intent to impede, obstruct, or influence the outcome of a class action shall be fined not more than $5,000 for each record, document, or object destroyed, imprisoned not more than 5 years, or both.

''§ 1716. Interlocutory appeals

''A court of appeals may in its discretion permit an appeal from an order of a district court granting or denying class action certification under Rule 23 of the Federal Rules of Civil Procedure if application is made to the court within 10 days after entry of the order. An appeal does not stay proceedings in the district court unless the district court or the court of appeals so orders.

''§ 1717. Definitions

''In this chapter—

''(1) CLASS ACTION.—The term 'class action' means—

''(A) any civil action filed in a district court of the United States pursuant to Rule 23 of the Federal Rules of Civil Procedure; and

''(B) any civil action that is removed to a district court of the United States that was originally filed pursuant to a State statute or rule of judicial procedure authorizing an action to be brought by one or more representatives on behalf of a class;

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

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

''(4) PROPOSED SETTLEMENT.—The term 'proposed settlement' means an agreement that resolves any or all claims in a class action, that is subject to court approval, and that, if approved, would be binding on each class member, except to the extent that a class member has requested to be excluded from the class action.

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

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

SEC. 3. ENACTMENT OF JUDICIAL CONFERENCE RECOMMENDATIONS.

Notwithstanding any other provision of law, the amendments to Rule 23 of the Federal Rules of Civil Procedure, relating to notice to members of a class, which are embraced by the order entered by the Supreme Court of the United States on March 27, 2003, shall take effect on the date of the enactment of this Act or on December 1, 2003 (as specified in that order), whichever occurs first.

SEC. 4. ESTABLISHMENT OF STATE COURT MULTIDISTRICT LITIGATION PANEL.

(a) CREATION OF MULTIDISTRICT LITIGATION PANEL.—The National Center for State Courts is authorized to develop and implement, in coordination with the Conference of Chief Judges, a State court multidistrict litigation panel for class actions, to be called the ''State Court Panel on Multidistrict Litigation'', in accordance with the following:

(1) CONSOLIDATION OF CLASS ACTIONS.—The SCPML shall allow State court judges, or parties with class actions pending in State courts, to seek to consolidate within one State court for pretrial proceedings related class actions pending in different States. No pending class action may be consolidated without the approval of the State court judge handling the pending action.

(2) FOR PRETRIAL PROCEEDINGS.—When class actions involving one or more common questions of fact are pending in the courts of different States, such actions may be transferred, with permission of the court, to any of these State courts for coordinated or consolidated pretrial proceedings. Such transfers shall be made by the SCPML upon its determination that transfers for such proceedings will be for the convenience of the parties and witnesses and will promote the just and efficient conduct of such actions. Each action so transferred shall be remanded by the SCPML at or before the conclusion of such pretrial proceedings to the State court from which it was transferred unless it has been previously terminated, except that the SCPML may separate any claim, cross-claim, counter-claim, or third-party claim and remand any such claim before the remainder of the action is remanded.

(3) JUDICIAL ASSIGNMENTS.—Coordinated or consolidated pretrial proceedings under paragraph (2) shall be conducted by a judge or judges to whom such actions are assigned by the SCPML. With the consent of the transferee court or courts, such actions may be assigned by the SCPML to a judge or judges from any relevant State court. The judge or judges to whom such actions are assigned and the members of the SCPML may exercise the powers of a trial court judge of any of the relevant State courts for the purpose of conducting pretrial depositions in such coordinated or consolidated pretrial proceedings.

(4) COMPOSITION OF SCPML.—The SCPML shall consist of nine judges designated from time to time by the CCJ, no two of whom shall be from the same State. The concurrence of five members shall be necessary to any action by the SCPML. The members of the SCPML shall each serve for a term of three years. The CCJ is urged to develop a system to ensure that States from varying regions and States of different sizes are equitably represented on the SCPML.

(5) ESTABLISHMENT OF RULES.—The SCPML may prescribe procedural rules for the conduct of its business not inconsistent with Federal law and the Federal Rules of Civil Procedure, including rules establishing procedures for initiating the transfer of a class action under this section, providing notice to all affected parties, determining whether such transfer shall be made, issuing orders either directing or denying such transfer, and providing notice of and appealing any order of the SCPML under this section.

(b) AUTHORIZATION.—There are authorized to be appropriated to the National Center for State Courts for the establishment and administration of the State Court Panel on Multidistrict Litigation $1,000,000 for fiscal year 2004 and such sums as may be necessary for fiscal year 2005 and thereafter.

(c) DEFINITIONS.—In this section:

(1) CLASS ACTION.—The term ''class action'' means any civil action that—

(A) is brought in a State court pursuant to a State statute or rule of judicial procedure authorizing an action be brought by one or more representatives on behalf of a class; and

(B) is not removed to a court of the United States.

(2) CCJ.—The term ''CCJ'' means the Conference of Chief Justices.

(3) NCSC.—The term ''NCSC'' means the National Centers for State Courts.

(4) SCPML.—The term ''SCPML'' means the State Court Panel on Multidistrict Litigation established pursuant to subsection (b).

SEC. 5. ESTABLISHMENT OF PROCEDURE FOR TRANSFERRING CERTAIN ACTIONS TO FEDERAL COURT.

(a) ESTABLISHMENT OF PROCEDURE.—The National Center for State Courts is authorized to develop and implement, in coordination with the Conference of Chief Judges, a procedure by which the applicable State court or the SCMPL shall have the authority to transfer a class action to the appropriate Federal court if the matter in controversy of the civil action exceeds the sum or value of $5,000,000, exclusive of interest and costs, and is a class action in which—

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

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

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

(b) DISCRETION TO DECLINE TO TRANSFER JURISDICTION.—The applicable State court or the SCMPL may, in the interests of justice, decline to transfer jurisdiction under subsection (a) over a class action in which greater than one-third but less than two-thirds of the members of all proposed plaintiff classes in the aggregate and the primary defendants are citizens of the State in which the action was originally filed, based on consideration of the following factors:

(A) Whether the claims asserted involve matters of national or interstate interest.

(B) Whether the claims asserted will be governed by laws other than those of the State in which the action was originally filed.

(C) Whether the class action has been pleaded in a manner that seeks to avoid Federal jurisdiction.

(D) Whether the number of citizens of the State in which the action was originally filed in all proposed plaintiff classes in the aggregate is substantially larger than the number of citizens from any other State, and the citizenship of the other members of the proposed class is dispersed among a substantial number of States.

(E) Whether one or more class actions asserting the same or similar claims on behalf of the same or other persons have been or may be filed.

(c) CASES IN WHICH JURISDICTION MAY NOT BE TRANSFERRED.—The applicable State court or the SCMPL shall not transfer jurisdiction under subsection (a) over a class action in which—

(A) two-thirds or more of the members of all proposed plaintiff classes in the aggregate and the primary defendants are citizens of the State in which the action was originally filed;

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

(C) the number of members of all proposed plaintiff classes in the aggregate is less than 100.

(d) JURISDICTION OF FEDERAL COURTS.—Any Federal court to which a class action is transferred under subsection (a) shall have, and exercise, jurisdiction of the case.

(e) DEFINITIONS.—In this section, the terms ''class action'' and ''SCMPL'' have the meanings given those terms in section 4.

SEC. 6. BEST PRACTICES STUDY.

The National Center for State Courts is authorized and requested to—

(1) conduct a study for the purpose of identifying problems that arise in the litigation of State class actions;

(2) develop recommendations on ways to address the problems so identified; and

(3) report to the Congress, within 1 year after the date of the enactment of this Act, on the results of such study and recommendations.

The CHAIRMAN. Pursuant to House Resolution 269, the gentleman from Texas (Mr. SANDLIN) and the gentleman from Wisconsin (Mr. SENSENBRENNER) each will control 10 minutes.

The Chair recognizes the gentleman from Texas (Mr. SANDLIN).

Mr. SANDLIN. Mr. Chairman, I yield myself such time as I may consume. Mr. Chairman, my good friend, the gentleman from Virginia (Mr. GOODLATTE), mentioned earlier that we need fair, across-the-board reform in the area of class action. I agree with that; it needs to be fair, reasonable and workable. That is what we should pursue.

In typical fashion, our friends have cited isolated cases over a number of years that they say cry out for reform. However, they forgot to mention the case in Georgia at the Tri-State Crematory where they had been foregoing cremations for bodies received from funeral homes. Instead, they passed off wood chips and other substances as ashes. They forgot to mention the Ohio case wherein an Ohio neighborhood was filled with noxious gases when an 8,500-gallon resin kettle exploded at a Georgia Pacific plant. An employee was killed, 13 were injured, and 15 houses near the plant were evacuated. They forgot to mention the Foodmaker case which we heard earlier where the parent company of Jack-in-the-Box agreed to pay $14 million in a class action settlement in the State of Washington. That class included 500 people, mostly children, who became sick in early 1993 after eating undercooked hamburgers tainted with E coli. They forgot to mention the Indiana case, TRG Marketing LLC, who sold fraudulent health insurance policies to more than 5,000 Floridians who were left with several million dollars in unpaid medical bills.

As you might imagine, we could go on day after day, case by case, a tit for tat, going forward and comparing our

cases. But let us look at reasonable reform that protects business and consumers, that respects State law, that can be supported by both sides of the aisle. The Democratic alternative, importantly, is reasonable and, more importantly, it is not retroactive. If we change the law, let us do it properly. Let us do it from this point forward. There is no reason to pass a law that is retroactive. The Democratic alternative is not retroactive. The Democratic alternative does not contain compulsory appeal requirements to ultimately delay justice by years. Certainly the appeal is permissible. The appeal is available, just like it is in the law now. The Democratic alternative does not cede jurisdiction to the Federal courts. It says that we respect the State courts. The State courts are the ones where these cases were originally filed.

Class actions were originally founded in State court. Even when you go to Federal court, there is a requirement of the use and interpretation of State law. The Democratic substitute respects the sovereignty of State courts. The Democratic alternative provides substantial protection to consumers and other class action plaintiffs that could result in settlements; and we want to make sure that the settlements are fair, reasonable, and adequate to address the injuries of the parties and their claims. The Democratic alternative provides specific, reasonable reforms to address concerns about so-called magnet State adjudication of multistate class actions. This act does not preempt State attorney general mass tort cases as we mentioned earlier.

We also have protection on fees to make sure that they are reviewed by the courts to make sure that they are fair and reasonable. Any coupon settlements that we have heard all about today, which I notice that the Republicans did not ban, but any coupon settlements can be examined by a court and expert testimony can be received on the actual value of the settlement. Attorneys' fees under our bill would be determined and measured by the amount of the actual noncash benefit redeemed, not what was awarded, to make sure that that is fair and equitable.

Additional requirements on settlements. The courts can only approve the settlement of a class action if it determines the settlement is fair, reasonable and adequate, and it applies to only the claims that are currently before the court. We protect the integrity of the courts, we say that the primary authority should be in the State courts, we prohibit the destruction of documents. As I mentioned on interlocutory appeals, they are permissible, not mandatory. We create, much as the Federal courts have, a State multicourt litigation panel to operate as a panel in the States just as we do in the Federal. If we have a concern about Federal versus State and not having a panel, our legislation takes care of that. We have an establishment of procedure for transferring actions to Federal court, but it puts the discretion within the State courts. It says the State courts know best how to interpret State law for their State citizens.

Also, importantly, we have a best practices study. Let us let the National Center for State Courts conduct a study to identify problems that arise in the litigation of State class actions. Let us get them to recommend things to us that will cause us to pause and to make corrections. Let us let them report to Congress about problems that they see and potential corrections.

It just boils down to this: Do you want the States to decide or the Federal Government to decide? State courts, Federal courts. We feel like that our substitute and the summary that I have just gone on is a reasonable, fair way to address the problems.

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

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

Mr. Chairman, this substitute amendment, I think, can probably be called the Madison County, Illinois, Judicial Protection Act of 2003, because what it does is it goes on for a long, long text, preserving essentially the status quo, and then throws a million dollars a year in for the next 2 fiscal years to have some kind of a study.

The most important sentence in the Sandlin amendment that demonstrates the author's true intent is tucked away in the middle of the legislation toward the top of page 8. For those Members who missed it, let me read this sentence to them: ''No pending class action may be consolidated without the approval of the State court judge handling the pending action.''

Let me tell my colleagues what this means. If you are a magnet State court judge and you want to keep running your class action factory, this bill will not affect you, because you do not approve any consolidation. You can continue to certify class action cases without considering the rules. You can continue to approve settlements, even if they do nothing for class members, even coupons. And you can continue to support the trial lawyers who got you elected to the bench.

It claims to offer better consumer provisions; but those provisions only apply to Federal court cases, of which there will be very few, if any, if this substitute is adopted. It is just a piece of paper for consumer protections. It claims to offer a proposal for consolidating State court class actions, but even if that proposal were constitutional, which it is not, it is completely discretionary. It claims to offer a proposal for transferring cases to Federal court, but it lets the State court judge where the suit was brought decide whether to take advantage of this procedure. This amendment is not worth the paper it is printed on.

The gentleman from Texas has given a few examples, and I think they came from a document that was originally circulated by the American Trial Lawyers Association. Let me respond to three of the examples he gave to show Members how much his bill misses the mark and ours addresses the problem. The Dow Chemical case he cited filed by Michigan residents alleging contamination at a Michigan plant likewise would not be affected by this bill. Because Dow and the proposed class members were all Michigan citizens, under our bill that suit would remain in State court.

The Tri-State Crematory cases actually present a perfect example of the benefits of our bill. Many Federal and State class actions have been filed in that matter. The Federal cases were consolidated in a multidistrict litigation proceeding where a Federal judge certified a class action in advance of any State court doing so. Finally, the TRG Marketing case, which is scattered amongst a number of State courts that are duplicating each other's work. Under our bill, all such cases would be removed to Federal court and handled by a single Federal judge. There is no reason to believe that consumers would fare worse under that scenario. Actually, under the substitute, duplicative litigation would end up being allowed, and the lawyers' meters are ticking. Studies show that State courts are much more likely to produce bad settlements, money for lawyers and no relief for consumers. And the Federal court would not be slower. Florida State court judges are each assigned four times the number of new cases annually than each Florida Federal court judge.

This amendment in the nature of a substitute is having the fox watch the hen house. The foxes are the plaintiffs' lawyers. They are the ones that the USA Today poll believes benefit disproportionately under this bill. It is time to send the fox packing. Defeat the substitute, pass the bill and the fox can go back to the woods.

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

Mr. SANDLIN. Mr. Chairman, I yield myself 15 seconds. I think it is important that the other side read the Federal rules and be familiar with Federal procedure. If they would look on page 8, first paragraph, where it says: ''No pending class action may be consolidated without the approval of the State court judge handling the pending action.'' That is consistent and completely accurate with Federal practice as it currently exists.

Mr. Chairman, I yield such time as he may consume to the gentleman from Maryland (Mr. HOYER), the distinguished minority whip.

Mr. HOYER. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of this substitute and reiterate what the distinguished gentleman from Texas said.

□ 1400

Obviously, adversely affecting pending cases, in my opinion, is extraordinarily bad policy and precedent that we should not follow. Have we done it from time to time? We have. Have I opposed it? I have. I think that is not the way we ought to go.

Now, I think that legislation in this area is appropriate. The gentleman from Texas (Mr. SANDLIN) I think has offered an appropriate substitute. Are there abuses in our system of civil justice specifically regarding class action lawsuits? I want to tell the gentleman that I believe there are, and we need to write legislation that addresses and remedies those problems.

However, the bill offered on the floor today, if not amended, in my opinion, does not do that. Instead, its provisions would apply to pending class actions, making it more difficult for shareholders, retirees, and former employees frankly to hold companies such as Enron, WorldCom and Arthur Andersen accountable for their alleged wrongdoing. We ought not to, because of our desire to protect those cases, therefore not address other corporate citizens who are responsible and who are doing a good job and who want to be ought to be subject, obviously, to suits, but ought to be subject to suits that are legitimate.

The addition of this retroactivity provision is a major change. Let me stress that, Mr. Chairman. This is a major change from the class action bill considered in the last Congress. I do not know who it is in there to protect. I do not know who came forward and said we need protection; it is not a question of reform in the future, but we need protection.

We have seen a few reports of that, from people who want protection. Maybe that is what that retroactivity is for. As matter of fact, invariably in my plus-30 years of service in legislative bodies, when retroactive provisions are included in the bill, invariably it is there to protect somebody. And it is very bad policy. Congress should not be changing the rules that govern this resolution of civil disputes in midstream.

Furthermore, this legislation would give defendants in class actions vast new opportunities to delay cases for 2 years or more and stay discovery during the same period. Again, these rule changes would apply retroactively to pending cases.

H.R. 1115 also would force our Federal courts to handle State class actions, in addition to their large caseload and judicial vacancy rate. Thus, it is not surprising, I tell my colleagues, that both Federal and State judges oppose this measure. In fact, the Federal Judicial Conference, which is headed by Chief Justice Rehnquist, recently wrote a letter in which it ''strongly cautions Congress to uphold principles of federalism and to not increase the workload of the already overburdened Federal courts.''

In sharp contrast to this overreaching GOP bill, Democrats have offered legislation that, among other things, would base attorneys' fees on the amount redeemed by class members rather than the amount of the settlement. I think that is appropriate.

I understand the concerns of corporate leaders when they say the attorneys get all the money, and the aggrieved parties get a piece of paper saying that they may get something prospectively if they buy another product. That is a legitimate concern. This substitute speaks to it.

Our bill would require courts to determine that a class action settlement is fair, reasonable and adequate to the class. That is a protection against specious suits and those who would misuse the system.

This substitute would bar litigants from sealing court records and documents under protective orders unless a court finds that it is necessary to protect a trade or business secret and it is in the public interest.

Mr. Chairman, I urge my colleagues to support this substitute and then support its passage. We need reform. This is the appropriate step for us to take.

The CHAIRMAN pro tempore (Mr. GILLMOR). The time of the gentleman from Texas (Mr. SANDLIN) has expired.

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

Mr. Chairman, I would like to commend my friend from Maryland and my friend from Texas for being very consistent on the issue of retroactivity. Retroactivity is in here to prevent a race to the courthouse to avoid the new rules that are contained in this bill, should it be enacted into law. But, then again, they were against the retroactive tax cut. The tax cut that was enacted into law just a little while ago is retroactive to the first of January and, as a result of that retroactivity, there is going to be a reduction in withholding rates beginning the first of July that would be twice the amount if it were not retroactive.

So I guess they are against providing benefits of good legislation retroactively to anybody, because they are against good legislation.

Mr. Chairman, I yield the balance of my time to the gentleman from Virginia (Mr. GOODLATTE).

The CHAIRMAN pro tempore. The gentleman from Virginia is recognized for 4 minutes.

Mr. GOODLATTE. Mr. Chairman, I rise in strong opposition to the substitute bill. This substitute bill commissions studies, creates new advisory panels, and even allows State court judges to voluntarily consolidate class actions. However, the substitute bill fails to accomplish one thing: to prevent the current abuses in the class action system.

Welcome to Madison County, Illinois. It is hard to imagine why the bizarre system of delegations, panels and transfers in the substitute system is preferable to a system allowing parties to utilize the existing Federal removal procedure to have their cases heard in Federal Court through a process that has existed and served this country well for over 200 years.

The substitute bill authorizes a group of State court judges to think about the class action problem and to propose a solution, if they wish. The bill, however, H.R. 1115, offers real change. It moves large interstate class actions to Federal courts, which have a better track record of dealing with these cases and more resources to handle them efficiently, and it offers real consumer benefits that will apply to real cases and makes sure that lawyers do not sell their clients short and take home all the money.

Like the Blockbuster case, where the plaintiffs got $1 coupons and the plaintiffs' attorneys got $9.2 million in attorneys' fees.

Like the Bank of Boston case, where the lawyers got $8.5 million and the plaintiffs paid money. They did not get anything.

Like the frequent flier case, where the lawyers got $25 million, and the plaintiffs got coupons for discount air fares on the same airlines that the plaintiffs' attorneys alleged had performed some sort of wrongdoing.

Like the Coca-Cola sweetener case, the lawyers got $1.5 million. That was a real sweetener for them. The plaintiffs only got 50-cent coupons for their sweetener.

That is what is wrong. That is what the substitute does not cover.

The transfer provision in the substitute bill is meaningless. The substitute would also authorize State courts to develop a procedure for transferring certain cases to Federal courts. But, once again, State courts that do not want to participate do not have to. It is a safe bet that the courts, like the ones in Madison County, are not going to exercise that option. They are giving class actions a bad name, and they are not going to voluntarily send their class actions to Federal Court.

Thus, this provision is a sham, and I urge my colleagues to defeat the substitute and support the underlying bill.

The CHAIRMAN pro tempore. All time having expired, the question is on the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. SANDLIN).

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

Mr. SANDLIN. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Texas (Mr. SANDLIN) will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Amendment No. 2 offered

by Ms. JACKSON-LEE of Texas, Amendment No. 3 offered by Ms. LOFGREN of California, and Amendment No. 4 by offered by Mr. SANDLIN of Texas.

The first electronic vote will be conducted as a 15-minute vote, and the remaining votes will be conducted as 5-minute votes.

AMENDMENT NO. 2 OFFERED BY MS. JACKSON-LEE

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 185, noes 238, not voting 11, as follows:

[Roll No. 268]

AYES—185

Abercrombie
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Bereuter
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Boswell
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Clay
Clyburn
Conyers
Costello
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doyle
Duncan
Edwards
Emanuel
Engel
Etheridge
Evans
Farr
Fattah
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Hall
Hastings (FL)
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lynch
Majette
Maloney
Markey
Marshall
Matsui
McCarthy (MO)
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
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (VA)
Serrano
Sherman
Slaughter
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velazquez
Visclosky
Wamp
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—238

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
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
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cooper
Cox
Cramer
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Dooley (CA)
Doolittle
Dreier
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Fletcher
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hill
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Janklow
Jenkins
John
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 (KY)
Lucas (OK)
Manzullo
Matheson
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Murtha
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
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
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Stearns
Stenholm
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—11

Ackerman
Cubin
Eshoo
Filner
Flake
Gephardt
Johnson (CT)
Jones (OH)
Rothman
Smith (WA)
Solis

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The CHAIRMAN pro tempore (Mr. GILLMOR)(during the vote). There are 2 minutes remaining in this vote.

□ 1430

Ms. HARRIS and Messrs. NUNES, WELLER, DEAL of Georgia, BOOZMAN, KINGSTON, WICKER, HYDE, ENGLISH, TURNER of Ohio, EHLERS, and PICKERING changed their vote from ''aye'' to ''no''.

Ms. LOFGREN and Messrs. HOLDEN, WAMP and DOGGETT changed their vote from ''no'' to ''aye''.

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. FILNER. Mr. Chairman, on rollcall No. 268, I was caught in traffic and missed the vote. Had I been present, I would have voted ''aye.''

Ms. SOLIS. Mr. Chairman, during rollcall vote No. 268 on the Jackson-Lee amendment to H.R. 1115, I was unavoidably detained. Had I been present, I would have voted ''aye.''

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, the remainder of this series will be conducted as 5-minute votes.

AMENDMENT NO. 3 OFFERED BY MS. LOFGREN

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from California (Ms. LOFGREN) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 186, noes 234, not voting 14, as follows:

[Roll No. 269]

AYES—186

Abercrombie
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Clay
Clyburn
Conyers
Costello
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Etheridge
Evans
Farr
Fattah
Filner
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Hall
Harman
Hastings (FL)
Hill
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Lee

Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lynch
Majette
Maloney
Markey
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Snyder
Spratt
Stark
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

NOES—234

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
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
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cooper
Cox
Cramer
Crane
Crenshaw
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
Holden
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Janklow
Jenkins
John
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mollohan
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
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
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stenholm
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—14

Ackerman
Barton (TX)
Boehner
Cubin
Delahunt
Eshoo
Ford
Gephardt
Johnson (CT)
Jones (OH)
Marshall
Rothman
Smith (WA)
Solis

□ 1438

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated for:

Ms. SOLIS. Mr. Chairman, during rollcall vote No. 269 on the Lofgren/Sánchez amendment to H.R. 1115 I was unavoidably detained. Had I been present, I would have voted "aye."

AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 4 OFFERED BY MR. SANDLIN

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. SANDLIN) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment in the nature of a substitute.

The Clerk redesignated the amendment in the nature of a substitute.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 170, noes 255, not voting 9, as follows:

[Roll No. 270]

AYES—170

Abercrombie
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Clay
Clyburn
Conyers
Crowley
Cummings
Davis (AL)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doyle
Edwards
Engel
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Green (TX)
Grijalva
Gutierrez
Hall
Hastings (FL)
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
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
Lowey
Lynch
Maloney
Markey
Marshall
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Moore
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Spratt
Stark
Strickland
Stupak
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

NOES—255

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
Boucher
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Case
Castle
Chabot
Chocola
Coble
Cole
Collins
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Culberson
Cunningham
Davis (CA)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doggett
Dooley (CA)
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emanuel
Emerson
English
Everett
Feeney
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hill
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Janklow
Jenkins
John
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
Lofgren
Lucas (KY)
Lucas (OK)
Majette
Manzullo
Matheson
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mollohan
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
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
Scott (GA)

Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Stearns
Stenholm
Sullivan
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—9

Ackerman
Berkley
Cubin
Eshoo
Gephardt
Johnson (CT)
Rothman
Smith (WA)
Solis

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1447

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

Stated for:

Ms. SOLIS. Mr. Chairman, during rollcall vote No. 270 on the Sandlin amendment to H.R. 1115 I was unavoidably detained. Had I been present, I would have voted "yea."

Ms. BERKLEY. Mr. Chairman, I was under the impression that I had voted on rollcall vote No. 270. In reviewing the record, my vote did not register. If the vote had registered, I would have voted "aye" on rollcall vote No. 270.

The CHAIRMAN. There being no other amendments, the question is on the committee amendment in the nature of a substitute, as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Accordingly, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. OSE) having assumed the chair, Mr. GILLMOR, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1115) to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, to outlaw certain practices that provide inadequate settlements for class members, to assure that attorneys do not receive a disproportionate amount of settlements at the expense of class members, to provide for clearer and simpler information in class action settlement notices, to assure prompt consideration of interstate class actions, to amend title 28, United States Code, to allow the application of the principles of Federal diversity jurisdiction to interstate class actions, and for other purposes, pursuant to House Resolution 269, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. WEINER

Mr. WEINER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. WEINER. I am, Mr. Speaker, in its present form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. WEINER moves to recommit the bill H.R. 1115 to the Committee on the Judiciary with instructions that the Committee report the same back to the House forthwith with the following amendments:

Strike section 8 (EFFECTIVE DATE) and insert the following:

SEC. 8. EFFECTIVE DATE.

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

Strike section 6 (APPEALS OF CLASS ACTION CERTIFICATION ORDERS) and redesignate the succeeding sections accordingly.

Conform the table of contents accordingly.

Mr. WEINER (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. WEINER) is recognized for 5 minutes in support of his motion.

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

Mr. Speaker, let me begin by offering a word of apology and concern for the many lawyers in this Chamber. This has been a very bad afternoon for all of the lawyers who have seen their reputations dragged through the mud. And those of us who are not lawyers, the seven or eight of us here, will be meeting later in a phone booth off the cloakroom to discuss how badly we feel for all of these horrible lawyers who have been flogging themselves on the floor all afternoon.

I should also express my sorrows to those victims who use the courts to try to find redress. Now, most Americans are thankfully not lawyers and they are not victims. And we are grateful and thank God for that. But for the organizations who do represent victims, this has been a very bad day, whether it is the American Cancer Society that opposes this legislation because they represent victims of cancer. A bad day for them. It has been a bad day for those who advocate against water pollution like Clean Water Action. It has been a very bad day because they oppose this bill.

This bill is also a setback for those who advocate for seniors who have been victims, for those who advocate on behalf of women who have been victims. All of these groups are against this bill.

This has also been a very bad day for anyone in this Chamber who calls themselves a conservative. This has been a very bad day for you, because for all of the efforts that you put in to returning power to the States, returning power to individuals, this bill does the exact opposite. It says that the people in our local States, the people in our State courts are simply not smart enough to handle these cases. They are simply not sophisticated enough. We trust them to put them in charge of choosing their Congressman, but we do not trust them on a jury. No, that is too big a mistake. So we take out of the hands of about the 50,000 State courts and give them to about 1,500 Federal judges.

This is a huge setback for all of you who support stronger State government.

This has also been a very bad day for anyone who wants to be intellectually consistent. Was it not about 2 weeks ago you voted on putting a cap on the amount that victims can get, and now you come up here with your charts saying, oh, it is terrible how little victims are getting.

There is a reason victims are getting 35 cents, 40 cents, $1, $2.50. It is because there are millions and hundreds of thousands of victims in these cases all chopping up the 5-, 6-, 7-, $8 million claims. So it is a very bad day if you want to be consistent.

Although, any of those who claim about how low the amount that victims are getting, I look forward to a bill on this floor sometime in the near future putting a minimum amount that victims have to get in these cases. By the way, I will vote for that. You can sign me up as a cosponsor.

While I cannot improve the day for those groups, if there are some of you in this body who see that this is a terrible power grab, for those of you who do not mind the power grab against the States, who do not mind sticking it to victims, who do not mind flogging yourself as a lawyer, who do not mind being inconsistent conservatives, there are a couple of ways to improve the bill in case you do not want to be a pig.

If you do not want to be a pig about it, there are two things in this bill that no one asked for, were not in the original version of the bill, and really are an affront to our basic elements of fairness. One is the element that says you can have retroactive effects of this bill, meaning taking things that are presently going through the process, even if they are due to be judged tomorrow, and sending them back; and the second

is the provision that gives mandatory appeal on the certification of a class.

What that will have the effect of doing is that at any point in the process, if someone wanted to challenge the certification of a class, whether it be Enron or WorldCom, if they are in the case right now, even if it is in the Federal court, this will allow them to stop everything in its tracks and go back on appeal.

By the way, for those of you who think that the lower courts get overturned a lot on appeal, it has never happened. It has never happened.

So these are two minor ways for those of you who spend so much time flogging yourself because you are such evil lawyers to be able to vote for this bill and improve it in a minor way. This does not make this a good bill. That is too much to hope for in this Congress in this day and age. But what it will do is make it a little less offensive to those victims who are now waiting for some redress to that grievance.

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

Mr. SENSENBRENNER. Mr. Speaker, I rise in opposition to the motion to recommit.

The SPEAKER pro tempore. The gentleman is recognized for 5 minutes.

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

Mr. Speaker, I think it is unfortunate that the gentleman from New York (Mr. WEINER) did not spend more time talking about his motion to recommit. And I can understand why he did not do it. Because it opens up two big loopholes in this bill to allow the minority of the bar that abused the class action laws to continue to be on the gravy train.

I will tell you how he proposes to do it. First of all, he changes the effective date of the bill. What the bill says is that any class action where the class has not been certified will go under the new rules.

The motion to recommit changes that. It says that the new rules become effective as of the date of enactment of the bill. And this will result in a rush to the courthouse in Madison County, Illinois and the other class action mills to get cases filed so that they will be exempt from the modest civil action court reforms that are contained in H.R. 1115.

Now, the other red herring that is in this motion to recommit is that it takes away the so-called interlocutory appeal. This has nothing to do with Enron or WorldCom or any other firm or individual that is in bankruptcy. They are already in the Federal bankruptcy court, and all civil litigation against them in State or Federal courts is stayed and the bankruptcy court decides those claims. But interlocutory appeals are not the bad things that we hear from the gentleman from New York (Mr. WEINER).

The average time to decide an appeal for all types of cases nationwide is 10.7 months. The average time for a merits ruling and class certification appeals in the Seventh Circuit, which includes Illinois, is only 3.2 months. So you are not talking about having justice be unduly delayed. These appeals are decided promptly, even in a very busy circuit. This motion is a red herring. It should be defeated.

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

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. WEINER. 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 final passage.

The vote was taken by electronic device, and there were—ayes 185, noes 240, not voting 9, as follows:

[Roll No. 271]

AYES—185

Abercrombie
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Clay
Clyburn
Conyers
Cooper
Costello
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doyle
Duncan
Edwards
Emanuel
Engel
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Hastings (FL)
Hill
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
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
Lynch
Majette
Maloney
Marshall
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Pelosi
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 (VA)
Serrano
Sherman
Skelton
Slaughter
Snyder
Solis
Spratt
Stark
Strickland
Stupak
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

NOES—240

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
Boucher
Boyd
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
Cramer
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Dooley (CA)
Doolittle
Dreier
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
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Janklow
Jenkins
John
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 (KY)
Lucas (OK)
Manzullo
Matheson
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Moran (VA)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stenholm
Sullivan
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—9

Ackerman
Cubin
Eshoo
Gephardt
Johnson (CT)
Markey
Payne
Royce
Smith (WA)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. OSE) (during the vote). Members are advised that 2 minutes remain in this vote.

□ 1516

Mr. HOEKSTRA changed his vote from ''aye'' to ''no.''

Mr. BLUMENAUER changed his vote from ''no'' to ''aye.''

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. OSE). The question is on the passage of the bill.

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

Mr. SENSENBRENNER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 253, nays 170, not voting 11, as follows:

[Roll No. 272]

YEAS—253

Aderholt
Akin
Alexander
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boucher
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Case
Castle
Chabot
Chocola
Coble
Cole
Collins
Cooper
Cox
Cramer
Crane
Crenshaw
Culberson
Cunningham
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Dooley (CA)
Doyle
Dreier
Duncan
Dunn
Ehlers
Emanuel
Emerson
Everett
Feeney
Ferguson
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hill
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Janklow
Jenkins
John
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Majette
Manzullo
Matheson
McCarthy (NY)
McCotter
McCrery
McInnis
McKeon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller, Gary
Moore
Moran (KS)
Moran (VA)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
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
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stenholm
Sullivan
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiberi
Toomey
Turner (OH)
Turner (TX)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

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Abercrombie
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Clay
Clyburn
Conyers
Costello
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doolittle
Engel
English
Etheridge
Evans
Farr
Fattah
Filner
Frank (MA)
Frost
Gonzalez
Green (TX)
Grijalva
Gutierrez
Hastings (FL)
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (NY)
Kleczka
Kucinich
Lampson
Langevin
Lantos
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lynch
Maloney
Markey
Marshall
Matsui
McCarthy (MO)
McCollum
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
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 (VA)
Serrano
Sherman
Skelton
Slaughter
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velazquez
Visclosky
Waters
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—11

Ackerman
Cubin
Edwards
Eshoo
Gephardt
Johnson (CT)
McDermott
McHugh
Smith (WA)
Tiahrt
Watson

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised that 2 minutes remain in this vote.

□ 1523

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. TIAHRT. Mr. Speaker, in rollcall No. 272 I was unavoidably detained. Had I been present, I would have voted, ''yea.''

Stated against:

Mr. EDWARDS. Mr. Speaker, I missed rollcall No. 272. Had I been present, I would have voted, ''nay.''

CONFERENCE REPORT ON S. 342, KEEPING CHILDREN AND FAMILIES SAFE ACT OF 2003

Mr. BOEHNER submitted the following conference report and statement on the Senate bill (S. 342) to amend the Child Abuse Prevention and Treatment Act to make improvements to and reauthorize programs under that Act, and for other purposes:

CONFERENCE REPORT (H. REPT. 108–150)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 342), to amend the Child Abuse Prevention and Treatment Act to make improvements to and reauthorize programs under that Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

(a) SHORT TITLE.—This Act may be cited as the ''Keeping Children and Families Safe Act of 2003''.

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

Sec. 1. Short title; table of contents.

TITLE I—CHILD ABUSE PREVENTION AND TREATMENT ACT

Sec. 101. Findings.

Subtitle A—General Program

Sec. 111. National clearinghouse for information relating to child abuse.
Sec. 112. Research and assistance activities and demonstrations.
Sec. 113. Grants to States and public or private agencies and organizations.
Sec. 114. Grants to States for child abuse and neglect prevention and treatment programs.
Sec. 115. Grants to States for programs relating to the investigation and prosecution of child abuse and neglect cases.
Sec. 116. Miscellaneous requirements relating to assistance.
Sec. 117. Authorization of appropriations.
Sec. 118. Reports.

Subtitle B—Community-Based Grants for the Prevention of Child Abuse

Sec. 121. Purpose and authority.
Sec. 122. Eligibility.
Sec. 123. Amount of grant.
Sec. 124. Existing grants.
Sec. 125. Application.
Sec. 126. Local program requirements.
Sec. 127. Performance measures.
Sec. 128. National network for community-based family resource programs.

Sec. 129. Definitions.
Sec. 130. Authorization of appropriations.
Subtitle C—Conforming Amendments
Sec. 141. Conforming amendments.
TITLE II—ADOPTION OPPORTUNITIES
Sec. 201. Congressional findings and declaration of purpose.
Sec. 202. Information and services.
Sec. 203. Study of adoption placements.
Sec. 204. Studies on successful adoptions.
Sec. 205. Authorization of appropriations.
TITLE III—ABANDONED INFANTS ASSISTANCE
Sec. 301. Findings.
Sec. 302. Establishment of local projects.
Sec. 303. Evaluations, study, and reports by Secretary.
Sec. 304. Authorization of appropriations.
Sec. 305. Definitions.
Sec. 306. Conforming amendment.
TITLE IV—FAMILY VIOLENCE PREVENTION AND SERVICES ACT
Sec. 401. State demonstration grants.
Sec. 402. Secretarial responsibilities.
Sec. 403. Evaluation.
Sec. 404. Information and technical assistance centers.
Sec. 405. Related assistance.
Sec. 406. Authorization of appropriations.
Sec. 407. Grants for State domestic violence coalitions.
Sec. 408. Evaluation and monitoring.
Sec. 409. Family member abuse information and documentation project.
Sec. 410. Model State leadership grants.
Sec. 411. National domestic violence hotline and internet grant.
Sec. 412. Youth education and domestic violence.
Sec. 413. Demonstration grants for community initiatives.
Sec. 414. Transitional housing assistance.
Sec. 415. Technical and conforming amendments.
Sec. 416. Conforming amendment to another Act.

TITLE I—CHILD ABUSE PREVENTION AND TREATMENT ACT

SEC. 101. FINDINGS.

Section 2 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5101 note) is amended—

(1) in paragraph (1), by striking ''close to 1,000,000'' and inserting ''approximately 900,000'';

(2) by redesignating paragraphs (2) through (11) as paragraphs (4) through (13), respectively;

(3) by inserting after paragraph (1) the following:

''(2)(A) more children suffer neglect than any other form of maltreatment; and

''(B) investigations have determined that approximately 60 percent of children who were victims of maltreatment in 2001 suffered neglect, 19 percent suffered physical abuse, 10 percent suffered sexual abuse, and 7 percent suffered emotional maltreatment;

''(3)(A) child abuse can result in the death of a child;

''(B) in 2001, an estimated 1,300 children were counted by child protection services to have died as a result of abuse or neglect; and

''(C) children younger than 1 year old comprised 41 percent of child abuse fatalities and 85 percent of child abuse fatalities were younger than 6 years of age;'';

(4) by striking paragraph (4) (as so redesignated), and inserting the following:

''(4)(A) many of these children and their families fail to receive adequate protection and treatment; and

''(B) slightly less than half of these children (42 percent in 2001) and their families fail to receive adequate protection or treatment;'';

(5) in paragraph (5) (as so redesignated)—

(A) in subparagraph (A), by striking ''organizations'' and inserting ''community-based organizations'';

(B) in subparagraph (D), by striking ''ensures'' and all that follows through ''knowledge,'' and inserting ''recognizes the need for properly trained staff with the qualifications needed''; and

(C) in subparagraph (E), by inserting before the semicolon the following: '', which may impact child rearing patterns, while at the same time, not allowing those differences to enable abuse'';

(6) in paragraph (7) (as so redesignated), by striking ''this national child and family emergency'' and inserting ''child abuse and neglect''; and

(7) in paragraph (9) (as so redesignated)—

(A) by striking ''intensive'' and inserting ''needed''; and

(B) by striking ''if removal has taken place'' and inserting ''where appropriate''.

Subtitle A—General Program

SEC. 111. NATIONAL CLEARINGHOUSE FOR INFORMATION RELATING TO CHILD ABUSE.

(a) FUNCTIONS.—Section 103(b) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5104(b)) is amended—

(1) in paragraph (1), by striking ''all programs,'' and all that follows through ''neglect; and'' and inserting ''all effective programs, including private and community-based programs, that show promise of success with respect to the prevention, assessment, identification, and treatment of child abuse and neglect and hold the potential for broad scale implementation and replication;'';

(2) in paragraph (2), by striking the period and inserting a semicolon;

(3) by redesignating paragraph (2) as paragraph (3);

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

''(2) maintain information about the best practices used for achieving improvements in child protective systems;''; and

(5) by adding at the end the following:

''(4) provide technical assistance upon request that may include an evaluation or identification of—

''(A) various methods and procedures for the investigation, assessment, and prosecution of child physical and sexual abuse cases;

''(B) ways to mitigate psychological trauma to the child victim; and

''(C) effective programs carried out by the States under this Act; and

''(5) collect and disseminate information relating to various training resources available at the State and local level to—

''(A) individuals who are engaged, or who intend to engage, in the prevention, identification, and treatment of child abuse and neglect; and

''(B) appropriate State and local officials to assist in training law enforcement, legal, judicial, medical, mental health, education, and child welfare personnel.''.

(b) COORDINATION WITH AVAILABLE RESOURCES.—Section 103(c)(1) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5104(c)(1)) is amended—

(1) in subparagraph (E), by striking ''105(a); and'' and inserting ''104(a);'';

(2) by redesignating subparagraph (F) as subparagraph (G); and

(3) by inserting after subparagraph (E) the following:

''(F) collect and disseminate information that describes best practices being used throughout the Nation for making appropriate referrals related to, and addressing, the physical, developmental, and mental health needs of abused and neglected children; and''.

SEC. 112. RESEARCH AND ASSISTANCE ACTIVITIES AND DEMONSTRATIONS.

(a) RESEARCH.—Section 104(a) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5105(a)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), in the first sentence, by inserting '', including longitudinal research,'' after ''interdisciplinary program of research''; and

(B) in subparagraph (B), by inserting before the semicolon the following: '', including the effects of abuse and neglect on a child's development and the identification of successful early intervention services or other services that are needed'';

(C) in subparagraph (C)—

(i) by striking ''judicial procedures'' and inserting ''judicial systems, including multidisciplinary, coordinated decisionmaking procedures''; and

(ii) by striking ''and'' at the end; and

(D) in subparagraph (D)—

(i) in clause (viii), by striking ''and'' at the end;

(ii) by redesignating clause (ix) as clause (x); and

(iii) by inserting after clause (viii), the following:

''(ix) the incidence and prevalence of child maltreatment by a wide array of demographic characteristics such as age, sex, race, family structure, household relationship (including the living arrangement of the resident parent and family size), school enrollment and education attainment, disability, grandparents as caregivers, labor force status, work status in previous year, and income in previous year; and'';

(E) by redesignating subparagraph (D) as subparagraph (I); and

(F) by inserting after subparagraph (C), the following:

''(D) the evaluation and dissemination of best practices consistent with the goals of achieving improvements in the child protective services systems of the States in accordance with paragraphs (1) through (12) of section 106(a);

''(E) effective approaches to interagency collaboration between the child protection system and the juvenile justice system that improve the delivery of services and treatment, including methods for continuity of treatment plan and services as children transition between systems;

''(F) an evaluation of the redundancies and gaps in the services in the field of child abuse and neglect prevention in order to make better use of resources;

''(G) the nature, scope, and practice of voluntary relinquishment for foster care or State guardianship of low income children who need health services, including mental health services;

''(H) the information on the national incidence of child abuse and neglect specified in clauses (i) through (xi) of subparagraph (H); and'';

(2) in paragraph (2), by striking subparagraph (B) and inserting the following:

''(B) Not later than 2 years after the date of enactment of the Keeping Children and Families Safe Act of 2003, and every 2 years thereafter, the Secretary shall provide an opportunity for public comment concerning the priorities proposed under subparagraph (A) and maintain an official record of such public comment.'';

(3) by redesignating paragraph (2) as paragraph (4);

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

''(2) RESEARCH.—The Secretary shall conduct research on the national incidence of child abuse and neglect, including the information on the national incidence on child abuse and neglect specified in subparagraphs (i) through (ix) of paragraph (1)(I).

''(3) REPORT.—Not later than 4 years after the date of the enactment of the Keeping Children and Families Safe Act of 2003, the Secretary shall prepare and submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor and Pensions of the Senate a report that contains the results of the research conducted under paragraph (2).''.

(b) PROVISION OF TECHNICAL ASSISTANCE.—Section 104(b) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5105(b)) is amended—

(1) in paragraph (1)—

(A) by striking ''nonprofit private agencies and'' and inserting ''private agencies and community-based''; and

(B) by inserting '', including replicating successful program models,'' after ''programs and activities''; and

(2) in paragraph (2)—

(A) in subparagraph (B), by striking ''and'' at the end;

(B) in subparagraph (C), by striking the period and inserting ''; and''; and

(C) by adding at the end the following:

''(D) effective approaches being utilized to link child protective service agencies with health care, mental health care, and developmental services to improve forensic diagnosis and health evaluations, and barriers and shortages to such linkages.''.

(c) DEMONSTRATION PROGRAMS AND PROJECTS.—Section 104 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5105) is amended by adding at the end the following:

''(e) DEMONSTRATION PROGRAMS AND PROJECTS.—The Secretary may award grants to, and enter into contracts with, States or public or private agencies or organizations (or combinations of such agencies or organizations) for time-limited, demonstration projects for the following:

''(1) PROMOTION OF SAFE, FAMILY-FRIENDLY PHYSICAL ENVIRONMENTS FOR VISITATION AND EXCHANGE.—The Secretary may award grants under this subsection to entities to assist such entities in establishing and operating safe, family-friendly physical environments—

''(A) for court-ordered, supervised visitation between children and abusing parents; and

''(B) to safely facilitate the exchange of children for visits with noncustodial parents in cases of domestic violence.

''(2) EDUCATION IDENTIFICATION, PREVENTION, AND TREATMENT.—The Secretary may award grants under this subsection to entities for projects that provide educational identification, prevention, and treatment services in cooperation with preschool and elementary and secondary schools.

''(3) RISK AND SAFETY ASSESSMENT TOOLS.—The Secretary may award grants under this subsection to entities for projects that provide for the development of research-based strategies for risk and safety assessments relating to child abuse and neglect.

''(4) TRAINING.—The Secretary may award grants under this subsection to entities for projects that involve research-based strategies for innovative training for mandated child abuse and neglect reporters.''.

SEC. 113. GRANTS TO STATES AND PUBLIC OR PRIVATE AGENCIES AND ORGANIZATIONS.

(a) DEMONSTRATION PROGRAMS AND PROJECTS.—Section 105(a) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106(a)) is amended—

(1) in the subsection heading, by striking ''DEMONSTRATION'' and inserting ''GRANTS FOR'';

(2) in the matter preceding paragraph (1)—

(A) by inserting ''States,'' after ''contracts with,'';

(B) by striking ''nonprofit''; and

(C) by striking ''time limited, demonstration'';

(3) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by striking ''nonprofit'';

(B) in subparagraph (A), by striking ''law, education, social work, and other relevant fields'' and inserting ''law enforcement, judiciary, social work and child protection, education, and other relevant fields, or individuals such as court appointed special advocates (CASAs) and guardian ad litem,'';

(C) in subparagraph (B), by striking ''nonprofit'' and all that follows through ''; and'' and inserting ''children, youth and family service organizations in order to prevent child abuse and neglect;'';

(D) in subparagraph (C), by striking the period and inserting a semicolon; and

(E) by adding at the end the following:

''(D) for training to support the enhancement of linkages between child protective service agencies and health care agencies, including physical and mental health services, to improve forensic diagnosis and health evaluations and for innovative partnerships between child protective service agencies and health care agencies that offer creative approaches to using existing Federal, State, local, and private funding to meet the health evaluation needs of children who have been subjects of substantiated cases of child abuse or neglect;

''(E) for the training of personnel in best practices to promote collaboration with the families from the initial time of contact during the investigation through treatment;

''(F) for the training of personnel regarding the legal duties of such personnel and their responsibilities to protect the legal rights of children and families;

''(G) for improving the training of supervisory and nonsupervisory child welfare workers;

''(H) for enabling State child welfare agencies to coordinate the provision of services with State and local health care agencies, alcohol and drug abuse prevention and treatment agencies, mental health agencies, and other public and private welfare agencies to promote child safety, permanence, and family stability;

''(I) for cross training for child protective service workers in research-based strategies for recognizing situations of substance abuse, domestic violence, and neglect; and

''(J) for developing, implementing, or operating information and education programs or training programs designed to improve the provision of services to disabled infants with life-threatening conditions for—

''(i) professionals and paraprofessional personnel concerned with the welfare of disabled infants with life-threatening conditions, including personnel employed in child protective services programs and health care facilities; and

''(ii) the parents of such infants.'';

(4) by redesignating paragraph (2) and (3) as paragraphs (3) and (4), respectively;

(5) by inserting after paragraph (1), the following:

''(2) TRIAGE PROCEDURES.—The Secretary may award grants under this subsection to public and private agencies that demonstrate innovation in responding to reports of child abuse and neglect, including programs of collaborative partnerships between the State child protective services agency, community social service agencies and family support programs, law enforcement agencies, developmental disability agencies, substance abuse treatment entities, health care entities, domestic violence prevention entities, mental health service entities, schools, churches and synagogues, and other community agencies, to allow for the establishment of a triage system that—

''(A) accepts, screens, and assesses reports received to determine which such reports require an intensive intervention and which require voluntary referral to another agency, program, or project;

''(B) provides, either directly or through referral, a variety of community-linked services to assist families in preventing child abuse and neglect; and

''(C) provides further investigation and intensive intervention where the child's safety is in jeopardy.'';

(6) in paragraph (3) (as so redesignated), by striking ''nonprofit organizations (such as Parents Anonymous)'' and inserting ''organizations'';

(7) in paragraph (4) (as so redesignated)—

(A) by striking the paragraph heading;

(B) by striking subparagraphs (A) and (C); and

(C) in subparagraph (B)—

(i) by striking ''(B) KINSHIP CARE.—'' and inserting the following:

''(4) KINSHIP CARE.—

''(A) IN GENERAL.—''; and

(ii) by striking ''nonprofit''; and

(8) by adding at the end the following:

''(5) LINKAGES BETWEEN CHILD PROTECTIVE SERVICE AGENCIES AND PUBLIC HEALTH, MENTAL HEALTH, AND DEVELOPMENTAL DISABILITIES AGENCIES.—The Secretary may award grants to entities that provide linkages between State or local child protective service agencies and public health, mental health, and developmental disabilities agencies, for the purpose of establishing linkages that are designed to help assure that a greater number of substantiated victims of child maltreatment have their physical health, mental health, and developmental needs appropriately diagnosed and treated, in accordance with all applicable Federal and State privacy laws.''.

(b) DISCRETIONARY GRANTS.—Section 105(b) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106(b)) is amended—

(1) in the matter preceding paragraph (1), by striking ''subsection (b)'' and inserting ''subsection (a)'';

(2) by striking paragraph (1);

(3) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively;

(4) by inserting after paragraph (2) (as so redesignated), the following:

''(3) Programs based within children's hospitals or other pediatric and adolescent care facilities, that provide model approaches for improving medical diagnosis of child abuse and neglect and for health evaluations of children for whom a report of maltreatment has been substantiated.''; and

(5) in paragraph (4)(D), by striking ''nonprofit''.

(c) EVALUATION.—Section 105(c) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106(c)) is amended—

(1) in the first sentence, by striking ''demonstration'';

(2) in the second sentence, by inserting ''or contract'' after ''or as a separate grant''; and

(3) by adding at the end the following: ''In the case of an evaluation performed by the recipient of a grant, the Secretary shall make available technical assistance for the evaluation, where needed, including the use of a rigorous application of scientific evaluation techniques.''.

(d) TECHNICAL AMENDMENT TO HEADING.—The section heading for section 105 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106) is amended to read as follows:

''SEC. 105. GRANTS TO STATES AND PUBLIC OR PRIVATE AGENCIES AND ORGANIZATIONS.''.

SEC. 114. GRANTS TO STATES FOR CHILD ABUSE AND NEGLECT PREVENTION AND TREATMENT PROGRAMS.

(a) DEVELOPMENT AND OPERATION GRANTS.—Section 106(a) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a(a)) is amended—

(1) in paragraph (3)—

(A) by inserting '', including ongoing case monitoring,'' after ''case management''; and

(B) by inserting ''and treatment'' after ''and delivery of services'';

(2) in paragraph (4), by striking ''improving'' and all that follows through ''referral systems'' and inserting ''developing, improving, and implementing risk and safety assessment tools and protocols'';

(3) by striking paragraph (7);

(4) by redesignating paragraphs (5), (6), (8), and (9) as paragraphs (6), (8), (9), and (12), respectively;

(5) by inserting after paragraph (4), the following:

''(5) developing and updating systems of technology that support the program and track reports of child abuse and neglect from intake through final disposition and allow interstate and intrastate information exchange;'';

(6) in paragraph (6) (as so redesignated), by striking ''opportunities'' and all that follows through ''system'' and inserting ''including—

''(A) training regarding research-based strategies to promote collaboration with the families;

''(B) training regarding the legal duties of such individuals; and

''(C) personal safety training for case workers;'';

(7) by inserting after paragraph (6) (as so redesignated) the following:

''(7) improving the skills, qualifications, and availability of individuals providing services to children and families, and the supervisors of such individuals, through the child protection system, including improvements in the recruitment and retention of caseworkers;'';

(8) by striking paragraph (9) (as so redesignated), and inserting the following:

''(9) developing and facilitating research-based strategies for training for individuals mandated to report child abuse or neglect;

''(10) developing, implementing, or operating programs to assist in obtaining or coordinating necessary services for families of disabled infants with life-threatening conditions, including—

''(A) existing social and health services;

''(B) financial assistance; and

''(C) services necessary to facilitate adoptive placement of any such infants who have been relinquished for adoption;

''(11) developing and delivering information to improve public education relating to the role and responsibilities of the child protection system and the nature and basis for reporting suspected incidents of child abuse and neglect;'';

(9) in paragraph (12) (as so redesignated), by striking the period and inserting a semicolon; and

(10) by adding at the end the following:

''(13) supporting and enhancing interagency collaboration between the child protection system and the juvenile justice system for improved delivery of services and treatment, including methods for continuity of treatment plan and services as children transition between systems; or

''(14) supporting and enhancing collaboration among public health agencies, the child protection system, and private community-based programs to provide child abuse and neglect prevention and treatment services (including linkages with education systems) and to address the health needs, including mental health needs, of children identified as abused or neglected, including supporting prompt, comprehensive health and developmental evaluations for children who are the subject of substantiated child maltreatment reports.''.

(b) ELIGIBILITY REQUIREMENTS.—

(1) IN GENERAL.—Section 106(b) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a(b)) is amended—

(A) in paragraph (1)(B)—

(i) by striking ''provide notice to the Secretary of any substantive changes'' and inserting the following: ''provide notice to the Secretary—

''(i) of any substantive changes; and'';

(ii) by striking the period and inserting ''; and''; and

(iii) by adding at the end the following:

''(ii) any significant changes to how funds provided under this section are used to support the activities which may differ from the activities as described in the current State application.'';

(B) in paragraph (2)(A)—

(i) by redesignating clauses (ii), (iii), (iv), (v), (vi), (vii), (viii), (ix), (x), (xi), (xii), and (xiii) as clauses (iv), (vi), (vii), (viii), (x), (xi), (xii), (xiii), (xiv), (xv), (xvi) and (xvii), respectively;

(ii) by inserting after clause (i), the following:

''(ii) policies and procedures (including appropriate referrals to child protection service systems and for other appropriate services) to address the needs of infants born and identified as being affected by illegal substance abuse or withdrawal symptoms resulting from prenatal drug exposure, including a requirement that health care providers involved in the delivery or care of such infants notify the child protective services system of the occurrence of such condition in such infants, except that such notification shall not be construed to—

''(I) establish a definition under Federal law of what constitutes child abuse; or

''(II) require prosecution for any illegal action;

''(iii) the development of a plan of safe care for the infant born and identified as being affected by illegal substance abuse or withdrawal symptoms;'';

(iii) in clause (iv) (as so redesignated), by inserting ''risk and'' before ''safety'';

(iv) by inserting after clause (iv) (as so redesignated), the following:

''(v) triage procedures for the appropriate referral of a child not at risk of imminent harm to a community organization or voluntary preventive service;'';

(v) in clause (viii)(II) (as so redesignated), by striking '', having a need for such information in order to carry out its responsibilities under law to protect children from abuse and neglect'' and inserting '', as described in clause (ix)'';

(vi) by inserting after clause (viii) (as so redesignated), the following:

''(ix) provisions to require a State to disclose confidential information to any Federal, State, or local government entity, or any agent of such entity, that has a need for such information in order to carry out its responsibilities under law to protect children from abuse and neglect;'';

(vii) in clause (xiii) (as so redesignated)—

(I) by inserting ''who has received training appropriate to the role, and'' after ''guardian ad litem,''; and

(II) by inserting ''who has received training appropriate to that role'' after ''advocate'';

(viii) in clause (xv) (as so redesignated), by striking ''to be effective not later than 2 years after the date of enactment of this section'';

(ix) in clause (xvi) (as so redesignated)—

(I) by striking ''to be effective not later than 2 years after the date of enactment of this section''; and

(II) by striking ''and'' at the end;

(x) in clause (xvii) (as so redesignated), by striking ''clause (xii)'' each place that such appears and inserting ''clause (xvi)''; and

(xi) by adding at the end the following:

''(xviii) provisions and procedures to require that a representative of the child protective services agency shall, at the initial time of contact with the individual subject to a child abuse and neglect investigation, advise the individual of the complaints or allegations made against the individual, in a manner that is consistent with laws protecting the rights of the informant;

''(xix) provisions addressing the training of representatives of the child protective services system regarding the legal duties of the representatives, which may consist of various methods of informing such representatives of such duties, in order to protect the legal rights and safety of children and families from the initial time of contact during investigation through treatment;

''(xx) provisions and procedures for improving the training, retention, and supervision of caseworkers;

''(xxi) provisions and procedures for referral of a child under the age of 3 who is involved in a substantiated case of child abuse or neglect to early intervention services funded under part C of the Individuals with Disabilities Education Act; and

''(xxii) not later than 2 years after the date of enactment of the Keeping Children and Families Safe Act of 2003, provisions and procedures for requiring criminal background record checks for prospective foster and adoptive parents and other adult relatives and non-relatives residing in the household;''; and

(C) in paragraph (2), by adding at the end the following flush sentence:

''Nothing in subparagraph (A) shall be construed to limit the State's flexibility to determine State policies relating to public access to court proceedings to determine child abuse and neglect, except that such policies shall, at a minimum, ensure the safety and well-being of the child, parents, and families.''.

(2) LIMITATION.—Section 106(b)(3) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a(b)(3)) is amended by striking ''With regard to clauses (v) and (vi) of paragraph (2)(A)'' and inserting ''With regard to clauses (vi) and (vii) of paragraph (2)(A)''.

(c) CITIZEN REVIEW PANELS.—Section 106(c) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a(c)) is amended—

(1) in paragraph (4)—

(A) in subparagraph (A)—

(i) in the matter preceding clause (i)—

(I) by striking ''and procedures'' and inserting '', procedures, and practices''; and

(II) by striking ''the agencies'' and inserting ''State and local child protection system agencies''; and

(ii) in clause (iii)(I), by striking ''State'' and inserting ''State and local''; and

(B) by adding at the end the following:

''(C) PUBLIC OUTREACH.—Each panel shall provide for public outreach and comment in order to assess the impact of current procedures and practices upon children and families in the community and in order to meet its obligations under subparagraph (A).''; and

(2) in paragraph (6)—

(A) by striking ''public'' and inserting ''State and the public''; and

(B) by inserting before the period the following: ''and recommendations to improve the child protection services system at the State and local levels. Not later than 6 months after the date on which a report is submitted by the panel to the State, the appropriate State agency shall submit a written response to State and local child protection systems and the citizen review panel that describes whether or how the State will incorporate the recommendations of such panel (where appropriate) to make measurable progress in improving the State and local child protective system''.

(d) ANNUAL STATE DATA REPORTS.—Section 106(d) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a(d)) is amended by adding at the end the following:

''(13) The annual report containing the summary of the activities of the citizen review panels of the State required by subsection (c)(6).

''(14) The number of children under the care of the State child protection system who are transferred into the custody of the State juvenile justice system.''.

(e) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary of Health and Human Services shall prepare and submit to Congress a report that describes the extent to which States are implementing the policies and procedures required under section 106(b)(2)(B)(ii) of the Child Abuse Prevention and Treatment Act.

SEC. 115. GRANTS TO STATES FOR PROGRAMS RELATING TO THE INVESTIGATION AND PROSECUTION OF CHILD ABUSE AND NEGLECT CASES.

Section 107(a) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106c(a)) is amended—

(1) in paragraph (2), by striking ''and'' at the end;

(2) in paragraph (3), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(4) the handling of cases involving children with disabilities or serious health-related problems who are victims of abuse or neglect.''.

SEC. 116. MISCELLANEOUS REQUIREMENTS RELATING TO ASSISTANCE.

Section 108 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106d) is amended by adding at the end the following:

''(d) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary should encourage all States and public and private agencies or organizations that receive assistance under this title to ensure that children and families with limited English proficiency who participate in programs under this title are provided materials and services under such programs in an appropriate language other than English.

''(e) ANNUAL REPORT.—A State that receives funds under section 106(a) shall annually prepare and submit to the Secretary a report describing the manner in which funds provided under this Act, alone or in combination with other Federal funds, were used to address the purposes and achieve the objectives of section 106.''.

SEC. 117. AUTHORIZATION OF APPROPRIATIONS.

(a) GENERAL AUTHORIZATION.—Section 112(a)(1) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106h(a)(1)) is amended to read as follows:

''(1) GENERAL AUTHORIZATION.—There are authorized to be appropriated to carry out this title $120,000,000 for fiscal year 2004 and such sums as may be necessary for each of the fiscal years 2005 through 2008.''.

(b) DEMONSTRATION PROJECTS.—Section 112(a)(2)(B) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106h(a)(2)(B)) is amended—

(1) by striking ''Secretary make'' and inserting ''Secretary shall make''; and

(2) by striking ''section 106'' and inserting ''section 104''.

SEC. 118. REPORTS.

Section 110 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106f) is amended by adding at the end the following:

''(c) STUDY AND REPORT RELATING TO CITIZEN REVIEW PANELS.—

''(1) STUDY.—The Secretary shall conduct a study by random sample of the effectiveness of the citizen review panels established under section 106(c).

''(2) REPORT.—Not later than 3 years after the date of enactment of the Keeping Children and Families Safe Act of 2003, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report that contains the results of the study conducted under paragraph (1).''.

Subtitle B—Community-Based Grants for the Prevention of Child Abuse

SEC. 121. PURPOSE AND AUTHORITY.

(a) PURPOSE.—Section 201(a)(1) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116(a)(1)) is amended to read as follows:

''(1) to support community-based efforts to develop, operate, expand, enhance, and, where appropriate to network, initiatives aimed at the prevention of child abuse and neglect, and to support networks of coordinated resources and activities to better strengthen and support families to reduce the likelihood of child abuse and neglect; and''.

(b) AUTHORITY.—Section 201(b) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116(b)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A) by striking ''Statewide'' and all that follows through the dash, and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate) that are accessible, effective, culturally appropriate, and build upon existing strengths-that—'';

(B) in subparagraph (F), by striking ''and'' at the end; and

(C) by striking subparagraph (G) and inserting the following:

''(G) demonstrate a commitment to meaningful parent leadership, including among parents of children with disabilities, parents with disabilities, racial and ethnic minorities, and members of other underrepresented or underserved groups; and

''(H) provide referrals to early health and developmental services;''; and

(2) in paragraph (4)—

(A) by inserting ''through leveraging of funds'' after ''maximizing funding'';

(B) by striking ''a Statewide network of community-based, prevention-focused'' and inserting ''community-based and prevention-focused''; and

(C) by striking ''family resource and support program'' and inserting ''programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)''.

(c) TECHNICAL AMENDMENT TO TITLE HEADING.—Title II of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116) is amended by striking the heading for such title and inserting the following:

''TITLE II—COMMUNITY–BASED GRANTS FOR THE PREVENTION OF CHILD ABUSE AND NEGLECT''.

SEC. 122. ELIGIBILITY.

Section 202 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116a) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)—

(i) by striking ''a Statewide network of community-based, prevention-focused'' and inserting ''community-based and prevention-focused''; and

(ii) by striking ''family resource and support programs'' and all that follows through the semicolon and inserting ''programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate);''

(B) in subparagraph (B), by inserting ''that exists to strengthen and support families to prevent child abuse and neglect'' after ''written authority of the State)'';

(2) in paragraph (2)—

(A) in subparagraph (A), by striking ''a network of community-based family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)'';

(B) in subparagraph (B)—

(i) by striking ''to the network''; and

(ii) by inserting '', and parents with disabilities'' before the semicolon;

(C) in subparagraph (C), by striking ''to the network''; and

(3) in paragraph (3)—

(A) in subparagraph (A), by striking ''Statewide network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)'';

(B) in subparagraph (B), by striking ''Statewide network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)'';

(C) in subparagraph (C), by striking ''and training and technical assistance, to the Statewide network of community-based, prevention-focused, family resource and support programs'' and inserting ''training, technical assistance, and evaluation assistance, to community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)''; and

(D) in subparagraph (D), by inserting '', parents with disabilities,'' after ''children with disabilities''.

SEC. 123. AMOUNT OF GRANT.

Section 203 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116b) is amended—

(1) in subsection (b)(1)(B)—

(A) by striking ''as the amount leveraged by the State from private, State, or other non-Federal sources and directed through the'' and inserting ''as the amount of private, State or other non-Federal funds leveraged and directed through the currently designated'';

(B) by striking ''State lead agency'' and inserting ''State lead entity''; and

(C) by striking ''the lead agency'' and inserting ''the current lead entity''; and

(2) in subsection (c)(2), by striking ''subsection (a)'' and inserting ''subsection (b)''.

SEC. 124. EXISTING GRANTS.

Section 204 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5115c) is repealed.

SEC. 125. APPLICATION.

Section 205 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116d) is amended—

(1) in paragraph (1), by striking ''Statewide network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)'';

(2) in paragraph (2)—

(A) by striking ''network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)''; and

(B) by striking '', including those funded by programs consolidated under this Act,'';

(3) by striking paragraph (3), and inserting the following:

''(3) a description of the inventory of current unmet needs and current community-based and prevention-focused programs and activities to prevent child abuse and neglect, and other family resource services operating in the State;'';

(4) in paragraph (4), by striking ''State's network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect'';

(5) in paragraph (5), by striking ''Statewide network of community-based, prevention-focused, family resource and support programs'' and inserting ''start up, maintenance, expansion, and redesign of community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect'';

(6) in paragraph (7), by striking ''individual community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect'';

(7) in paragraph (8), by striking ''community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect'';

(8) in paragraph (9), by striking ''community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect'';

(9) in paragraph (10), by inserting ''(where appropriate)'' after ''members'';

(10) in paragraph (11), by striking ''prevention-focused, family resource and support program'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect''; and

(11) by redesignating paragraph (13) as paragraph (12).

SEC. 126. LOCAL PROGRAM REQUIREMENTS.

Section 206(a) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116e(a)) is amended—

(1) in the matter preceding paragraph (1), by striking ''prevention-focused, family resource and support programs'' and inserting ''and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect'';

(2) in paragraph (3)(B), by inserting ''voluntary home visiting and'' after ''including''; and

(3) by striking paragraph (6) and inserting the following:

''(6) participate with other community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect in the development, operation and expansion of networks where appropriate.''.

SEC. 127. PERFORMANCE MEASURES.

Section 207 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116f) is amended—

(1) in paragraph (1), by striking ''a Statewide network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect'';

(2) by striking paragraph (3), and inserting the following:

''(3) shall demonstrate that they will have addressed unmet needs identified by the inventory and description of current services required under section 205(3);'';

(3) in paragraph (4),

(A) by inserting ''and parents with disabilities,'' after ''children with disabilities,''; and

(B) by striking ''evaluation of'' the first place it appears and all that follows through ''under this title'' and inserting ''evaluation of community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect, and in the design, operation and evaluation of the networks of such community-based and prevention-focused programs'';

(4) in paragraph (5), by striking '', prevention-focused, family resource and support programs'' and inserting ''and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect'';

(5) in paragraph (6), by striking ''Statewide network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect''; and

(6) in paragraph (8), by striking ''community based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect''.

SEC. 128. NATIONAL NETWORK FOR COMMUNITY-BASED FAMILY RESOURCE PROGRAMS.

Section 208(3) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116g(3)) is amended by striking ''Statewide networks of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect''.

SEC. 129. DEFINITIONS.

(a) CHILDREN WITH DISABILITIES.—Section 209(1) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116h(1)) is amended by striking ''given such term in section 602(a)(2)'' and inserting ''given the term 'child with a disability' in section 602(3) or 'infant or toddler with a disability' in section 632(5)''.

(b) COMMUNITY-BASED AND PREVENTION-FOCUSED PROGRAMS AND ACTIVITIES TO PREVENT CHILD ABUSE AND NEGLECT.—Section 209 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116h) is amended by striking paragraphs (3) and (4) and inserting the following:

''(3) COMMUNITY-BASED AND PREVENTION-FOCUSED PROGRAMS AND ACTIVITIES TO PREVENT CHILD ABUSE AND NEGLECT.—The term 'community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect' includes organizations such as family resource programs, family support programs, voluntary home visiting programs, respite care programs, parenting education, mutual support programs, and other community programs or networks of such programs that provide activities that are designed to prevent or respond to child abuse and neglect.''.

SEC. 130. AUTHORIZATION OF APPROPRIATIONS.

Section 210 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116i) is amended to read as follows:

''SEC. 210. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this title $80,000,000 for fiscal year 2004 and such sums as may be necessary for each of the fiscal years 2005 through 2008.''.

Subtitle C—Conforming Amendments

SEC. 141. CONFORMING AMENDMENTS.

The table of contents of the Child Abuse Prevention and Treatment Act, as contained in section 1(b) of such Act (42 U.S.C. 5101 note), is amended as follows:

(1) By striking the item relating to section 105 and inserting the following:

''Sec. 105. Grants to States and public or private agencies and organizations.''.

(2) By striking the item relating to title II and inserting the following:

''TITLE II—COMMUNITY-BASED GRANTS FOR THE PREVENTION OF CHILD ABUSE AND NEGLECT''.

(3) By striking the item relating to section 204.

TITLE II—ADOPTION OPPORTUNITIES

SEC. 201. CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSE.

Section 201 of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5111) is amended—

(1) in subsection (a)—

(A) by striking paragraphs (1) through (4) and inserting the following:

''(1) the number of children in substitute care has increased by nearly 24 percent since 1994, as our Nation's foster care population included more than 565,000 as of September of 2001;

''(2) children entering foster care have complex problems that require intensive services, with many such children having special needs because they are born to mothers who did not receive prenatal care, are born with life threatening conditions or disabilities, are born addicted to alcohol or other drugs, or have been exposed to infection with the etiologic agent for the human immunodeficiency virus;

''(3) each year, thousands of children are in need of placement in permanent, adoptive homes;'';

(B) by striking paragraph (6);

(C) by striking paragraph (7)(A) and inserting the following:

''(7)(A) currently, there are 131,000 children waiting for adoption;''; and

(D) by redesignating paragraphs (5), (7), (8), (9), and (10) as paragraphs (4), (5), (6), (7), and (8) respectively; and

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by inserting '', including geographic barriers,'' after ''barriers''; and

(B) in paragraph (2), by striking ''a national'' and inserting ''an Internet-based national''.

SEC. 202. INFORMATION AND SERVICES.

Section 203 of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5113) is amended—

(1) by striking the section heading and inserting the following:

''SEC. 203. INFORMATION AND SERVICES.'';

(2) by striking ''SEC. 203. (a) The Secretary'' and inserting the following:

''(a) IN GENERAL.—The Secretary'';

(3) in subsection (b)—

(A) by inserting ''REQUIRED ACTIVITIES.—'' after ''(b)'';

(B) in paragraph (1), by striking ''nonprofit'' each place that such appears;

(C) in paragraph (2), by striking ''nonprofit'';

(D) in paragraph (3), by striking ''nonprofit'';

(E) in paragraph (4), by striking ''nonprofit'';

(F) in paragraph (6), by striking ''study the nature, scope, and effects of'' and insert ''support'';

(G) in paragraph (7), by striking ''nonprofit'';

(H) in paragraph (9)—

(i) by striking ''nonprofit''; and

(ii) by striking ''and'' at the end;

(I) in paragraph (10)—

(i) by striking ''nonprofit''; each place that such appears; and

(ii) by striking the period at the end and inserting ''; and''; and

(J) by adding at the end the following:

''(11) provide (directly or by grant to or contract with States, local government entities, or public or private licensed child welfare or adoption agencies) for the implementation of programs that are intended to increase the number of older children (who are in foster care and with the goal of adoption) placed in adoptive families, with a special emphasis on child-specific recruitment strategies, including—

''(A) outreach, public education, or media campaigns to inform the public of the needs and numbers of older youth available for adoption;

''(B) training of personnel in the special needs of older youth and the successful strategies of child-focused, child-specific recruitment efforts; and

''(C) recruitment of prospective families for such children.'';

(4) in subsection (c)—

(A) by striking ''(c)(1) The Secretary'' and inserting the following:

''(c) SERVICES FOR FAMILIES ADOPTING SPECIAL NEEDS CHILDREN.—

''(1) IN GENERAL.—The Secretary'';

(B) by striking ''(2) Services'' and inserting the following:

''(2) SERVICES.—Services''; and

(C) in paragraph (2)—

(i) by realigning the margins of subparagraphs (A) through (G) accordingly;

(ii) in subparagraph (F), by striking ''and'' at the end;

(iii) in subparagraph (G), by striking the period and inserting a semicolon; and

(iv) by adding at the end the following:

''(H) day treatment; and

''(I) respite care.''; and

(D) by striking ''nonprofit''; each place that such appears;

(5) in subsection (d)—

(A) by striking ''(d)(1) The Secretary'' and inserting the following:

''(d) IMPROVING PLACEMENT RATE OF CHILDREN IN FOSTER CARE.—

''(1) IN GENERAL.—The Secretary'';

(B) by striking ''(2)(A) Each State'' and inserting the following:

''(2) APPLICATIONS; TECHNICAL AND OTHER ASSISTANCE.—

''(A) APPLICATIONS.—Each State'';

(C) by striking ''(B) The Secretary'' and inserting the following:

''(B) TECHNICAL AND OTHER ASSISTANCE.—The Secretary'';

(D) in paragraph (2)(B)—

(i) by realigning the margins of clauses (i) and (ii) accordingly; and

(ii) by striking ''nonprofit'';

(E) by striking ''(3)(A) Payments'' and inserting the following:

''(3) PAYMENTS.—

''(A) IN GENERAL.—Payments''; and

(F) by striking ''(B) Any payment'' and inserting the following:

''(B) REVERSION OF UNUSED FUNDS.—Any payment''; and

(6) by adding at the end the following:

''(e) ELIMINATION OF BARRIERS TO ADOPTIONS ACROSS JURISDICTIONAL BOUNDARIES.—

''(1) IN GENERAL.—The Secretary shall award grants to, or enter into contracts with, States, local government entities, public or private child welfare or adoption agencies, adoption exchanges, or adoption family groups to carry out initiatives to improve efforts to eliminate barriers to placing children for adoption across jurisdictional boundaries.

''(2) SERVICES TO SUPPLEMENT NOT SUPPLANT.—Services provided under grants made under this subsection shall supplement, not supplant, services provided using any other funds made available for the same general purposes including—

''(A) developing a uniform homestudy standard and protocol for acceptance of homestudies between States and jurisdictions;

''(B) developing models of financing cross-jurisdictional placements;

''(C) expanding the capacity of all adoption exchanges to serve increasing numbers of children;

''(D) developing training materials and training social workers on preparing and moving children across State lines; and

''(E) developing and supporting initiative models for networking among agencies, adoption exchanges, and parent support groups across jurisdictional boundaries.''.

SEC. 203. STUDY OF ADOPTION PLACEMENTS.

Section 204 of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5114) is amended—

(1) by striking ''The'' and inserting ''(a) IN GENERAL.—The'';

(2) by striking ''of this Act'' and inserting ''of the Keeping Children and Families Safe Act of 2003'';

(3) by striking ''to determine the nature'' and inserting ''to determine—

''(1) the nature'';

(4) by striking ''which are not licensed'' and all that follows through ''entity'';''; and

(5) by adding at the end the following:

''(2) how interstate placements are being financed across State lines;

''(3) recommendations on best practice models for both interstate and intrastate adoptions; and

''(4) how State policies in defining special needs children differentiate or group similar categories of children.''.

SEC. 204. STUDIES ON SUCCESSFUL ADOPTIONS.

Section 204 of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5114) is amended by adding at the end the following:

''(b) DYNAMICS OF SUCCESSFUL ADOPTION.—The Secretary shall conduct research (directly or by grant to, or contract with, public or private nonprofit research agencies or organizations) about adoption outcomes and the factors affecting those outcomes. The Secretary shall submit a report containing the results of such research to the appropriate committees of the Congress not later than the date that is 36 months after the date of the enactment of the Keeping Children and Families Safe Act of 2003.

''(c) INTERJURISDICTIONAL ADOPTION.—Not later than 1 year after the date of the enactment of the Keeping Children and Families Safe Act of 2003, the Secretary shall submit to the appropriate committees of the Congress a report that contains recommendations for an action plan to facilitate the interjurisdictional adoption of foster children.''.

SEC. 205. AUTHORIZATION OF APPROPRIATIONS.

Section 205(a) of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5115(a)) is amended to read as follows:

''There are authorized to be appropriated $40,000,000 for fiscal year 2004 and such sums as may be necessary for fiscal years 2005 through 2008 to carry out programs and activities authorized under this subtitle.''.

TITLE III—ABANDONED INFANTS ASSISTANCE

SEC. 301. FINDINGS.

Section 2 of the Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is amended—

(1) by striking paragraph (1);

(2) in paragraph (2)—

(A) by inserting ''studies indicate that a number of factors contribute to'' before ''the inability of'';

(B) by inserting ''some'' after ''inability of'';

(C) by striking ''who abuse drugs''; and

(D) by striking ''care for such infants'' and inserting ''care for their infants'';

(3) by amending paragraph (5) to read as follows:

''(5) appropriate training is needed for personnel working with infants and young children with life-threatening conditions and other special needs, including those who are infected with the human immunodeficiency virus (commonly known as 'HIV'), those who have acquired immune deficiency syndrome (commonly known as 'AIDS'), and those who have been exposed to dangerous drugs;'';

(4) by striking paragraphs (6) and (7);

(5) in paragraph (8)—

(A) by striking ''such infants and young children'' and inserting ''infants and young children who are abandoned in hospitals''; and

(B) by inserting ''by parents abusing drugs,'' after ''deficiency syndrome,'';

(6) in paragraph (9), by striking ''comprehensive services'' and all that follows through the semicolon at the end and inserting ''comprehensive support services for such infants and young children and their families and services to prevent the abandonment of such infants and young children, including foster care services, case management services, family support services, respite and crisis intervention services, counseling services, and group residential home services;'';

(7) by striking paragraph (11);

(8) by redesignating paragraphs (2), (3), (4), (5), (8), (9), and (10) as paragraphs (1) through (7), respectively; and

(9) by adding at the end the following:

''(8) private, Federal, State, and local resources should be coordinated to establish and maintain services described in paragraph (7) and to ensure the optimal use of all such resources.''.

SEC. 302. ESTABLISHMENT OF LOCAL PROJECTS.

Section 101 of the Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is amended—

(1) by striking the section heading and inserting the following:

''SEC. 101. ESTABLISHMENT OF LOCAL PROJECTS.'';

and

(2) by striking subsection (b) and inserting the following:

''(b) PRIORITY IN PROVISION OF SERVICES.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees to give priority to abandoned infants and young children who—

''(1) are infected with, or have been perinatally exposed to, the human immunodeficiency virus, or have a life-threatening illness or other special medical need; or

''(2) have been perinatally exposed to a dangerous drug.''.

SEC. 303. EVALUATIONS, STUDY, AND REPORTS BY SECRETARY.

Section 102 of the Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is amended to read as follows:

''SEC. 102. EVALUATIONS, STUDY, AND REPORTS BY SECRETARY.

''(a) EVALUATIONS OF LOCAL PROGRAMS.—The Secretary shall, directly or through contracts with public and nonprofit private entities, provide for evaluations of projects carried out under section 101 and for the dissemination of information developed as a result of such projects.

''(b) STUDY AND REPORT ON NUMBER OF ABANDONED INFANTS AND YOUNG CHILDREN.—

''(1) IN GENERAL.—The Secretary shall conduct a study for the purpose of determining—

''(A) an estimate of the annual number of infants and young children relinquished, abandoned, or found deceased in the United States and the number of such infants and young children who are infants and young children described in section 101(b);

''(B) an estimate of the annual number of infants and young children who are victims of homicide;

''(C) characteristics and demographics of parents who have abandoned an infant within 1 year of the infant's birth; and

''(D) an estimate of the annual costs incurred by the Federal Government and by State and local governments in providing housing and care for abandoned infants and young children.

''(2) DEADLINE.—Not later than 36 months after the date of enactment of the Keeping Children and Families Safe Act of 2003, the Secretary shall complete the study required under paragraph (1) and submit to Congress a report describing the findings made as a result of the study.

''(c) EVALUATION.—The Secretary shall evaluate and report on effective methods of intervening before the abandonment of an infant or young child so as to prevent such abandonments, and effective methods for responding to the needs of abandoned infants and young children.''.

SEC. 304. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Section 104 of the Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is amended—

(1) by striking subsection (a) and inserting the following:

''(a) IN GENERAL.—

''(1) AUTHORIZATION.—For the purpose of carrying out this Act, there are authorized to be appropriated $45,000,000 for fiscal year 2004 and such sums as may be necessary for fiscal years 2005 through 2008.

''(2) LIMITATION.—Not more than 5 percent of the amounts appropriated under paragraph (1) for any fiscal year may be obligated for carrying out section 102(a).'';

(2) by striking subsection (b);

(3) in subsection (c)—

(A) in paragraph (1)—

(i) by inserting ''AUTHORIZATION.—'' after ''(1)'' the first place it appears; and

(ii) by striking ''this title'' and inserting ''this Act''; and

(B) in paragraph (2)—

(i) by inserting ''LIMITATION.—'' after ''(2)''; and

(ii) by striking ''fiscal year 1991.'' and inserting ''fiscal year 2003.''; and

(4) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(b) REDESIGNATION.—The Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is amended—

(1) by redesignating section 104 as section 302; and

(2) by moving that section 302 to the end of that Act.

SEC. 305. DEFINITIONS.

(a) IN GENERAL.—Section 301 of the Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is amended to read as follows:

"SEC. 301. DEFINITIONS.

''In this Act:

''(1) ABANDONED; ABANDONMENT.—The terms 'abandoned' and 'abandonment', used with respect to infants and young children, mean that the infants and young children are medically cleared for discharge from acute-care hospital settings, but remain hospitalized because of a lack of appropriate out-of-hospital placement alternatives.

''(2) ACQUIRED IMMUNE DEFICIENCY SYNDROME.—The term 'acquired immune deficiency syndrome' includes infection with the etiologic agent for such syndrome, any condition indicating that an individual is infected with such etiologic agent, and any condition arising from such etiologic agent.

''(3) DANGEROUS DRUG.—The term 'dangerous drug' means a controlled substance, as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

''(4) NATURAL FAMILY.—The term 'natural family' shall be broadly interpreted to include natural parents, grandparents, family members, guardians, children residing in the household, and individuals residing in the household on a continuing basis who are in a care-giving situation, with respect to infants and young children covered under this Act.

''(5) SECRETARY.—The term 'Secretary' means the Secretary of Health and Human Services.''.

(b) REPEAL.—Section 103 of the Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is repealed.

SEC. 306. CONFORMING AMENDMENT.

Section 421(7) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5061(7)) is amended by striking ''infant described in section 103'' and inserting ''infant who is abandoned, as defined in section 301''.

TITLE IV—FAMILY VIOLENCE PREVENTION AND SERVICES ACT

SEC. 401. STATE DEMONSTRATION GRANTS.

(a) UNDERSERVED POPULATIONS.—Section 303(a)(2)(C) of the Family Violence Prevention and Services Act (42 U.S.C. 10402(a)(2)(C)) is amended by striking ''underserved populations,'' and all that follows and inserting the following: ''underserved populations, as defined in section 2007 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg–2);''.

(b) REPORT.—Section 303(a) of such Act (42 U.S.C. 10402(a)) is amended by adding at the end the following:

''(5) Upon completion of the activities funded by a grant under this title, the State shall submit to the Secretary a report that contains a description of the activities carried out under paragraph (2)(B)(i).''.

(c) CHILDREN WHO WITNESS DOMESTIC VIOLENCE.—Section 303 of such Act (42 U.S.C. 10402) is amended—

(1) by redesignating subsections (c) through (f) as subsections (d) through (g), respectively; and

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

''(c) The Secretary shall use funds provided under section 310(a)(2), for a fiscal year described in section 310(a)(2), to award grants for demonstration programs that provide—

''(1) multisystem interventions and services (either directly or by referral) for children who witness domestic violence; and

''(2) training (either directly or by referral) for agencies, providers, and other entities who work with such children.''.

SEC. 402. SECRETARIAL RESPONSIBILITIES.

Section 305(a) of the Family Violence Prevention and Services Act (42 U.S.C. 10404(a)) is amended—

(1) by striking ''an employee'' and inserting ''1 or more employees'';

(2) by striking ''of this title.'' and inserting ''of this title, including carrying out evaluation and monitoring under this title.''; and

(3) by striking ''The individual'' and inserting ''Any individual''.

SEC. 403. EVALUATION.

Section 306 of the Family Violence Prevention and Services Act (42 U.S.C. 10405) is amended in the first sentence by striking ''Not later than two years after the date on which funds are obligated under section 303(a) for the first time after the date of the enactment of this title, and every two years thereafter,'' and inserting ''Every 2 years,''.

SEC. 404. INFORMATION AND TECHNICAL ASSISTANCE CENTERS.

Section 308 of the Family Violence Prevention and Services Act (42 U.S.C. 10407) is amended—

(1) by striking subsection (b) and inserting the following:

''(b) NATIONAL RESOURCE CENTER.—The national resource center established under subsection (a)(2)—

''(1) shall offer resource, policy, collaboration, and training assistance to Federal, State, and local government agencies, to domestic violence service providers, and to other professionals and interested parties on issues pertaining to domestic violence, including issues relating to children who witness domestic violence; and

''(2) shall maintain a central resource library in order to collect, prepare, analyze, and disseminate information and statistics, and analyses of the information and statistics, relating to the incidence and prevention of family violence (particularly the prevention of repeated incidents of violence) and the provision of immediate shelter and related assistance.''; and

(2) by striking subsection (g).

SEC. 405. RELATED ASSISTANCE.

Section 309(5) of the Family Violence Prevention and Services Act (42 U.S.C. 10408(5)) is amended by striking the second sentence and inserting the following: ''The term 'related assistance' shall include—

''(A) prevention services such as outreach and prevention services for victims and their children, assistance to children who witness domestic violence, employment training, parenting and other educational services for victims and their children, preventive health services within domestic violence programs (including services promoting nutrition, disease prevention, exercise, and prevention of substance abuse), domestic violence prevention programs for school-age children, family violence public awareness campaigns, and violence prevention counseling services to abusers;

''(B) counseling with respect to family violence, counseling or other supportive services provided by peers individually or in groups, and referral to community social services;

''(C) transportation, technical assistance with respect to obtaining financial assistance under Federal and State programs, and referrals for appropriate health care services (including alcohol and drug abuse treatment), but shall not include reimbursement for any health care services;

''(D) legal advocacy to provide victims with information and assistance through the civil and criminal courts, and legal assistance; or

''(E) children's counseling and support services, and child care services for children who are victims of family violence or the dependents of such victims, and children who witness domestic violence.''.

SEC. 406. AUTHORIZATION OF APPROPRIATIONS.

(a) GENERAL AUTHORIZATION.—Section 310(a) of the Family Violence Prevention and Services Act (42 U.S.C. 10409(a)) is amended to read as follows:

''(a) IN GENERAL.—

''(1) AUTHORIZATION.—There are authorized to be appropriated to carry out sections 303 through 311, $175,000,000 for each of fiscal years 2004 through 2008.

''(2) PROJECTS TO ADDRESS NEEDS OF CHILDREN WHO WITNESS DOMESTIC VIOLENCE.—For a fiscal year in which the amounts appropriated under paragraph (1) exceed $130,000,000, the Secretary shall reserve and make available a portion of the excess to carry out section 303(c).''.

(b) ALLOCATIONS FOR OTHER PROGRAMS.—Subsections (b), (c), and (d) of section 310 of such Act (42 U.S.C. 10409) are amended by inserting ''(and not reserved under subsection (a)(2))'' after ''each fiscal year''.

(c) GRANTS FOR STATE DOMESTIC VIOLENCE COALITIONS.—Section 311(g) of such Act (42 U.S.C. 10410(g)) is amended to read as follows:

''(g) FUNDING.—Of the amount appropriated under section 310(a) for a fiscal year (and not reserved under section 310(a)(2)), not less than 10 percent of such amount shall be made available to award grants under this section.''.

SEC. 407. GRANTS FOR STATE DOMESTIC VIOLENCE COALITIONS.

Section 311 of the Family Violence Prevention and Services Act (42 U.S.C. 10410) is amended by striking subsection (h).

SEC. 408. EVALUATION AND MONITORING.

Section 312 of the Family Violence Prevention and Services Act (42 U.S.C. 10412) is amended by adding at the end the following:

''(c) Of the amount appropriated under section 310(a) for each fiscal year (and not reserved under section 310(a)(2)), not more than 2.5 percent shall be used by the Secretary for evaluation, monitoring, and other administrative costs under this title.''.

SEC. 409. FAMILY MEMBER ABUSE INFORMATION AND DOCUMENTATION PROJECT.

Section 313 of the Family Violence Prevention and Services Act (42 U.S.C. 10413) is repealed.

SEC. 410. MODEL STATE LEADERSHIP GRANTS.

Section 315 of the Family Violence Prevention and Services Act (42 U.S.C. 10415) is repealed.

SEC. 411. NATIONAL DOMESTIC VIOLENCE HOTLINE AND INTERNET GRANT.

Section 316 of the Family Violence Prevention and Services Act (42 U.S.C. 10416) is amended to read as follows:

"SEC. 316. NATIONAL DOMESTIC VIOLENCE HOTLINE AND INTERNET GRANT.

''(a) IN GENERAL.—The Secretary may award 1 or more grants to private, nonprofit entities—

''(1) to provide for the establishment and operation of a national, toll-free telephone hotline to provide information and assistance to victims of domestic violence; or

''(2) to provide for the establishment and operation of a highly secure Internet website to provide that information and assistance to those victims.

''(b) DURATION.—A grant under this section may extend over a period of not more than 5 years.

''(c) ANNUAL APPROVAL.—The provision of payments under a grant awarded under this section shall be subject to annual approval by the Secretary and subject to the availability of appropriations for each fiscal year to make the payments.

''(d) HOTLINE ACTIVITIES.—An entity that receives a grant under this section for activities described, in whole or in part, in subsection (a)(1) shall use funds made available through the grant to establish and operate a national, toll-free telephone hotline to provide information and assistance to victims of domestic violence. In establishing and operating the hotline, the entity shall—

''(1) contract with a carrier for the use of a toll-free telephone line;

''(2) employ, train, and supervise personnel to answer incoming calls and provide counseling

and referral services to callers on a 24-hour-a-day basis;

''(3) assemble and maintain a current database of information relating to services for victims of domestic violence to which callers may be referred throughout the United States, including information on the availability of shelters that serve battered women; and

''(4) publicize the hotline to potential users throughout the United States.

''(e) SECURE WEBSITE ACTIVITIES.—

''(1) IN GENERAL.—An entity that receives a grant under this section for activities described, in whole or in part, in subsection (a)(2) shall use funds made available through the grant to provide grants for startup and operational costs associated with establishing and operating a highly secure Internet website.

''(2) AVAILABILITY.—The website shall be available to the entity operating the hotline and domestic violence shelters.

''(3) INFORMATION.—The website shall provide accurate information that describes—

''(A) the services available to victims of domestic violence, including health care and mental health services, social services, transportation, services for children (including children who witness domestic violence), and other relevant services; and

''(B) the domestic violence shelters available, and services provided by the shelters.

''(4) RULE OF CONSTRUCTION.—Nothing in this Act shall be construed to require any shelter or service provider, whether public or private, to be linked to the website or to provide information to the recipient of the grant described in paragraph (1) or to the website.

''(f) APPLICATION.—The Secretary may not award a grant under this section unless the Secretary approves an application for such grant. To be approved by the Secretary under this subsection an application shall—

''(1) contain such agreements, assurances, and information, be in such form, and be submitted in such manner, as the Secretary shall prescribe through notice in the Federal Register;

''(2) in the case of an application for a grant to carry out activities described in subsection (a)(1), include a complete description of the applicant's plan for the operation of a national domestic violence hotline, including descriptions of—

''(A) the training program for hotline personnel;

''(B) the hiring criteria for hotline personnel;

''(C) the methods for the creation, maintenance, and updating of a resource database;

''(D) a plan for publicizing the availability of the hotline;

''(E) a plan for providing service to non-English speaking callers, including service through hotline personnel who speak Spanish; and

''(F) a plan for facilitating access to the hotline by persons with hearing impairments;

''(3) in the case of an application for a grant to carry out activities described in subsection (a)(2)—

''(A) include a complete description of the applicant's plan for the development, operation, maintenance, and updating of information and resources of the website;

''(B) include a certification that the applicant will implement a high level security system to ensure the confidentiality of the website, taking into consideration the safety of domestic violence victims; and

''(C) include an assurance that, after the third year of the website project, the recipient of the grant will develop a plan to secure other public or private funding resources to ensure the continued operation and maintenance of the website;

''(4) demonstrate that the applicant has recognized expertise in the area of domestic violence and a record of high quality service to victims of domestic violence, including a demonstration of support from advocacy groups;

''(5) demonstrate that the applicant has a commitment to diversity, and to the provision of services to ethnic, racial, and non-English speaking minorities, in addition to older individuals and individuals with disabilities; and

''(6) contain such other information as the Secretary may require.

''(g) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There is authorized to be appropriated to carry out this section $3,500,000 for each of fiscal years 2004 through 2008.

''(2) CONDITIONS ON APPROPRIATIONS.—Notwithstanding paragraph (1), the Secretary shall make available a portion of the amounts appropriated under paragraph (1) to award grants under subsection (a)(2) only for any fiscal year for which the amounts appropriated under paragraph (1) exceed $3,000,000.

''(3) AVAILABILITY.—Funds authorized to be appropriated under paragraph (1) shall remain available until expended.''.

SEC. 412. YOUTH EDUCATION AND DOMESTIC VIOLENCE.

Section 317 of the Family Violence Prevention and Services Act (42 U.S.C. 10417) is repealed.

SEC. 413. DEMONSTRATION GRANTS FOR COMMUNITY INITIATIVES.

(a) IN GENERAL.—Section 318(h) of the Family Violence Prevention and Services Act (42 U.S.C. 10418(h)) is amended to read as follows:

''(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $6,000,000 for each of fiscal years 2004 through 2008.''.

(b) REGULATIONS.—Section 318 of such Act (42 U.S.C. 10418) is amended by striking subsection (i).

SEC. 414. TRANSITIONAL HOUSING ASSISTANCE.

Section 319(f) of the Family Violence Prevention and Services Act (42 U.S.C. 10419(f)) is amended by striking ''fiscal year 2001'' and inserting ''each of fiscal years 2003 through 2008''.

SEC. 415. TECHNICAL AND CONFORMING AMENDMENTS.

The Family Violence Prevention and Services Act (42 U.S.C. 10401 et seq.) is amended—

(1) in section 302(1) (42 U.S.C. 10401(1)) by striking ''demonstrate the effectiveness of assisting'' and inserting ''assist'';

(2) in section 303(a) (42 U.S.C. 10402(a))—

(A) in paragraph (2)—

(i) in subparagraph (C), by striking ''State domestic violence coalitions knowledgeable individuals and interested organizations'' and inserting ''State domestic violence coalitions, knowledgeable individuals, and interested organizations''; and

(ii) in subparagraph (F), by adding ''and'' at the end; and

(B) by aligning the margins of paragraph (4) with the margins of paragraph (3);

(3) in section 303(g) (as so redesignated)—

(A) in the first sentence, by striking ''309(4)'' and inserting ''320''; and

(B) in the second sentence, by striking ''309(5)(A)'' and inserting ''320(5)(A)'';

(4) in section 305(b)(2)(A) (42 U.S.C. 10404(b)(2)(A)) by striking ''provide for research, and into'' and inserting ''provide for research into'';

(5) by redesignating section 309 as section 320 and moving that section to the end of the Act; and

(6) in section 311(a) (42 U.S.C. 10410(a))—

(A) in paragraph (2)(K), by striking ''other criminal justice professionals,;'' and inserting ''other criminal justice professionals;'' and

(B) in paragraph (3)—

(i) in the matter preceding subparagraph (A), by striking ''family law judges,,'' and inserting ''family law judges,'';

(ii) in subparagraph (D), by inserting '', criminal court judges,'' after ''family law judges''; and

(iii) in subparagraph (H), by striking ''supervised visitations that do not endanger victims and their children'' and inserting ''supervised visitations or denial of visitation to protect against danger to victims or their children''.

SEC. 416. CONFORMING AMENDMENT TO ANOTHER ACT.

Section 102(42) of the Older Americans Act of 1965 (42 U.S.C. 3002(42)) is amended by striking ''(42 U.S.C. 10408)''.

And the House agree to the same.

From the Committee on Education and the Workforce, for consideration of the Senate bill and the House amendment, and modifications committed to conference:

JOHN BOEHNER,
PETE HOEKSTRA,
JON PORTER,
JAMES GREENWOOD,
CHARLIE NORWOOD,
PHIL GINGREY,
MAX BURNS,
GEORGE MILLER,
RUBÉN HINOJOSA,
SUSAN A. DAVIS,
TIM RYAN,
DANNY K. DAVIS,
Managers on the Part of the House.

JUDD GREGG,
LAMAR ALEXANDER,
MIKE DEWINE,
EDWARD M. KENNEDY,
CHRIS DODD,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 342), to amend the Child Abuse Prevention and Treatment Act to make improvements to and reauthorize programs under that Act, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

THE KEEPING CHILDREN AND FAMILIES SAFE ACT OF 2003—EXPLANATION OF THE COMMITTEE OF CONFERENCE

The conference agreement to S. 342, the Keeping Children and Families Safe Act of 2003, builds upon reforms made during the last reauthorization of CAPTA and FVPSA to improve program implementation and make improvements to current law to ensure that states have the necessary resources and flexibility to properly address issues of child abuse and neglect and family violence. It makes changes that serve to assist states in improving their child protective services systems and enhance the federal government's role in providing support for the child protective services system infrastructure. The conference agreement also makes changes to better serve victims of domestic violence and their dependents.

The Senate bill and House amendment were very similar with only a few major differences. This conference report reflects the agreements on these major differences.

CAPTA

Comprehensive Adolescent Victim/Victimizer Program

The Senate bill, but not the House amendment, includes a new demonstration program that establishes a network of trainers who will work with schools to implement school-based adolescent victim/victimizer programs that are comprehensive, meet state guidelines for health education, and reduce child sexual abuse by focusing on prevention for both adolescent victims and victimizers.

The conference agreement does not include this provision.

Safety Training for Caseworkers

The Senate bill, but not the House amendment, includes language to permit ''personal safety training for caseworkers'' as part of the training for which states may use their CAPTA dollars. Personal safety training will help child protective services personnel be prepared when faced with a variety of complex situations and emotions as they confront families with allegations of child abuse and neglect.

The conference agreement includes this provision with no modifications.

Infants Born Addicted to Substances

The House amendment and the Senate bill include provisions to address the needs of infants born and identified as being affected by illegal substance abuse or withdrawal symptoms. The House amendment requires procedures for infants born with fetal alcohol effects, fetal alcohol syndrome, neonatal intoxication or withdrawal syndrome, or neonatal physical or neurological harm resulting from prenatal drug exposure. The Senate bill requires procedures for infants born and identified as being affected by illegal substance abuse or withdrawal symptoms resulting form prenatal drug exposure. The House amendment, but not the Senate, requires the notification of child protective services and permits the consideration of providing the mother with additional services, and providing the infant with referral to IDEA, Part C services for evaluation.

The conference agreement follows the Senate bill with a modification. The agreement includes the requirement that health care providers involved in the delivery or care of infants born and identified as being affected by illegal substance abuse or withdrawal symptoms notify child protective services of the occurrence of such condition in such infants.

GAO Study

The Senate bill, but not the House amendment, includes a study to have GAO review and evaluate training (including cross-training in domestic violence and substance abuse) of child protective services workers including the effects of caseloads, compensation and supervision of staff; the efficiencies and effectiveness of agencies that provide cross-training with court personnel; and recommendations to strengthen child protective services effectiveness to improve outcomes for children.

The conference agreement does not include this provisions. The House and Senate conferees agree to write a joint letter to GAO to request the study be conducted.

Children's Justice Act

The House amendment, but not the Senate bill, includes language to allow states to handle cases involving children with disabilities or serious health conditions with their children's justice grant funding. Children's justice grants help states improve their child protection programs in investigation and prosecution of child abuse and neglect cases.

The conference agreement includes this provision with no modifications.

IDEA

The House amendment, but not the Senate bill, requires states to have provisions and procedures for referral of a child under the age of 3 who is involved in a substantiated case of child abuse or neglect to the statewide early intervention program funded under Part C, of the Individuals with Disabilities Education Act for an evaluation of services.

The conference agreement does not include this provision. The conferees agree to provide for a reference to similar provisions for referral of such children in Part C of IDEA.

State CAPTA Reports

The Senate bill, but not the House amendment, requires states to report on the manner in which CAPTA dollars, alone or in combination with other funds, were used to address the purposes and achieve the objectives of Kinship Care. Kinship care is a living situation in which a grandparent, other close relative or someone else who is emotionally close to a child takes primary responsibility for the care of that child.

The conference agreement includes this provision with modifications. The agreement requires states to report on all CAPTA programs, rather than just Kinship Care.

Respite Care

The House amendment, but not the Senate bill, adds respite care, home visiting and family support services to the list of optional core services that a state may provide as a part of family support services under Community-Based Programs within CAPTA.

The conference agreement does not include this provision. However, the conferees want to recognize the importance of respite care and other services as positive, cost-effective, community-based child abuse and neglect prevention programs. As evidence shows, respite and crises care programs are effective prevention strategies associated with avoiding more costly and traumatic out-of-home placements, including foster care. By retaining current law for local program criteria, the conferees have not intended to discourage or limit the ability of the lead entity or local program to provide or arrange for respite care.

FVPSA

Children Who Witness Domestic Violence

The Senate bill, but not the House amendment, establishes a new program to address the needs of children who witness domestic violence to provide direct services; training for and collaboration among child welfare agencies, domestic violence victim service providers, courts, law enforcement and other entities, and multi-system interventions. This new program is conditioned upon appropriations exceeding $150 million. At such time 50 percent of the excess must be used to fund this program.

The conference agreement follows the intent of the Senate bill with modifications. The agreement would not create a new program. The agreement adds services for children who witness domestic violence to the list of allowable activities under the state demonstration grants within FVPSA. It requires that once appropriations exceed $130 million for the state demonstration grants, that grants include programs of multi-system interventions, training, and services (either directly or by referral) for children who witness domestic violence. The agreement also requires the national resource center to include children who witness domestic violence as part of their research and training services, and adds children who witness domestic violence to the definition of ''related assistance.''

Domestic Violence Hotline/Internet Enhancement

The Senate bill, but not the House amendment, creates a new five year grant program to establish and operate a highly secure Internet website that links the national domestic violence hotline, U.S. domestic violence shelters, state and local domestic violence agencies, and other domestic violence organizations in order to connect a victim of domestic violence to domestic violence shelters. The website must also contain continuously updated information concerning the availability of services and space in domestic violence shelters across the U.S. This new program is conditioned upon appropriations for the domestic violence hotline exceeding $3 million. The Senate bill, but not the House amendment, increases the authorization for the domestic violence hotline from $2 million to $4 million. The domestic violence hotline is currently funded at $2.6 million.

The conference agreement follows the intent of the Senate bill with modifications. The agreement would not create a new program. The agreement requires that once appropriations for the domestic violence hotline exceed $3 million, grants shall be made for startup and operational costs associated with establishing a highly secure Internet website available to the hotline and to shelters. The website shall serve as a database of information describing the services available to victims of domestic violence, including medical and mental health services, social services, transportation, services for children (including children who witness domestic violence) and other relevant services; domestic violence shelters available; and services provided by participating shelters. The authorization for the domestic violence hotline is $3.5 million. As a result of recent significant authorization and appropriation increases occurring since the committee's last consideration of this act, the conferees believe an authorization level of $3.5 million will sustain the services provided as a part of the domestic violence hotline during the current five year authorization without the need for intervening authorization.

From the Committee on Education and the Workforce, for consideration of the Senate bill and the House amendment, and modifications committed to conference:

JOHN BOEHNER,
PETER HOEKSTRA,
JON PORTER,
JAMES GREENWOOD,
CHARLIE NORWOOD,
PHIL GINGREY,
MAX BURNS,
GEORGE MILLER,
RUBÉN HINOJOSA,
SUSAN A. DAVIS,
TIM RYAN,
DANNY K. DAVIS,
Managers on the Part of the House.

JUDD GREGG,
LAMAR ALEXANDER,
MIKE DEWINE,
EDWARD M. KENNEDY,
CHRIS DODD,
Managers on the Part of the Senate.

RELATING TO CONSIDERATION OF SENATE AMENDMENTS TO H.R. 1308, TAX RELIEF, SIMPLIFICATION, AND EQUITY ACT OF 2003

Mr. REYNOLDS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 270 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 270

Resolved, That upon adoption of this resolution the bill (H.R. 1308) to amend the Internal Revenue Code of 1986 to end certain abusive tax practices, to provide tax relief and simplification, and for other purposes, with the Senate amendments thereto, be, and the same are hereby, taken from the Speaker's table to the ends that the Senate amendment to the title be, and the same is hereby, agreed to, and the Senate amendment to the text be, and the same is hereby, agreed to with the amendment printed in the report of the Committee on Rules accompanying this resolution.

SEC. 2. It shall be in order for the chairman of the Committee on Ways and Means to move that the House insist on its amendment to the Senate amendment to H.R. 1308, or that the House disagree to any further Senate amendment, and request or agree to a conference with the Senate thereon.

The SPEAKER pro tempore (Mr. GILLMOR). The gentleman from New York (Mr. REYNOLDS) is recognized for 1 hour.

Mr. REYNOLDS. Mr. Speaker, for the purpose 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.

GENERAL LEAVE

Mr. REYNOLDS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Res. 270.

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

There was no objection.

Mr. REYNOLDS. Mr. Speaker, House Resolution 270 is a customary rule relating to the consideration of an amendment to the Senate amendments to H.R. 1308, the Tax Relief, Simplification, and Equity Act of 2003. The rule allows the House to proceed with consideration of legislation providing tax relief to millions of American workers and families.

Upon adoption of this resolution, the House will have agreed to the disposition of the Senate amendments.

Mr. Speaker, when I return to my district each week, my constituents tell me they want me to do two things: create jobs and cut taxes. Thanks to the Economic Growth and Tax Relief Act and the Jobs Growth Tax Relief Act, Congress is doing just that, and taxpayers in my district and all across America now have greater control over more of their hard-earned dollars, providing greater incentive for savings and investment and expanding job opportunities.

Today's legislation is another important step in our ongoing efforts to create greater fairness in the Tax Code for working families. In fact, upon adoption, it will be retitled the All-American Tax Relief Act in recognition of the fact that it puts even more money back into the hands of more Americans.

Mr. Speaker, much of what we are debating today we have debated and supported before. Many of the important measures in H.R. 1308 have passed this body or the other body over the last few years. For instance, the House passed its version of H.R. 1308 by voice vote under suspension in March of this year.

Last week the Senate took up H.R. 1308 with revised and added provisions, including an accelerated increase in the refundability of the child tax credit currently scheduled to take place in 2005.

□ 1530

While the House language contains the same provision, it has the added benefit of ensuring that the child tax credit remains at $1,000 through 2010, unlike the Senate amendment that offers only the $1,000 tax credit during taxable years 2003 and 2004. Simply put, the House language provides more and longer-lasting benefits for families at all income levels. And it does not take it away in just a couple of years.

This bill will eliminate the marriage penalty and the child tax credit even sooner, by raising the phaseout for married couples from $110,000 to $150,000. This is a fundamental issue of fairness. Working men and women should not face a higher tax burden simply because they choose to get married and raise a family.

The House bill is more responsive to more Americans than the other body's version in other ways. It honors the men and women of our Armed Forces with over $800 million in tax relief over 11 years. This includes capital gains tax relief on home sales, tax-free death gratuity payments, and tax-free dependent care assistance for members of the military. Our men and women in uniform protect our country and ensure our security every day and deserve sensible tax relief for their hard work and sacrifice.

Also, the bill will suspend the tax-exempt status of terrorist organizations, a provision that passed both the House and the other body in 2002. In short, Mr. Speaker, this bill will achieve even greater parity and fairness in the Tax Code. That is something I know my constituents and working Americans all over the country want, need, and deserve.

Mr. Speaker, I expect that in the course of this debate, we will hear a great deal about procedural terminology, but this vote is actually quite simple. A ''yes'' vote means greater fairness in the Tax Code and more tax relief for American workers, families, and children. A ''no'' vote stops that relief from moving forward and hurts the very people I know many of my colleagues eagerly want to assist.

I urge my colleagues to join me in voting ''yes'' on the resolution.

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, while this bill purports to give low-income people a tax break, it also gives Members of Congress a tax break. We see that there is an additional tax break for people who earn $150,000 a year. Who earns $150,000 a year? Members of the United States Congress. It is very generous of them in the majority to do that.

Mr. Speaker, let us be clear about what is at stake on the House floor today. At the conclusion of this debate, there will be an important procedural vote known as the previous question. If we defeat it, then the child tax credit bill and the Armed Forces tax assistance bill can become law tomorrow, and military and working families will get immediate relief. Those two bills are here, at the Speaker's table, already passed by the Senate and ready to be signed by the President, but only if Republicans will stand up to their leadership. On the other hand, if Republicans vote for the previous question, then those bills will not become law anytime soon, if at all, and millions of military and working families will not receive immediate tax relief.

To quote President Kennedy: ''To govern is to choose.'' When Republicans vote on the previous question today, Americans will know whether they choose tax relief for working and military families or party loyalty to the House Republican leadership that is blocking it.

Mr. Speaker, since George W. Bush took office, Republicans have successfully enacted their economic plan. It consists of not just one, but two budget-busting tax giveaways for the richest few. I call these bills part I and part II of the Bush Pioneers Enrichment Act because they shower expensive tax breaks on the wealthiest few, people like that small, elite group of rich Bush Pioneers who funded the 2000 Bush campaign.

But where is the country after these Republican tax giveaways? Some 3 million Americans have lost their jobs. And just today the nonpartisan Congressional Budget Office increased this year's deficit projection to $400 billion, the largest single-year deficit in this Nation's history. All in all, Americans are still suffering from the second Bush recession and the third Republican recession in the last 20 years. So I suspect that we will hear a lot of clever Republican rhetoric today. We will hear them swear that this latest Republican tax bill will finally boost the economy. They will claim that they are simply trying to improve on the bipartisan bill which the Senate passed overwhelmingly last week. But as John Adams once said, Mr. Speaker, facts are stubborn things. Even poll-tested Republican rhetoric cannot change those facts.

And the facts today are straightforward. House Republicans are the sole remaining obstacle to immediate tax relief for millions of working and military families who pay taxes. Unless House Republicans stand up to the Republican leadership today, then the families of 12 million children, 1 million of whom live in military families, will not get the immediate tax relief they need and they deserve.

Here is why, Mr. Speaker. When Republicans wrote part II of the Pioneers Enrichment Act last month, they denied the child tax credit to these hard-working, tax-paying families. The reason was simple: so that they could spend even more on tax breaks for the wealthiest few. As a result, millionaires got a tax break of $93,500, which

is just shy of the $100,000 in campaign contributions necessary to qualify as a Bush Pioneer, while millions of military and working families got stiffed. Republicans gave $100,000 in tax breaks to those making $1 million a year, but they call it welfare when Democrats try to give $150 in tax relief to the military families who need it most to feed and clothe their children. This is shameful, Mr. Speaker. And if Republicans are not ashamed, then I am ashamed for them.

Fortunately, the Senate has overwhelmingly passed a bipartisan, fiscally responsible bill to fix this one especially shameful feature of the Bush Pioneers Enrichment Act. And the White House says the President wants to sign it immediately. But many Republicans do not believe these working and military families deserve immediate tax relief, despite the fact that they work hard and pay taxes. So the Republican leadership is using their power to stop the full House from voting on the bipartisan Senate-passed bill which could become law tomorrow.

Specifically, they have brought up their plan as a motion to concur in the Senate amendments with a House amendment, a very boring title. In plain English, that means they are using a parliamentary maneuver to rig the rules to prevent Democrats from offering an alternative, or the motion to recommit that is guaranteed in the House rules. The Republican leadership's rule is so restrictive that it does not allow the House any general debate on the Republicans' $82 billion tax plan. But make no mistake, the Republican leadership's actions on the House floor today will have a very real consequence.

Simply put, they are holding hostage immediate tax relief for 6.5 million working families. They are using this bill to give high-income families a new tax break that is worth nearly six times as much as the tax credit for low-income families. They are taking a $3.5 billion problem that they created and they are using it to spend $82 billion of the Social Security trust fund to drive America even deeper into debt, raising the debt tax on all Americans. All of this, Mr. Speaker, means that this spendthrift House Republican plan will not pass the Senate and everybody knows it. Let me say that again. What we are voting on today will not pass the Senate and everyone knows it. So this is a meaningless gesture that will simply delay for days and weeks and maybe even months the tax relief that the Republicans claim that they want to offer to working families. If the Republican leadership wins today, then millions of working and military families will lose because they will not get the immediate tax relief that they desperately need.

As a result, there is just one question on the floor today: Do you want to give to military and working families at least a fraction of the tax cuts that Republicans have given the millionaires, the Bush Pioneers and others of the wealthy? If the answer is ''no,'' then proudly explain why these hard-working, tax-paying families do not deserve tax relief. But if the answer is ''yes,'' then there is only one way to do it. Stand up to the House Republican leadership and vote against the previous question. If we defeat the previous question, then I will offer an amendment to the rule to allow the House to pass both the bipartisan child tax credit bill and the Armed Forces tax fairness bill, both of which are here at the Speaker's table and both of which have already passed the Senate.

As I said before, Mr. Speaker, those are the facts; and that is the choice House Republicans face today.

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

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

In listening to the ranking member's remarks, I would first say, to my recollection of the law, no Member of Congress would be eligible for this program. Number two, I want at least the voters of my district and the people of New York to know that while we have listened to class warfare and tax cuts, I know those New Yorkers that make $100,000 in their income, or even as much as $150,000, if you are a fireman or you are a cop, you are a teacher, you are a salesman and work in a store, I know you are not rich. I know you are middle America. And I know that as we look at fair tax relief, it is not just helping the poor or the class warfare message of the rich. We are trying to make sure we take care of the middle class, and we know that $150,000 combined income could be a middle-class income.

Mr. Speaker, I yield 2½ minutes to the gentleman from Illinois (Mr. WELLER).

Mr. WELLER. Mr. Speaker, it is always interesting to hear the rhetoric of some of my friends on the other side of the aisle. Let me tell you something. Here is the news. The All-American Tax Relief Act provides immediate tax relief for working families and for our military. Immediate tax relief. It does it in a number of ways. A tremendous benefit to working and military families. In fact, not only do we recognize that we increase the child tax credit in the legislation the President signed a few weeks ago from $500 to $1,000 but we extend that through the end of the decade. Our friends on the other side of the aisle would like to see it sunset in a couple of years and drop back to $700.

I would also note that we eliminate the marriage tax penalty in the child tax credit. One of the great successes of the Republican majority is we have targeted and worked to eliminate the marriage tax penalty; but in the child tax credit, it still exists. If you make $75,000 as a single person, you can claim the full child tax credit. But you can only claim the full child tax credit as a married couple if you make up to $110,000. That is not right. Those who are joint filers, men and women who happen to be married who are both in the workforce, if you want to eliminate the marriage tax penalty and treat them equally and fairly, you should allow a married couple to earn twice as much as a single and still be able to qualify for that credit without being punished for being married. That is why we raise the eligibility level to $150,000. It is a single 75, and then we double it for a married couple to 150. That is policeman and a teacher in the south suburbs of Chicago. Some would say they do not deserve that child tax credit, but they have earned it and we, of course, want to assure that we will bring fairness by eliminating the marriage tax penalty.

We also accelerate the increase in the refundable tax credit, a point that my Democratic friends say we need to do. What they omit is it is already law. All this legislation does is move it up to this year. That acceleration for low-income families was to be phased in over the next couple of years. We make it effective immediately, this year. Not only do we accelerate the increase in the refundable child tax credit but we bring up an issue which is so important. Remember the men and women who went to Iraq? Remember those men and women who fought so valiantly and liberated the 28 million people who were oppressed under Saddam Hussein? This House passed tax relief specifically targeted to help them. Unfortunately, that has yet to become law. We on the Republican side of the aisle feel it is time to take care of those military men and women who fought in Iraq and that is why we combine this child tax credit with the legislation which provides tax relief and enhances tax fairness for members of our United States Armed Forces.

Ladies and gentlemen, this is legislation that deserves bipartisan support. I ask for that kind of vote.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi (Mr. TAYLOR), one of the most conservative Members on the Democratic side.

Mr. TAYLOR of Mississippi. Mr. Speaker, I cannot begin to say how hypocritical I think it is that a bill that purports to be for tax relief for children would burden our children with $80 billion worth of new debt to solve a $3 billion problem. There is a lot of inconsistency and, of course, there is a much stronger word than that.

On March 17, 1994, I believe it was right there, then-Member Hastert stood on this floor and said clearly, ''Until our monstrous $4.3 trillion Federal debt is eliminated, interest payments will continue to eat away at the important initiatives which the government must fund.

□ 1545

I will not stand by and watch Congress recklessly squander the future of our children and grandchildren.'' That was Speaker HASTERT.

The same day he said, ''In light of Congress' exhibited inability to control spending and vote for fiscal responsibility, it is imperative that we have a balanced budget amendment to compel Congress to end its siege on our financial future.''

The Speaker has now been Speaker for 1,622 days and has yet to have scheduled a vote on a balanced budget amendment. But I can tell you what happened in the 2 years and 3 weeks since the passage of the Bush budget spending increases and the Bush budget deficit decreases. We are now $914 billion dollars deeper in debt.

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

Mr. TAYLOR of Mississippi. I yield to the gentleman from Texas.

Mr. STENHOLM. Under House rules, I would like to have our colleagues help us. How much debt did the gentleman say we have accumulated since the budget first passed on May 9? Is it $914?

Mr. TAYLOR of Mississippi. Mr. Speaker, reclaiming my time, no, under Speaker HASTERT's tutelage for the past 2 years, we have added not $914 dollars of debt. In fact, under the rules of the House, I am going to ask my colleagues to step to their right, because we are going to need four more of our colleagues to come forward.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GILLMOR). The gentleman will suspend.

The Chair notices that we have a number of Members entering the well. The Chair has responsibility under clause 2 of rule I to preserve proper decorum in the proceedings of the House, and the Chair is constrained to distinguish between an exhibit, which a Member may employ for the edification of his colleagues, and an exhibition.

Although a Member may supplement ordinary oratory with a visual aid, he may not stage an exhibition, nor should other Members traffic the well.

PARLIAMENTARY INQUIRIES

Mr. FROST. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. FROST. Mr. Speaker, what rule are you stating?

The SPEAKER pro tempore. Clause 2 of rule I.

Mr. FROST. Mr. Speaker, would the Chair be kind enough to read the provision, because I have never heard of this ruling given from the Chair before. I would be very grateful if the Chair could read it to the House.

The SPEAKER pro tempore. To the knowledge of the Chair, we have not had an exhibition such as this before.

Mr. FROST. Do we have the rules book handy?

The SPEAKER pro tempore. The relevant provision is, ''The Speaker shall preserve order and decorum and, in the case of disturbance or disorderly conduct in the galleries or in the lobby, may cause the same to be cleared.''

The Chair has ruled that while an exhibit is quite acceptable, an exhibition such as being conducted at the current time is in violation of the rules, in the opinion of the Chair.

Mr. TAYLOR of Mississippi. Mr. Speaker, I have a parliamentary inquiry.

Mr. FROST. Mr. Speaker, further parliamentary inquiry.

The SPEAKER pro tempore. The gentlemen will suspend.

The Chair also would observe that while one Member is addressing the House, other Members should not traffic the well, as is happening.

Mr. FROST. Mr. Speaker, I just want to be clear. So what the gentleman is saying is the Members who are standing in the well right now——

The SPEAKER pro tempore. Who are trafficking the well.

Mr. FROST. The ones who are in the well with 914878724867, they are out of order for advising the country what the size of the debt is?

The SPEAKER pro tempore. In the opinion of the Chair, it has a tendency to impair the decorum of the House.

Mr. HOYER. Mr. Speaker, I have a parliamentary observation.

The SPEAKER pro tempore. Does the gentleman from Mississippi (Mr. TAYLOR) yield for a parliamentary inquiry?

Mr. TAYLOR of Mississippi. Well, you have not recognized me for mine, so I might as well.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. HOYER. Mr. Speaker, I would make a parliamentary observation. If we keep raising the debt as fast as we are raising it——

The SPEAKER pro tempore. The gentleman is not stating a parliamentary inquiry.

Mr. HOYER. Well, I am, because it will be a moot point, because there will not be enough room in the Chamber to make the display.

Mr. FROST. Mr. Speaker, further parliamentary inquiry. I have to ask, because I am a little confused, I will not refer directly to the Members at this point, but I am confused, Mr. Speaker, because the rule, I have my rule book, it says, ''The Speaker shall preserve order and decorum, and in the case of disturbances or disorderly conduct in the galleries or in the lobby, may cause the same to be cleared.''

This seems to relate to decorum in the galleries or in the lobby. I do not read the rule to relate to matters on the floor of the House.

The SPEAKER pro tempore. Clause 2 of rule I applies to the proceedings of the House.

Mr. TAYLOR of Mississippi. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. TAYLOR of Mississippi. Mr. Speaker, if an elected Representative of the people of the United States, who represents about 700,000 American citizens, wishes to make his colleagues aware of the growth of the national debt in just 2 years and 2 weeks, without creating——

The SPEAKER pro tempore. Is the gentleman stating a parliamentary inquiry or engaging in debate? The Chair is open to parliamentary inquiry.

Mr. TAYLOR of Mississippi. I am continuing, sir.

The SPEAKER pro tempore. Proceed.

Mr. TAYLOR of Mississippi. And if 16 of his colleagues, also elected, wished to make the Chair aware, in a very orderly manner, and to make our colleagues aware of the growth of the debt in a very orderly manner, I would like you to cite which section of the House rules, which, by the way you waive on a daily basis at your discretion, are being violated?

The SPEAKER pro tempore. The Chair would state that a Member may use an exhibit when that Member is under recognition, but other Members, who are not under recognition, may not separately display exhibits.

The Chair at this point would ask that the Members clear the well.

Mr. TAYLOR of Mississippi. Mr. Speaker, I wish to continue at this time. How much time do I have remaining, sir?

The SPEAKER pro tempore. The gentleman from Mississippi has 45 seconds remaining.

Mr. TAYLOR of Mississippi. Mr. Speaker, I would like to speak with deep regret at the continued efforts of the majority to hide from the American people the true nature of the deficit that they have employed; that they have increased more debt in 2 years than in the first 200 years of our Nation. Their answer to that debt is $80 billion of more debt.

I do not think you should dare call yourself fiscal conservatives. I think what you should call yourself are the seeds of destruction for the greatest Nation this world has ever known.

Mr. REYNOLDS. Mr. Speaker, I am pleased to yield 5 minutes to the gentleman from California (Mr. DREIER), the distinguished chairman of the Committee on Rules.

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

Mr. DREIER. Mr. Speaker, following that fascinating display, I would like to rise and indicate that as the economic downturn began during the last 2 quarters of 2000, we worked very hard to ensure that we could put into place policies that will encourage economic growth that will once again get us back on the path of a balanced budget.

Now, we all know that the challenges with which we have had to deal stem from not only the economic downturn that began during the last 2 quarters of the year 2000, but also September 11, the war with Iraq, and I am proud that we were able to stand together in a bipartisan way, Democrats and Republicans, to stand up to the threat of international terrorism and the repression that Saddam Hussein was imposing.

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

Mr. DREIER. I yield to my dear friend, the gentleman from Georgia, a member of the Committee on Appropriations.

Mr. KINGSTON. Mr. Speaker, is it not true that the Democrats did not pass a budget last year, and during the period of time after 9/11 when we were trying to fund the troops and the war on terrorism, homeland and internationally, that the Democrats on the Committee on Appropriations, bill after bill, insisted on more spending, and in fact offered amendments on every appropriations subcommittee to increase spending; and now they are coming out here as fiscal conservatives. It seems there is a little tap dance going on that is difficult to follow.

Mr. DREIER. Mr. Speaker, reclaiming my time, it is fascinating. I know when the gentleman from Texas (Mr. FROST) yielded to the gentleman from Mississippi (Mr. TAYLOR) he talked about the fact that he is one of the most conservative Democrats in the House. But clearly if you look at the pattern that we have gone through for decades and decades, it clearly has not been Democrats who have stood forward as the great champions of fiscal responsibility. It is wonderful to see them join us now as we work towards encouraging economic growth so that we can get back onto this course of balancing the budget.

I would like to take just a few moments, if I might, Mr. Speaker, to talk about some substantive issues here.

My friend the gentleman from Dallas (Mr. FROST), the ranking minority member of our Committee on Rules, has talked about the fact that he knows exactly what the other body is going to do. I do not. I do not know what the Senate is going to do.

But I do know this: We passed $726 billion in tax cuts with the budget that we put into place, and we know that action was taken over in the other body that imposed a limit of $350 billion. But I think it is wrong for the United States House of Representatives, the people's House, the one that has every Representative here on behalf of the between 600,000 and 700,000 Americans, simply kowtow to action over there.

I think we have a responsibility to do everything that we can to take action, and let me say that I believe we need to do everything that we can to stand up for what it was that we did in our budget, to try and ensure that the American people can keep more of their own hard-earned dollars and to put into place tax policies which will encourage economic growth. That is exactly what we are doing here today.

Now, we heard in our Committee on Rules yesterday and we have heard here on the floor that somehow the President of the United States has made a determination as to exactly what he wants to do.

I have here, Mr. Speaker, a copy of the Statement of Administration Policy. That is the statement of the President of the United States. Contrary to some of the arguments put forward by my Democratic colleagues, this is what the statement of administration policy says:

''The Administration supports passage of H.R. 1308, the All-American Tax Relief Act of 2003, and urges the House and Senate to quickly resolve their differences.''

The administration understands the bicameral process that takes place here. For some reason, our colleagues on the other side of the aisle want to just buckle under, and not realize that we can do even better than what was done in the other body.

That is what we are striving to do. We are striving to get this economy growing. We have already seen very positive signs from what has taken place with passage of the Jobs and Growth Act. We have seen positive signs with the Dow above 9200. That has taken place since we have passed this legislation.

We have indicators out there that we can get this thing growing to the point where we will be able to generate the revenue that we need to deal with the very important prescription drug program, which we are working on right now as part of Medicare reform, education priorities, transportation issues which we were addressing earlier.

This measure today is a very important part of that, and, Mr. Speaker, I urge my colleagues to support this package.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Georgia (Mr. SCOTT), one of our very respected new members.

Mr. SCOTT of Georgia. Mr. Speaker, I am one of the few Democrats that joined my colleagues on the other side to vote for the President's tax cut on the last time, largely because my voters in Georgia felt it would be good for them if we were able to get some badly needed dollars back to our State.

But this is a different story, and I think we ought to recognize why the American people have us here in the first place at this time.

□ 1600

It is not to come back for another tax cut. It is to address an omission, a very serious omission from the first tax cut, and that is to correct that by bringing a clean, crisp bill that pointedly addresses bringing the child tax credit to those working families at the lower-income levels. That is what we are about to do here. I think it is a sham.

Unfortunately, I think it is disrespectful for our Republican friends to do this, and they know full well that what they are doing with this measure is nothing but to delay and certainly, quite possibly, kill any tax credit. That is why I come and urge all of my colleagues to vote against this rule. Let us follow President Bush's lead. Let us get a clean-cut bill, and let us pass it so that he can sign it this weekend and give the Nation's families and poor people an opportunity to have an outstanding Father's Day gift.

I come down here as one of the few Democrats who voted for the President's tax cut because it was a good plan for my Georgia constituents, but it has one problem. It did not provide child tax credits for many working families.

Fortunately, this is an easy problem to fix. The Senate overwhelmingly passed a clean child tax credit which the President has said that he would sign into law. If we passed the Senate child tax credit, it could be on the President's desk before this weekend. President Bush is right about this. He's asked us to pass the Senate Bill with just the 10 billion for the child tax credit for lower income families, so we can get the checks in the mail immediately. By next month at the same time higher income Americans get theirs.

The Republican measure now before us will not do that. It will only guarantee that working families would not get child tax credits anytime soon if at all. By tying on the 82 billion additional tax cuts we would guarantee that the Senate would reject the bill. This is a sham.

Let's vote against this rule so that we can get a clean child tax credit before us today. You would then have my vote and an overwhelming majority of the House and a certain signature by President Bush.

I stand with President Bush on this. Let's stand together and do the right thing, pass a clean child tax credit and help working families immediately. Get it to President Bush so he can sign it, give our nation's working families in lower brackets the relief they need and a wonderful Father's Day gift this weekend.

Let's treat the lower income working families with the respect they deserve. Give them the tax credit immediately—now.

Mr. REYNOLDS. Mr. Speaker, I yield 2½ minutes to the gentleman from Georgia (Mr. KINGSTON).

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

I want to say, first of all, this door is wide open on the Republican side of the House. If the Democrats want to join us in holding the line on appropriations spending, we welcome you. If you want to join us in cracking down on waste, fraud, and abuse in government, we welcome you. If you want to join us in eliminating some duplication in government programs, we welcome you. And I hope that the Blue Dogs will work with us and anybody else over there who will.

On this issue, which is one of expanding welfare, we are trying to work with you. You know you voted against welfare reform, and you know it worked. There were 14 million people on welfare when we passed welfare reform. President Clinton signed it. So we can claim bipartisanship, even though the majority of the House Democrats voted against it. Welfare reform has been a success. Nine million people are not on welfare that used to be on welfare.

Now we still have 5 million; that is too many people. It may be your way

of giving them an additional benefit, and maybe this is a good idea. It is not a tax rebate because you do not get a rebate on a tax that you do not pay. I know a lot of my colleagues will say, well, they do pay sales tax and so forth; that is true, but that is disingenuous on your part. As my colleagues know, we are talking about income taxes, and those folks do not pay income taxes.

Now, that being the case, and I will yield to my friend from Texas; that being the case, let me say this. There is a guy out there, as the gentleman from Illinois (Mr. WELLER) said, he is a policeman, his wife is a teacher. He shops at Wal-Mart for Christmas. He goes to Home Depot on Saturdays to pick up a hammer and some two-by-fours to do a little home repair. When his car needs tires, he goes out and gets three different quotes for them. He owes on his house. He owes on one of his cars. The other car is paid for because it is 8 years old. He scrimps, he saves to get his kids into college. His son goes off to war. They are the first in standing up for the country.

It is very difficult for that guy to get any tax credit because he falls through the cracks in this country. The combined income is $125,000. This gives him eligibility for that $1,000 tax credit. And I am a believer that the more money we put in his pocket, the more money he is going to spend on the economy. When he spends, small businesses expand. When they expand, more jobs are created, more jobs are created, and less people are on public assistance, more people go to work, more people are paying into the system rather than taking out of it. I believe that tax reductions actually increase revenues. They are good for jobs; they are good for the economy. That is why I am going to support this.

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

Mr. KINGSTON. Mr. Speaker, if I have time remaining for my friend, the gentleman from Texas (Mr. STENHOLM), I yield.

Mr. STENHOLM. Mr. Speaker, you look at this chart, the bill we have before us today; this is the problem you are fixing. This is the interest.

The SPEAKER pro tempore (Mr. GILLMOR). The time of the gentleman from Georgia (Mr. KINGSTON) has expired.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. MCGOVERN).

Mr. MCGOVERN. Mr. Speaker, as the majority leader said just the other day, ''Well, well, well.''

Mr. Speaker, the majority does not want to be here today. They do not want to talk about the child tax credit. They wanted this whole issue to simply disappear. To many on the other side, as we have already heard, the child tax credit is just another form of welfare. If it were up to them, they would be cutting Ken Lay's taxes, again, instead of giving a soldier in Iraq who makes only $16,000 a year a small tax credit.

But we on this side of the aisle and the American people refuse to let this issue go. And I do not know whether it is shame or exasperation, but the other side has finally agreed to discuss the child tax credit. Well, sort of.

The sensible, responsible thing to do would be to bring up and pass a very good bill that passed the Senate last week by a bipartisan vote of 94 to 2, a bill that is fully paid for with offsets. But the Republican leadership rarely misses the opportunity to be insensible and irresponsible. That leadership knows very well that the Senate-passed bill would become law in a snap, because Members on both sides of the aisle would vote for it, and even the President supports it.

Instead, the majority leader and the gentleman from California (Mr. THOMAS) have brought us a bill that costs $82 billion. And, get this: there are no offsets. It is not paid for. The Republican leadership simply wants to saddle our children and our grandchildren with ever-increasing debt. How do they justify that?

If this bill stands as it is, it will help bankrupt our children, including the 12 million low- and moderate-income children the Republicans first ignored by deleting the child tax credit from the last tax bill. They are so ashamed of their strategy that not one Republican came to the Committee on Rules to testify on behalf of this $82 billion bill. Not one Republican.

They refuse to allow us to vote on the Senate-passed bill, a bill that passed 94 to 2. This process is undemocratic, it is irresponsible, it is outrageous; and it ought to be stopped.

Mr. Speaker, I urge my Republican colleagues to put a stop to this. Do the right thing. Do the right thing. Let us vote on a sensible, bipartisan child tax credit. Vote ''no'' on the previous question.

Mr. REYNOLDS. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama (Mr. BACHUS), my friend.

Mr. BACHUS. Mr. Speaker, whatever we do here today, let us be honest with the American people. Now, the gentleman from Massachusetts kept talking about the child tax credit. It is not a tax refund; it is not a tax credit. If we are going to do it, let us call it what it is, and it is welfare.

When you get back money you have paid in, when we give the American people money they have paid in, that is a tax refund. That is a tax credit. When we take money away from some American taxpayers and we give it to someone else, that is not a tax credit. That is not a refund. That is welfare. And that is what you have proposed to do. If an American pays in $1,500 and we give them back $4,000, that $2,500 is not a refund; it is not a credit. It is someone else's money. And if we want to turn our Tax Code into a welfare system, let us be honest with the American people that that is what we are doing. That is what we are doing.

Why represent this as a credit? Where is the credit? You pay in $1,500, you get back $3,000; $1,500 is a credit, but the other $1,500 is someone else's money.

Today, of 100 American families, 50 of them paid 96.1 percent of the taxes before the last tax cut, and in the last tax cut, we gave Americans back their own money. And what the Democrats have proposed is taking Americans' money, your money, America, and we are giving it to someone else, and that is not a tax credit. That is welfare. Let us be honest with the American people. We are turning our Tax Code into a welfare system. And if we want to do that, let us call it what it is. Let us have a little truth in labeling. We are requiring 86 percent of the American people to pay their tax dollars to someone else, and that is welfare.

Mr. FROST. Mr. Speaker, I do not have any additional time, but I wish I had time to question the last speaker.

Mr. Speaker, I yield 1 minute to the gentleman from South Carolina (Mr. SPRATT).

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

Mr. SPRATT. Mr. Speaker, in 1 minute I want to tell you why this bill, compared to the Senate bill, taxes could be raised, could be raised on enlisted men and women serving in Iraq by as much as $1,000 per child. It is a fact, a shocking fact about this bill.

Let us take an E6, a sergeant, making $29,000. You have to make more than $10,500 in order to qualify for the child tax credit. That leaves him if he is state-side $18,500 times the 15 percent, two child tax credits for his two children.

But let us assume now he goes to Iraq and let us assume he stays 8 months. That means $18,500 of his income, because he is in a combat zone, will not be subject to taxation. It is not taxable income. Therefore, his taxable income is only $9,500. What happens? By going to Iraq, by serving his country for 8 months in a combat zone, his family loses both of the child tax credits.

This is not necessary. The Senate bill worked it out. It was deliberately deleted from the Senate bill, for what reasons I would certainly like the other side to explain.

Let me tell my colleagues one other thing. At this desk is a military tax fairness bill passed by the other body. If we really want to do something for the military, call it up. Because in every respect, the bill at the desk is more liberal, more beneficial to our service men and women. I hope you will answer the charges I have just made, rather than supporting the provisions included in this bill. This is an outrage.

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

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

Ms. DELAURO. Mr. Speaker, to hear the Republicans tell it, you might think that they were bringing this bill

to the floor to extend the child tax credit to the families of 12 million children. One might think that they believe that 6.5 million families, including more than 200,000 military families, deserve the child tax credit.

Where were they when they stole, when the Republicans stole the child tax credit in the dead of night from these hard-working families? For that matter, where were they when I offered an amendment back in March in the Committee on the Budget to extend this credit to those families and they all voted ''no,'' families who earn between $10,500 and $26,625. Yes, they pay taxes: payroll taxes, sales taxes, property taxes, excise taxes. Where was the compassion from my Republican colleagues when these families needed them? It was the Republican majority leader not 2 days ago who said he had more important things to do.

I will tell my colleagues where that compassion was. It was with Enron and all of the corporations who avoid paying taxes by relocating overseas and taking American jobs with them. You want to talk about welfare? That is welfare on a grand scale. Enron paid no taxes the last 4 out of 5 years, a disgrace; and they just ate away and took away people's pensions, and nobody in this House on the other side of the aisle is willing to do anything about that.

Now the Republicans hold hostage responsible legislation, overwhelmingly passed in the other body 94 to 2. And why? Because they want to use these families as a bargaining chip in their endless, endless quest to cut taxes for only the wealthiest Americans, driving our country deeper and deeper in debt.

Let us consider the other body's legislation. The White House wants to do it. Today the Republicans bring to the floor this irresponsible $82 billion bill. It is cynical, and it is designed to fail in the other body and to prevent these families from receiving the tax relief that they need. And to see more cynicism about this, most families are going to receive their tax credit on July 1.

Mr. Speaker, these families, these families, military families as well, have got to claim the tax credit next April. They cannot get it now when everyone else is going to. They do not deserve this. They are hard-working. They pay taxes. Let us give them a chance. Pass an honest child tax credit bill.

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

Sometimes we get lost here a little bit about the result of the 2003 tax cuts. In 2003, 91 million taxpayers will receive on average a tax cut of $1,126 under the Jobs and Growth Act of 2003. Sixty-eight million women will see their taxes decline on average by $1,338. Forty-five million married couples will receive an average tax cut of $1,786. Thirty-four million families with children will benefit from an average tax cut of $1,549, and 6 million single women with children will receive an average tax cut of $558. Twelve million elderly taxpayers will receive an average tax cut of $1,401. Twenty-three million small business owners will receive tax cuts averaging $2,209, and 3 million individuals and families will have their income tax liability completely eliminated by this act.

□ 1615

Now, today, we are going to do even more, because unlike some of the debate here, let us not kid ourselves, the other body sent a bill that does something for us from now until next election. That is 2004. That is when the child tax credit ends.

This bill today, when we vote it up or down, it is going to go to 2010. A $1,000 child tax credit is scheduled to sunset in 2005. It will gradually increase back to $1,000 in 2010. In this bill, it puts it up right up front, now to 2010, a $1,000 tax credit. It eliminates the marriage penalty on the child credit. It accelerates the increase to the refundable child credit. It provides tax relief and enhances tax fairness for members of the Armed Forces. It suspends the tax-exempt status of designated terrorist organizations. It provides tax relief for astronauts who die in space missions.

We are getting the job done, Mr. Speaker. America knows it.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. RANGEL), the distinguished ranking member.

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

Mr. RANGEL. Mr. Speaker, we should thank the heavens that we have got such an honest person like the gentleman from Texas (Mr. DELAY). They do not make people like that anymore.

The gentleman from Georgia who spoke so eloquently about the welfare bill that we are talking about today, and those who made these nasty, disparaging remarks and left the floor, this is honesty. This is the United States of America.

I wondered why, why would these good people, albeit Republicans, why would they drop a provision that only costs $3.5 billion that would help 12 million kids and 6.5 million working families? It is because in their minds if one is not an investor, one is on welfare.

Do we get where they are finally coming from? Have Members listened to the debate? They said refundable tax credits. That is not a tax credit. You can work every day, you can pay Social Security taxes, you can pay Medicare, you can raise your family, you can join the Army, you can fight in Iraq. But guess what, look into the Republican book and see how you are listed. As a hardworking American, as a mother and father concerned about their children, someone struggling every day to make ends meet, to pay the rent, to pay the mortgage, to pay the tuition? No. Look under welfare.

Then, of course, if we really want to find out who they think deserves tax relief, look at the hardworking people who get their dividends every day while they are at the clubhouse. Look at those that clip the coupons. These are the people, as they would say, who pay taxes; and they are the ones who get relief.

But when they said that they will never, never, never give welfare to these families, the President of the United States said, enough is enough. We got a bipartisan agreement. True, it is $10 billion. Swallow it, go home. But they said, no, no. No welfare.

Let us give them an offer that they have to refuse. For $3.5 billion, they are asking this hardworking family to pay back, for this, $82 billion. I do not know how this would work, whether the family gets $100 a year. But I do know one thing, that this deficit that they keep building on day after day, month after month, and the gentleman from Texas (Mr. DELAY) said they will be coming back, but each time they borrow money to give tax cuts to the coupon-clippers and those who get the dividends, they are asking the kids and the grandkids that we are trying to help today to pay for it. But $82 billion for $3.5 billion? That is so shameful.

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

Mr. Speaker, the gentleman and I were not here when some of the tax-and-spend left kept spending us through an oblivion of deficits. We were here after 9–11 when we faced terrible tragedy in our country which has caused us to address the war on terrorism, to rebuild our cities, to address some of the complications of an economy that has slowed down.

I do not mind that the debate that America hears is whether we have a bigger central government that spends more of their money on programs that the government figures out; or whether the economy began moving because middle America and the poor of America had more money in their pockets to make their decisions what they wanted to do with that money, whether they wanted to pay off a consumer loan, whether they wanted to pay tuition, whether they wanted to use it just to help have some opportunity for their child, their mother, or father.

The decision that voters are going to make down the road is whether they want a smaller government that allows people to make more decisions on their hard-earned money, money out of their pocket; or whether they need more money in the downtown central government in Washington, D.C., or some government bureaucrat trying to figure out some way to help them out.

I am going to tell the Members, we have started on a tax cut. I read earlier the millions of Americans who are going to benefit across the board. We are now in a situation where we are going to watch.

Some of my colleagues on the other side of the aisle had every nay and say

about what is going to happen with the economy. I do not know, they do not know. But by 2004, in that fourth quarter, we are going to find out whether the economy of consumer goods began moving, confidence of investors began moving, and whether America started to see a resolve from a terrible tragedy of 9–11; to see, as the gentleman from California (Chairman DREIER) said, in the third and fourth quarters of 2000 when it slowed down, if it moved.

If it does move, there are going to be more Republicans on this side of the aisle; if it does not, maybe there will be a little less. But the conviction of the majority is, people have an opportunity and a right to have more money in their pockets for them to decide how to spend it, not Washington.

The only proven way to restrict government spending is to reduce revenues. Tightening the purse strings but providing much-needed tax relief is the only way to get money back in the hands of hardworking Americans and out of Washington.

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

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Washington (Mr. MCDERMOTT).

Mr. MCDERMOTT. Mr. Speaker, the rubber-stamp Congress is in session. Last night, they came up to the Committee on Rules. Nobody even bothered to come up and talk about the bill. They had an order from the President. Ari Fleischer said, the President says, pass it so he can sign it. So they had the little meeting up there and rifled it down here, with no hearings in the Committee on Ways and Means, not one single minute of debate in a hearing where we could listen to anybody give any opinion about what this bill does. But all of them came with their rubber stamps.

Let me tell the Members, if they go for what they put out there, the chairman has put out there, the President is going to be real mad, because the President does not like that bill. He likes the one that the Senate passed. So hold rubber stamps on the one for the gentleman from California (Mr. THOMAS) and save it for the one for the President.

All he asks Members to do is to approve; to say, I approve everything George Bush wants. That is what this Congress is about. They do not want any debate. They do not want to talk about how much this debt builds up or anything else; they simply want to be rubber stamps for the President. Boom.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. MENENDEZ).

Mr. MENENDEZ. Mr. Speaker, I rise in strong opposition to this unfair and undemocratic rule and proposal.

Only in Washington would the Republican tax cuts just signed into law by the President come at the expense of working families.

Only in Washington would Republicans borrow money to pay for that Republican tax package while failing to include child care tax credits for the working families whose very children will be forced to pay for the Republicans' fiscal irresponsibility.

Only in Washington would the Republican tax package leave one in five children of active duty U.S. military families out from benefiting from the increased tax credit while their parents are off risking their lives in Iraq, Afghanistan, or elsewhere for their Nation.

Only in Washington would Republicans then propose an $82 billion tax bill, adding another $100 billion to the national debt to fix a $3.5 billion problem.

If we repeal every sunset in their tax bill, which is what we are beginning to do here, we will have $400 billion in annual deficits. That is not what we want to do to the very children we are trying to help in this bill.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. LEVIN).

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

Mr. LEVIN. Mr. Speaker, there are two bills at the desk. They are right next to the podium there, H.R. 1307 and H.R. 1308. They are right there. The question to the gentleman from New York (Mr. REYNOLDS) and his leadership is, why not take those two bills, pass them today, and have them signed by the President? That is the question.

Well, someone comes here, the gentleman from California (Mr. DREIER), and reads a statement from the President. Oh, but just a few days ago his spokesperson said, he, the President, believes what the Senate has done is the right thing to do, a good thing to do, and he wants to sign it. Instead, they want to do something else.

The gentleman from Texas (Mr. DELAY) has maybe made clear, he said, as mentioned earlier, that there are a lot of things more important to do. Then a little later he says, to me it is a little difficult to give tax relief to people who do not pay income tax, though they pay all other kinds of taxes. So what they are doing is a bill with a huge, huge addition to the deficit. Maybe they hope that they will kill this bill when it goes over to the Senate.

There is a kind of legislative machoism going on here: we are going to show the Senate, at the cost of the people of this country. They are making wimps out of some Republicans who would like to vote the right way by tying this into a rule. They are making the President issue a statement that contradicts what was said on his behalf just a few days ago. Most importantly of all, what they are saying once again is, deficits be damned. Pile them up. Pile them up. Pile them up.

What I say is take these bills, let us pass them today, and get on with our work for the children of the United States of America.

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

Mr. Speaker, only a week ago I do not think the gentleman was advocating any tax cuts. But I just want to remind our colleagues that are both here and throughout the offices that in fiscal year 2004, in the adopted budget resolution, language was included for the first time limiting the amount of revenue reductions in the Senate to a deficit impact of $350 billion.

The House articulated its clear reservations to this maneuver because all revenue measures must originate in the House; we retained our right to develop more measures to reduce the tax burden on the American people.

So the options for the Committee on Rules, they could, one, accept the Senate proposals as a whole imposing offset requirements; two, call up an entirely new House bill, starting the process anew, with likely substitutes, in essence dragging out the process that would take the ability to move, and I am not sure whether the gentleman knows for sure we have a quorum tomorrow; and, three, we could stipulate the House prerogative to provide tax relief with a comprehensive proposal that has broad policy support.

Why should the House impose offsets when our own budget made room for a proposal just like this, the one I have outlined that does so much for working families across the country?

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

□ 1630

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. HOYER).

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

Mr. HOYER. Mr. Speaker, the gentleman from New York (Mr. REYNOLDS) talked about averages. Beware of averages.

If the gentleman from New York (Mr. REYNOLDS) gets $100,000 tax cut and I get a zero tax cut, that means the two of us got a $50,000 average tax cut. Beware of Republicans quoting average tax cuts.

The GOP's intransigence is on full display with the self-executing rule on this legislation to allow low-income working American families to benefit from the increase in the child tax credit.

Let there be no mistake: With this rule, the GOP leadership wants to send this legislation into conference committee where it hopes to tie up the bill and watch it die a slow death.

Two days ago, when the chairman of the Committee on Ways and Means, the gentleman from California (Mr. THOMAS) unveiled the House GOP's fiscally irresponsible version of this bill, he had the audacity to say, ''We are not in the business of politics, but rather policy.''

Well, I ask, is the United States Senate playing politics with this issue?

That body passed a responsible bipartisan bill, 94 Senators voting for it, giving relief to 12 million children and 6.5

million families. I ask, is the President of the United States playing politics when he said he would sign the Senate bill and urged us to pass it? And the Democratic Caucus on this side of the aisle, every one of whom is prepared to vote for the bill that the President says he will sign that will give immediate relief to 12 million children and 6.5 million working families.

So we all know who is really playing politics on this issue. And it is not Senate Republicans, Senate Democrats, House Democrats, and President Bush who support the immediate passage of the Senate bill. It is the House Republicans who have proposed an irresponsible, $82 billion bill that is not paid for, that would drive us even deeper into debt and possibly prevent low-income working families from receiving this benefit.

I have said on this floor before, when you did not allow us to offer a substitute, that you did not have the courage of your convictions. I have said on this floor before when you did not allow us to offer amendments, that you did not have the courage of your convictions. Now, you not only do not allow us to offer a substitute, you do not allow us to offer amendments, you do not even have the courage to put your own bill on the floor.

The public probably does not understand that. This is a rule. Not the bill. We are not debating the bill. And, as a matter of fact, the committee whose jurisdiction has this bill is not even on the floor and they have not spoken on this bill. The leadership of the committee has not come forward and said that it is good bill. They have handled it on a procedural matter. Why? To muzzle us and to muzzle their folks who they do not rely on to vote on the substance of this bill, but hope and pray they will get enough of their people on the procedural end of this bill to carry the day. That is unfortunate.

Eighty-two billion dollars of deficit that Americans are going to have to pay for, my children are going to have to pay for, my grandchildren are going to have to pay for; and we do not even have the courage to put the bill on the floor, but this rule ruse is what we are confronted with.

Vote no on the previous question. Vote no on the bill.

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

Mr. Speaker, I do not think there are any rubber stamps in that package.

Mr. Speaker, in this short time, it is 4:34, daylight, we will have an opportunity to have our colleagues come in, and they are going to vote yes and they will do a tax cut that varies on the All-American Tax Relief Act of 2003, or they will vote no and say all those press releases I put out last week wanting to move expeditiously on this, they do not really matter because now it is before us.

Well, it is here. And I must say both the chairman, the gentleman from California (Mr. THOMAS), and others from the Committee on Ways and Means and the Committee on Rules found a solution to meet what seemed to be Republican and Democrats wanting to expedite this bill. And so we took the House resolution with a Senate amendment. The Senate amendment we have disposed with, the House coming back quickly with the amendments to go to the other body. And it is going to be done today. It is not going to be done tomorrow. It is not going to be done next week. We have an opportunity to do it right now.

And while we are listening to all of this, some of them on procedure, I just want to remind the esteemed whip that I think we have been debating the merits of this bill for an hour; and some agree, some do not. Pretty soon we will put it up, 4:35, and take a look at how it ends. But I want to remind my colleagues that this bill, as amended, and sent back to the Senate will increase the child credit for $1,000 for an eligible child through 2010; not for some slick promise of 2003 and 2004, and then it slides back after the next election. It is straightforward, straight up, right until 2010. It eliminates the marriage penalty on child credit. It accelerates the increase in the refundable child credit. It provides tax relief and enhances tax fairness for members of the Armed Forces. It suspends the tax-exempt status of designated terrorist organizations and provides tax relief for astronauts who die on space missions.

Those pieces of legislation, as they were before us or the other body, have been dealt with in the last several months and years by this body or the other body. So when we get done here with this debate, we are going to have an opportunity, yes or no. If you vote yes, you are going to give America that tax cut. If not, you are going to find some way to wrangle out of it with a press release. But what I heard was everybody wanted to get underway and make this happen. The Committee on Ways and Means and the Committee on Rules is giving this honorable body that action today.

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

The SPEAKER pro tempore (Mr. SWEENEY). The Chair will inform Members that the gentleman from New York (Mr. REYNOLDS) has 3½ minutes remaining. The gentleman from Texas (Mr. FROST) has 4 minutes remaining.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. NEAL).

(Mr. NEAL of Massachusetts asked and was given permission to revise and extend his remarks.)

Mr. NEAL of Massachusetts. Mr. Speaker, I would remind the gentleman from New York (Mr. REYNOLDS) here that I am a member of the Committee on Ways and Means, and we did not have any markup. We did not have any opportunity to debate this bill in committee.

We call it the All-American Tax Relief Act. It is red, white and blue. And you say to yourself, who could possibly object? I object. And I object on behalf of those 200,000 military families who are ineligible for this enhanced child tax credit, even though they served honorably in Iraq and Afghanistan and other combat zones. They apparently are not all-American enough to qualify for this bill. That provision is missing from the House All-American Tax Relief Act.

You might have noticed that the refundable tax credit has no revenue impact this year under the House bill but does so under the Senate bill. How could it be that the stars-and-stripes House bill provides no relief this year? That is because the all-American bill rejects the notion that low-income families deserve immediate relief as every other American family will get in the next 6 weeks.

Low-income families must wait for their checks until next year, and, of course, those serving in a combat zone, they can wait forever. Reject this bill. It is unpatriotic.

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

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Alabama (Mr. DAVIS).

Mr. DAVIS of Alabama. Mr. Speaker, one of our esteemed colleagues on the other side of the aisle is very fond of beginning his speeches by saying that nothing underscores more the difference between our two parties than whatever we are debating that day. And I happen to agree with him on this issue, Mr. Speaker.

I have only been here for 4 months, and I have heard a lot of debate in this Chamber, but I say this very candidly: My party would not have reached into the pockets of hardworking Americans to get to a $350 billion cutoff number. My party would not leave veterans out of a package that purports to help people. And my party would not have to depend on a procedural maneuver to get votes to pass a tax credit for working families.

There are very fundamental differences between our parties and they are very much on display today. I urge all of my colleagues in this Chamber to understand that the very people who are steamrolling this particular bill through this Chamber today in the form of a rule vowed to kill it just several days ago. That would be very powerful proof if we had a jury and we had a trial here.

The very people that are pushing this measure today vowed several days ago that it would not be.

Mr. REYNOLDS. Mr. Speaker, if the ranking member would consider, I have one speaker to close. And if he would like to close, then I will do that and yield to the majority leader. If he has more speakers, I will reserve the balance of my time.

Mr. FROST. Mr. Speaker, I have one speaker and then I will close.

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

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

Ms. PELOSI. Mr. Speaker, I thank the gentleman from Texas (Mr. FROST) for yielding me time and for the magnificent way that he has managed this rule today.

Little did we know when we were discussing this issue of an expansion of a tax credit for working families in our country and for the children of our military men and women, that it would be a bill that would be managed by the Committee on Rules. Little did we know that a bill of the magnitude of $82 billion would be something that would be unveiled on Tuesday night, not go to committee for review; when it went to the Committee on Rules yesterday, to not have the leadership, the author of the bill, present to defend it. And now we know why. Because they never intended to have a rule to bring the bill to the floor.

So frightened of debate on this issue are the Republicans, so frightened of the outcome that their own Members could not support this outrage that they are putting forth today, that they had to hide their ill will towards America's children behind a procedural vote to command the loyalty of the Republicans on a procedural vote while they knew they could not hold them on the substance of their bill. But that is the reality of it. And so we have to use the opportunities under this rule, as limited as it is, to point out what is so very, very wrong about what is going on on the floor of the House today.

Let us talk about the children. President Kennedy said that children are our greatest resources and our best hope for the future. A beautiful statement. One I am sure that we would all agree with. He did not say children of those making over a certain level of income in our country are our greatest resources, and if their parents do not serve in the military, they are our best hope for the future. But that is what this rule says today.

We had an opportunity in this body to expand the tax credit for children of working families and of military families by simply calling from the desk the Senate bill. It is right there at the desk. We could take it up by unanimous consent. The distinguished majority leader is here. We could agree to take it up by unanimous consent. It would be passed unanimously. It would be on the President's desk within the hour, signed into law, and all of the children that we are talking about, children of our men and women in uniform, children of families making between $10,000 and $26,000 would get the tax credit expansion this year.

No matter what the Republicans want to say about their proposal, it sabotages that good intention. There is no way with the proposal that they are putting forth, costing $82 billion unpaid for, indebting the same children they purport to care about, indebting those same children to the tune of $82 billion, granting with one hand but not granting to all children, and not granting this year but taking away with the other for a long time to come, burying our children in a mountain of debt heaped onto the debt incurred by their previous tax legislation, and depriving the children of the Federal initiatives to invest in their education, in their health, in their well-being, in their future, and in the future of our country.

The Republicans insist on doing this even though the opportunity that I said earlier exists. And why? One would have to suspect that they do not want to have a tax credit for the children of America's military and the children of working families between the income of $10,000 and $26,000, certainly not this year.

□ 1645

Even though we cannot take up a full consideration of the bill or, heaven forbid, a substitute to it, indeed even the Senate bill which passed 94 to 2, a bipartisan piece of legislation, approved by the President, even though we cannot do it and we cannot have that discussion, it is important to note several facts.

One is the families that we are talking about here, working full time, working full time, many of those families make in a year less than Members of Congress do in 1 month; and yet Members of Congress, their children will receive the expansion of the tax credit this year; but no, no, no, if you make $10,000 to $26,000, I am sorry, children, you are out of luck. The Republicans give new meaning to the biblical phrase, ''Suffer little children.''

The other point to make is about the military. In the military, it is important to note that combat pay does not count toward consideration of the children's tax credit. Under current law, and this is important to note, under current law an E–5 or an E–6 sergeant with 6 years of service and two children would not be entitled to the full tax credit if he is in combat. So the minute that sergeant went to Iraq, if he stayed there for 6 months, his combat pay would not count toward his income for tax purposes, and so his children would not receive the tax credit expansion. This is not corrected in the Republican bill. The Senate bill helps these military families. The House bill does not.

It is important also to know that this legislation really is suspected as one that would kill the expansion of the tax credit. The Senators have said that they will not support the package if it is not paid for. They certainly have made it clear that they are not going to add $82 billion, $82 billion to the deficit, to the debt.

The issue before the House is clear. We can pass a fiscally responsible tax credit bill that helps 12 million children, including 250,000 children from military families, or we can indebt them for future generations. We can invest in our children, or we can indebt them. That is the choice that the Republicans have put before us.

Mr. Speaker, when I referenced the comments of President Kennedy, it was with the hope that we would agree in a bipartisan way in this body that when we say children are our greatest resource and our best hope for the future, that we are talking about all of the children in our country. We all want the best for our children. Many of us are privileged. I have five children, five grandchildren. I want the best for them, but they cannot have the best opportunity unless every child in America has opportunity. The Senate bill would enable that. The House bill does not.

I urge my colleagues to vote ''no'' on the rule and, in doing so, to support the value that we place on our children as our messengers to a future we will never see but that we want them to take forward a message of respect for all children in our country.

Mr. FROST. Mr. Speaker, just to clarify, does the gentleman——

Mr. REYNOLDS. Mr. Speaker, am I to be recognized?

The SPEAKER pro tempore (Mr. SWEENEY). The gentleman from New York (Mr. REYNOLDS) has 3½ minutes remaining. The gentleman from Texas (Mr. FROST) has 1 minute remaining.

Mr. REYNOLDS. Mr. Speaker, I want to know if I can be recognized.

The SPEAKER pro tempore. The gentleman from New York (Mr. REYNOLDS) is recognized.

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

As I listened here, I kind of got the same confusion of when I listened to some of my colleagues on the debate when we just did some tax relief not long ago. Class warfare, this is all for the rich. I reminded my colleagues that I come from kind of a small town in upstate New York, and the debate occurred with my colleague, the gentleman from New York (Mr. RANGEL) from Harlem, and the gentleman from Texas (Mr. FROST), the ranking member of the Committee on Rules from Grand Prairie. None of them are really rich communities, and I cited that the tax bill the House Republicans moved forward on the floor after the adoption of the rule and then later passed took a family of four to make 40,000 bucks in my district and took their tax relief from $1,785 they had to pay down to about $40. I think that is real tax relief. I do not think $40,000 is rich.

When I look at the legislation, I watch the press releases all over America say let us get on with it. We are on with it. Today we are either going to vote ''yes,'' and I think it is going to be bipartisan, we are going to vote ''yes'' and send it to the Senate, or we are going to vote ''no.''

But I want to remind some of my colleagues when we get the light of day on this tax bill that was sent to us by the Senate there a couple of things we might have made an improvement on as House Republicans because my colleagues on the other side of the aisle might argue that the Republican tax

relief plans rob Peter to pay Paul, in other words, tax cuts for the rich. However, the Senate proposed offsets, Customs user fee extensions. I would argue this is robbing Peter to pay Paul because if you are raising taxes on those who actually pay them in order to subsidize tax refunds for those who share in no income tax liability whatsoever, it is fiscally and fundamentally unsound.

The only proven way to restrict government spending is to reduce revenues. Tightening the purse strings by providing much needed tax relief is the only way to get money back to hard-working Americans, no matter how wealthy or poor they are. Get it out of Washington and back in the pockets of American taxpayers.

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

Mr. FROST. Mr. Speaker, I yield myself the remaining time.

Mr. Speaker, Republicans face a choice. They can do the right thing by passing the Senate bill, giving 12 million children and their working families immediate tax relief, or they can do the wrong thing by continuing to explode the deficit with a bill that the other body will never accept.

I urge Members to do the right thing and vote ''no'' on the previous question. Do the right thing for working families. Do the right thing for military families. It is not hard. Just do the right thing. If the Republicans tried it, Mr. Speaker, they might find they actually liked it. Come on in, Democrats say, the water is just fine; the water is warm.

If the previous question is defeated, we will immediately take from the Speaker's table H.R. 1307 and H.R. 1308, the Senate-passed version of the Armed Forces Tax Fairness bill and the child tax credit. This House will pass them unanimously and send them to the President for his signature. This is it. No games, no delay. Just immediate tax relief for working and military families that is completely paid for.

Mr. Speaker, these bills are at the Speaker's table. What is the choice? Do Republicans want to pass the bills, or do they want to kill the bills? Will they ever choose the right thing? Democrats await their answers. Vote ''no'' on the previous question.

Mr. Speaker, I ask unanimous consent that the text of the amendment be printed in the RECORD immediately before the vote on the previous question.

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

There was no objection.

The SPEAKER pro tempore. The gentleman's time has expired.

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

This vote is actually quite simple. A ''yes'' vote means greater fairness in the Tax Code and a mere tax relief for American workers families and children. A ''no'' vote stops that relief from moving forward and hurts the very people I know many of my colleagues eagerly want to assist.

I urge my colleagues to join me in voting ''yes'' on this resolution at the end of the debate.

Mr. Speaker, I am honored to yield 1 minute to the gentleman from Texas (Mr. DELAY), the distinguished majority leader.

Mr. DELAY. Mr. Speaker, this is a big one. This bill really crystallizes the differences between the two parties, and the American people should know exactly what is going on here today.

We are here to answer one question, do you support a $1,000 child tax credit, or do you not support it? This bill that we are debating here today provides $80 billion in tax relief and $77 billion of it extends the life of the child tax credit instead of cutting it off in 2004.

At the end of this vote, the American people will see that the Republican Party believes in helping families through the child tax credit and the Democrat Party does not. The record up to now is very clear. In 2001, a Republican Congress and a Republican President doubled the child tax credit to $1,000, and the Democrats voted ''no.'' Just a few weeks ago, the President's jobs and growth package expanded the child tax credit and took 3 million low-income Americans off the tax roles altogether, and once again, the Democrats voted ''no.''

Now our critics said it was too big. Then they turned right around and demanded that we make it bigger. You said working Americans needed additional tax relief, and you know what, the Republicans could not agree more with you.

Consider a single mother of two earning $20,000 a year. Under the Clinton tax hike of 1993, her total tax bill, including income tax, payroll tax, local taxes, State taxes and the sales tax was more than $800. Now, after the Bush tax relief of 2001, that same single mother's total tax bill shrunk to less than $100, and under the President's jobs and growth package we just passed, that same single mother's total tax bill is now zero, and in fact, she now gets additional money from the American people because of tax relief that the Republicans passed, and all along the Democrats voted ''no.''

Under the bill we pass today, not only will that same single mother pay no taxes, but she will get more than $400 in additional help from the American people; and yet if this debate is any indication at all, you will still vote ''no.''

Our critics talk a very good game, but this is their chance to put their money where their mouth is. I will ask again, are you for a $1,000 child tax credit, or are you against it?

This bill is real simple, Mr. Speaker. It extends the life of the child tax credit. It provides additional help for lower-income families, and it eliminates the marriage penalty. It includes, by the way, tax relief for military families, which you all have been calling for, and revokes the tax-exempt status of terrorist organizations.

Finally, it will provide tax relief for the families of astronauts who lose their lives in the service of their Nation in space like the Columbia 7. This is a pretty important point, especially for me. Members from Florida and Texas, whose constituents include astronauts and members of the NASA family, have a clear choice to make. Will they cast their votes with their courageous constituents or with the empty promises of the obstructionists? How can Members from Texas and Florida, how can any Member, oppose this piece of legislation?

In this bill, we have given our critics everything that they have said they wanted to help lower-income Americans, and now with the whole world watching and the credibility of the Democratic Party on the line, are you for a $1,000 child tax credit, or are you against it?

In just a few moments we will once again see which party stands up for the cameras and which party stands up for working families.

Ms. MCCARTHY of Missouri. Mr. Speaker, the issue today is fixing a mistake of the last round of tax cuts: the inherent bias of the Child Tax Credit. Although the Child Tax Credit was a great victory for the families of America, it was not perfect. It created an inequality between the poor and rich by excluding 6 million members of the working class from the tax breaks.

Recognizing this error, the Senate, with support of the President, passed a bill correcting this inequality. This bill extends the tax breaks to those 6 million previously left out, while also providing an effective way of paying for the breaks. It solves the problem facing us while also being fiscally responsible.

By accepting the Senate's bill, the House could get the legislation quickly on the President's desk, expediting financial aid to those who most need it. If only it was that easy. Instead of moving to accept this legislation, the House Leadership has seized this opportunity to further their cause of additional tax relief for the wealthy. They have taken this bill and manipulated it into a tax cut with an $82 billion price tag, which will further contribute to the exponential rise of our nation's debt. Additionally, in a rarely used political maneuver, they have attached this bill to a vote upon the rule governing consideration, not the measure itself.

I urge this House to stop these political games, defeat the rule and address equity in the Child Tax Credit by passing the measure agreed to by the Senate and President Bush.

Mr. BLUMENAUER. Mr. Speaker, it is appalling that a substantive vote on H.R. 1308 has been denied. The use of a self-executing rule has transformed the House action into a procedural vote guaranteeing its passage while denying any kind of fair fight on the spending of nearly $80 billion additional dollars.

The bill before us today says more about our long-term priorities than about helping the lower income families and children left out of the recently enacted tax cut. Apparently, based on the actions of the Republican leadership, there is not enough money for hard-

working, low-income people, but there is money to help people who are much better off. The gist of the tax credit debate these last two weeks has been about the lesser tax credit offered to families that make between $10,500 and $26,625 per year. Providing these families with the same child tax credit as families making up to $110,000 per year would cost $3.5 billion.

Today, we are debating a bill with a price tag of $82 billion. This comes on the heels of new projections that our budget deficit this year will surpass $400 billion, far exceeding any other one year budget shortfall in history. Many economists are projecting a 2004 budget deficit on one half of a trillion dollars. The exploding deficit will, in this year alone, add about $16 billion in extra interest payments, which simply reduces funding available to other needed programs.

All the groups that care deeply about children and poor people are appalled by this bill, and will be left to hope that the Senate has the good sense to resist it. If this bill succeeds it will accelerate the pace of reauthorizing these proposals, eliminating the sunsets and making them permanent leading to even more dramatic budget shortages. These deficits will squeeze out funding for necessary programs and establish the principle that we are not going to help those that are struggling in this depressed economy.

The Republican leadership is spending 6 times as much to give the tax credit to the top 10 percent of the population as they are to extend the benefit to the modest income families they left out. For about the same cost as giving it to the most well off, they could extend coverage to those making as little as $7,500 per year. It's all about priorities.

I do not share these priorities. I only wish there would have been a chance to vote against their proposal.

Mr. HASTINGS of Florida. Mr. Speaker, I rise today in strong opposition to H.R. 1308, the ''Only If you Make Enough Money'' All American Tax Relief Act of 2003.

In the Federalist Papers, Alexander Hamilton writes, ''I know that powerful individuals, in this and in other States, are enemies to a general government in every possible shape.'' Perhaps Hamilton had the current Republican Caucus in mind when he issued this warning more than 225 years ago. Clearly, the bill that this body is considering today is an example of power, ignorance, and plain and simple greed.

When the President signed into law the most recent tax cut, he signed a flawed bill. It was flawed when it first passed the House and it was flawed when the Conference Report was approved. Honestly, Mr. Speaker, I'm not surprised. As in so many other instances, during the still of the night—when the majority of Americans had already gone to bed—House Republicans cut a deal with Senate Republicans and rushed to complete a tax cut requested by an over zealous President.

As America has had a chance to sift through the most recent tax cut, it has become clear that the Republican Majority passed a bill which neglects more than 12 million children who are growing up in low-income families and the ability for their parents to benefit from the expansion of the child tax credit. Even worse, when provided with an opportunity to fix what is wrong with the initial bill—in a non-controversial manner and at a relatively inexpensive cost—the Republican Majority has proven that it is more interested in scoring political points with the rich at the expense of America's children.

Now, I'd like to give the Majority the benefit of the doubt and believe that the exclusion of families making between $10,500 and $26,625 was a simple oversight. However, after examining the bill that the House is considering today, as well as the reluctance at which the Majority is bringing it to the floor, it is increasingly clear that the ''oversight'' Republicans made in the most recent tax bill was anything but an oversight. Instead, it was a concerted effort to avoid extending the credit to all families, rich and poor, to save offset room for an international business tax bill that the Majority Leader and Chairman of the Ways and Means Committee have each indicated is a priority.

Well, Mr. Speaker, I can think of no greater priority than helping America's children and neediest families. This bill does little of the sort.

The Majority may try and sell this bill to the American public as one that helps those who need it most, but the truth remains that the bill is filled with tax cuts that benefit the wealthy more than six times as much as they do the needy. This is a tax cut that further drives our country into debt and deficit spending, and it lacks even the slightest bit of fiscal responsibility.

Mr. Speaker, I've often been referred to as a ''tax and spend liberal.'' Well, I'm liberal and I'm proud of it. Frankly, I don't mind spending our tax dollars on government programs that, one, help people, and two, can be paid for through honest fiscal policy and, to the extent possible, balanced budgets. On the contrary, perhaps it might be best to describe the Majority as a bunch of ''cut and charge conservatives.'' The key difference between them and us is that Democrats pay up front for the government programs we support, whereas Republicans pay for their priorities on credit cards and leave the debt for future Democratic Majorities to pay off. This bill further runs up America's charge account for generations to come.

I urge my colleagues to reject this bill and join America's children and call on the Republican Majority to bring the Senate passed child tax credit bill to the floor for its immediate consideration.

Mr. BEREUTER. Mr. Speaker, it is unfortunate, but H.R. 1308 is a new $82 billion tax cut package that simply is too large. The House-passed version of H.R. 1308 will add to the already unprecedented national debt that future generations will face. Apparently, the Senate last week initially considered a proposal similar to the House-passed version of H.R. 1380 during its negotiations on child tax credit legislation, but the Senate rejected this proposal out of hand because of the effect it would have in worsening the deficit.

Furthermore, while the focus of debate has been on the extension of the child tax credit, only a tiny fraction, about 4 percent, of the $82 billion tax cut amount—$3.5 billion—goes toward extending the child tax credit for the estimated 12 million children who were left out of the previously enacted tax cut legislation. It is also unfortunate that over two-thirds of the House-passed version for child tax credit benefits will go to many higher-income families through an increase in the income level from $110,000 to $150,000 at which the child tax credit begins to phase down for married families. This would make married families in the $110,000–150,000 income range, who now receive a partial child tax credit, eligible for a full credit. It also extends a partial tax credit to many families in the $150,000–$200,000 range or, in the case of families with more than two children, to some families with incomes exceeding $200,000. The extension of the credit to these higher-income families would cost $20.4 billion through 2010 under the House-passed bill. While the Senate-passed child tax credit bill has a similar provision, it costs only $4.8 billion because the Senate provision would not begin to phase in until 2008 and would not take full effect until 2010.

Mr. Speaker, therefore, what is at stake is more than a simple extension of the child tax credit, instead what is at stake is whether or not many of the major tax cuts already passed will be extended beyond their sunsets and whether new additional tax cuts will be passed to further add to our deficit without the costs being offset. This Member believes that if this happens then our nation's long-term fiscal status is destined to markedly decline. Furthermore, this Member has been an outspoken critic that the original tax cut proposal from the Administration was too large, and this Member continues to believe that unless we take a more fiscally responsible course of tax cuts, then we will simply be passing a greater mountain of debt of our nation's children and their children. This Member also believes that such fiscally irresponsible tax cuts will increase the pressure to make even more draconian cuts in our Federal programs—beyond what is considered to be the necessary cuts to eliminate waste, fraud and abuse in such programs.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in opposition to the Republican Tax Cut bill, H.R. 1308, and in strong support of the Democrat's Child Credit package passed in the Senate.

I stand today in solidarity with my Democratic colleagues to stop the attack on America's children and families. The Democrats have proposed a clean child tax credit bill that will provide relief to millions of America's children and families. The Republicans are trying to bog our bill down with unnecessary provisions. America's children are our number one priority. I don't understand why the Republicans continue to put our children at risk.

The America we believe in is one of fairness. The Republican tax cuts have failed to live up to that test. At the expense of America's children they chose to give tax breaks to the wealthiest Americans. In fact, an advocacy group study found that under the Republicans' plan, a million children of active-duty military families and military veterans would not get tax relief. That is wrong and we must do better.

The Democrats have given the Republicans a means of reversing their damaging tax cut and helping America's children. If they chose to take up the Senate legislation, House Republicans could get 6.5 million hard working families child tax credit checks this year. This would provide America's working class families with the same breaks as families with higher incomes. Some of these families work full-time at the minimum wage and still make less than $11,00 per year.

The Republican's bill contains is damaging to the families and children of our brave men

and women in uniform. Under current law, an E–5 or E–6 sergeant with 6 years of service and 2 children is paid $29,000 a year. If he did not serve in combat, both of his children would be entitled to the full $1,000 tax credit; but if he goes to combat for 6 months his credit would drop to approximately $450 under the House bill. The Senate bill helps these military families, the House bill does not.

Republicans are exploiting the child tax credit provision in order to pass even more tax cuts that will burden America's children with insurmountable debt for years to come. This was all done in order to make room for a dividend tax cut target to the wealthy few. It is time for House Republicans to right this wrong, stop playing politics, and pass the Senate bill.

Strengthening our nation means investing in all of our children. Further, the Republican decision to delay the increase of the child tax credit disproportionately harms military families and black and Hispanic families. Experts estimate that 260,000 children—or one in five—from families of active military will lose some of the child credit because of the Republican's decision to drop the Lincoln provision. It also disproportionately penalizes black and Hispanic children. Minority children, including 2.4 million black children, and 4.1 million Hispanic children will be left in the cold by the Republican plan.

The Senate Bill is the Way to Strengthen the Economy. The Democrat's plan is preferable because it puts money in the hands of working Americans by keeping our fiscal house in order can we create jobs and build a strong economy.

For these reasons, Mr. Speaker, I support the bill passed by the Senate and say shame on the supporters of H.R. 1308, who insist on doing harm to America's children.

Mr. MEEKS of New York. Mr. Speaker, I stand here today to discuss real intentions. The real intentions of the majority party to continue its careless actions that further devastate a suffering economy, that further diminish the opportunities of working and military families to care for their loved ones, and that further helps the rich become richer and the poor become poorer.

My colleagues, last month's $350 billion tax-cut package that passed was not really about stimulating the economy, but instead it was about borrowing nearly a trillion dollars to engineer a permanent shift in the tax burden away from the very wealthy, and a permanent reduction in federal revenues. If the tax bill's real intention was to stimulate the economy, those 12 million checks of up to $400 would have been first in, not first out, of the legislation. Again, the real intentions of the majority came to light—to provide relief for upper-income taxpayers. These real intentions are best seen in H. Res. 270, which provides low-income families with a child tax credit, but only if higher-income families are also eligible.

The intentions of the majority have caused many upper-income taxpayers to pay attention to what is currently happening and they send a thank you to those who support this shady legislation. They want to say:

Thank you for borrowing another $82 billion at a time when the federal deficit has exceeded $400 billion for 2003 and approaches $500 billion for 2004, adding billions of dollars in ''debt tax'' onto the backs of the very families that need this assistance the most.

Thank you for making a compromise between the two parties so hard to reach, for you are only further preventing discussion of a real prescription drug benefit and the rising percentage of unemployed people across this great nation.

Thank you for ignoring the agreement reached in the Senate, you are only further keeping Congress from focusing on other important issues such as the 41 million uninsured people in this nation.

Thank you for the corporate welfare to criminal enterprises like MCI Worldcom who stole the retirement savings of more than 1 million pension holders in New York State. These pension holders were victimized by MCI Worldcom's fraud and now see MCI abusing Sec. 108 of the Internal Revenue Code of 1986 in order to avoid paying about $4 billion in future taxes because of its past criminal behavior.

Finally, thank you for the deceptive games being played, we truly see how as a majority party how careless and clueless you are about what it takes to restart this economy and support needy families throughout this nation.

Mr. PORTMAN. Mr. Speaker, I rise today in strong support of the All-American Tax Relief Act of 2003. This is a balanced approach to extending tax relief to America's families.

This tax package not only gives relief to American families that need a helping hand, but it also provides fair tax relief to military families and young married couples.

Tax relief to military families, Mr. Speaker, who sacrifice so much to protect and contribute to our American way of life.

Tax relief to young married couples, Mr. Speaker, who are just starting out and building a family of their own.

We have heard the Democrats all day say that Republicans are giving more tax breaks to the rich . . . Well I don't know about you, Mr. Speaker, but I don't know too many military families or young married couples that I would call rich.

Two weeks ago, the Democrats said we were providing too much tax relief to American families, then last week the Democrats said we were not giving enough tax relief to American families, and, as we have heard here time and time again today, the Democrats now say we are once again giving too much tax relief to American families.

I say to my friends across the aisle, which is it?

I also say to my friends across the aisle, stop playing politics with the American people's money.

The All-American Tax Relief Act of 2003 is a balanced approach to providing tax relief to families with children. Every parent knows there is always another pair of sneakers to buy, or another text book or calculator to buy and this bill gives parents more of the money they earn to spend it on the needs they have.

This bill brings long overdue tax fairness to America's military families.

No longer will the surviving family members of soldiers that lost their lives protecting this country have to be taxed for the money they receive for their loved ones' sacrifice.

No longer will military families be taxed on assistance they receive when their home values drop because Congress closes bases.

No longer, Mr. Speaker, will our military Reservists be prevented from deducting travel expenses incurred by serving this country.

The All-American Tax Relief Act of 2003 does just what it says; it provides balanced tax relief to all of America's families.

I urge my colleagues to support this bill and I urge the Democrats to stop listening to their pollsters and start listening to the many Americans that not only want, but need tax relief. This is not an issue to play politics with; this is an issue to provide leadership on.

Mr. MOORE. Mr. Speaker, I rise today in opposition to H.R. 1308, a measure brought to the floor by House Republican leadership with little intention of truly helping America's working families.

On June 9, I sponsored important bipartisan legislation that would help each and every parent pay their bills during this time of financial uncertainty. My bill, H.R. 2392, would restore the child tax credit to working families; it is the House version of a bill passed by the Senate last week, on a vote of 94–2, supported by our Senators ROBERTS and BROWNBACK.

If the House passes my bill without amendment, it would immediately go to the President for his signature. President Bush has asked Congress to act on this bill now.

My bill would fully restore those provisions of the President's tax cut that were stripped out by the House leadership in order to make room for a larger dividend and capital gains tax cut.

This bill would restore the child tax credit to the families of over 12 million children nationwide, 1 million of whom have parents serving in the military. In Kansas, this bill would assist over 162,000 children and their families who have received this credit since 1997—a credit which was taken from them by the leadership in the House.

These families earn between $10,500 and $26,625 per year. They work hard to raise their children—and helping hard-working families make ends meet and raise their kids is the goal of the child tax credit.

This bill is not about welfare. This bill is about helping working families who pay taxes to receive tax relief. This bill is about fairness for all families and children.

My bill is about our priorities; and our priorities reflect our values.

Taking the child tax credit away from hard-working Kansans doesn't represent Kansas values. It wasn't compassionate. It wasn't fair. And it still isn't right.

My bill will help parents struggling to make ends meet. They will use the additional $400-per-child tax cut to buy clothes or shoes or books for their kids—helping their families and providing an immediate boost to our economy at the same time.

The House leadership hopes to appear to be assisting our most needy families when, in fact, their real goal is to kill this bill. Indeed, the Senate has already moved to bring relief and President Bush has called for quick House action on a measure to restore this portion of the child credit. In vote after vote this week, my colleagues and I who support helping working families have given House leaders the opportunity to follow the Senate; heed the President's call; and bring up my bill. They have repeatedly said—and voted—no.

Instead, they have decided to slow and muddy this process by considering a budget-busting bill that will cause a tedious conference committee; thus, serving only a defeat any attempt to bring relief to working families across America.

In addition, Mr. Speaker, the Thomas proposal costs $82 million and is irresponsibly laden with goodies and extras, in an attempt to slow this process. My alternative offers clean language mirroring the Senate legislation, in accordance with the President's request, and a $10 million paid-for price tag.

This is Washington politics-as-usual at its worst.

I applaud the effort underway to defeat the rule on this bill so that either the Senate bill or Castle-Tanner-Moore can be taken from the desk, considered, passed and immediately sent to the President for enactment.

Mr. Speaker, I ask my colleagues to consider their values and priorities when voting on this legislation. Passage will slow the process to help alleviate fiscal pressures endured by families across the nation; rejection of the Thomas bill will be a step forward in the flight for hard-working families who need and deserve this support.

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

PREVIOUS QUESTION TEXT FOR H. RES. 270

Strike all after the resolving clause and insert in lieu thereof the following:

''Immediately upon adoption of this resolution the House shall be considered to have taken from the Speaker's table the bill (H.R. 1308) to amend the Internal Revenue Code of 1986 to end certain abusive tax practices, to provide tax relief and simplification, and for other purpose, with Senate amendments thereto, and a single motion that the House concur in each of the Senate amendments shall be considered as pending without intervention of any point of order. The Senate amendments and the motion shall be considered as read. The motion shall be debatable for one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. The previous question shall be considered as ordered on the motion to final adoption without intervening motion or demand for division of the question.

''SEC. 2. Immediately after disposition of the bill H.R. 1308 the House shall be considered to have taken from the Speaker's table the bill (H.R. 1307) to amend the Internal Revenue Code of 1986 to provide a special rule for members of the unformed services in determining the exclusion of gain from the sale of a principal residence and to restore the tax exempt status of death gratuity payments to members of the uniformed services, and for other purposes, with Senate amendment thereto, and a motion that the House concur in the Senate amendment shall be considered as pending without intervention of any point of order. The Senate amendment and the motion shall be considered as read. The motion shall be debatable for one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. The previous question shall be considered as ordered on the motion to final adoption without intervening motion.''

The SPEAKER pro tempore. The gentleman's time has expired.

Mr. REYNOLDS. Mr. Speaker, I move the previous question on the resolution.

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

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

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

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

The Sergeant at Arms will notify absent Members.

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

The vote was taken by electronic device, and there were—yeas 225, nays 201, not voting 8, as follows:

[Roll No. 273]

YEAS—225

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
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
Hyde
Isakson
Issa
Istook
Janklow
Jenkins
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)
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
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)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—201

Abercrombie
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
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)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
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 (MO)
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
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

NOT VOTING—8

Ackerman
Blumenauer
Cubin
Eshoo
Gephardt
Johnson (CT)
Linder
Smith (WA)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SWEENEY) (during the vote). Members are advised that there are 2 minutes remaining in this vote.

□ 1720

Mr. GORDON and Mr. DAVIS of Tennessee changed their vote from ''yea'' to ''nay.''

So the previous question was ordered.

The result of the vote was announced as above recorded.

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

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. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 224, nays 201, not voting 10, as follows:

[Roll No. 274]

YEAS—224

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carson (OK)
Carter
Chabot
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Emerson
English
Everett
Feeney
Ferguson
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Janklow
Jenkins
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Marshall
Matheson
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
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 (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wynn
Young (AK)
Young (FL)

NAYS—201

Abercrombie
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Bereuter
Berkley
Berman
Berry
Bishop (NY)
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Case
Castle
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
Ehlers
Emanuel
Engel
Etheridge
Evans
Farr
Fattah
Filner
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Harman
Hastings (FL)
Hefley
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lynch
Majette
Maloney
Markey
Matsui
McCarthy (MO)
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
Osborne
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Quinn
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
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velazquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu

NOT VOTING—10

Ackerman
Blumenauer
Brown-Waite, Ginny
Cubin
Eshoo
Gephardt
Johnson (CT)
Linder
Smith (MI)
Smith (WA)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised that there are 2 minutes remaining in this vote.

□ 1728

Mr. CARSON of Oklahoma changed his vote from ''nay'' to ''yea.''

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 270, the House, A, concurs in the Senate amendment to the title of H.R. 1308; and, B, concurs in the Senate amendment to the text of H.R. 1308 with the amendment printed in House Report 108–149.

The text of the Senate amendments is as follows:

Senate amendments:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Relief for Working Families Tax Act of 2003''.

TITLE I—CHILD TAX CREDIT

SEC. 101. ACCELERATION OF INCREASE IN REFUNDABILITY OF THE CHILD TAX CREDIT.

(a) ACCELERATION OF REFUNDABILITY.—

(1) IN GENERAL.—Section 24(d)(1)(B)(i) of the Internal Revenue Code of 1986 (relating to portion of credit refundable) is amended by striking ''(10 percent in the case of taxable years beginning before January 1, 2005)''.

(2) ADVANCE PAYMENT.—Subsection (b) of section 6429 of such Code (relating to advance payment of portion of increased child credit for 2003) is amended by striking ''and'' at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting '', and'', and by adding at the end the following new paragraph:

''(4) section 24(d)(1)(B)(i) applied without regard to the first parenthetical therein.''.

(3) EARNED INCOME INCLUDES COMBAT PAY.—Section 24(d)(1) of such Code is amended by adding at the end the following new sentence: ''For purposes of subparagraph (B), any amount excluded from gross income by reason of section 112 shall be treated as earned income which is taken into account in computing taxable income for the taxable year.''.

(b) EFFECTIVE DATES.—

(1) SUBSECTIONS (a)(1) AND (a)(3).—The amendments made by subsections (a)(1) and (a)(3) shall apply to taxable years beginning after December 31, 2002.

(2) SUBSECTION (a)(2).—The amendments made by subsection (a)(2) shall take effect as if included in the amendments made by section 101(b) of the Jobs and Growth Tax Relief Reconciliation Act of 2003.

SEC. 102. REDUCTION IN MARRIAGE PENALTY IN CHILD TAX CREDIT.

(a) IN GENERAL.—Section 24(b)(2) of the Internal Revenue Code of 1986 (defining threshold amount) is amended—

(1) by inserting ''($115,000 for taxable years beginning in 2008 or 2009, and $150,000 for taxable years beginning in 2010)'' after ''$110,000'', and

(2) by striking ''$55,000'' in subparagraph (C) and inserting ''½ of the amount in effect under subparagraph (A)''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2002.

SEC. 103. APPLICATION OF EGTRRA SUNSET TO THIS SECTION.

Each amendment made by this title shall be subject to title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 to the same extent and in the same manner as the provision of such Act to which such amendment relates.

TITLE II—UNIFORM DEFINITION OF CHILD

SEC. 201. UNIFORM DEFINITION OF CHILD, ETC.

Section 152 of the Internal Revenue Code of 1986 is amended to read as follows:

''SEC. 152. DEPENDENT DEFINED.

''(a) IN GENERAL.—For purposes of this subtitle, the term 'dependent' means—

''(1) a qualifying child, or

''(2) a qualifying relative.

''(b) EXCEPTIONS.—For purposes of this section—

''(1) DEPENDENTS INELIGIBLE.—If an individual is a dependent of a taxpayer for any taxable year of such taxpayer beginning in a calendar year, such individual shall be treated as having no dependents for any taxable year of such individual beginning in such calendar year.

''(2) MARRIED DEPENDENTS.—An individual shall not be treated as a dependent of a taxpayer under subsection (a) if such individual has made a joint return with the individual's spouse under section 6013 for the taxable year beginning in the calendar year in which the taxable year of the taxpayer begins.

''(3) CITIZENS OR NATIONALS OF OTHER COUNTRIES.—

''(A) IN GENERAL.—The term 'dependent' does not include an individual who is not a citizen or national of the United States unless such individual is a resident of the United States or a country contiguous to the United States.

''(B) EXCEPTION FOR ADOPTED CHILD.—Subparagraph (A) shall not exclude any child of a taxpayer (within the meaning of subsection (f)(1)(B)) from the definition of 'dependent' if—

''(i) for the taxable year of the taxpayer, the child's principal place of abode is the home of the taxpayer, and

''(ii) the taxpayer is a citizen or national of the United States.

''(c) QUALIFYING CHILD.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualifying child' means, with respect to any taxpayer for any taxable year, an individual—

''(A) who bears a relationship to the taxpayer described in paragraph (2),

''(B) who has the same principal place of abode as the taxpayer for more than one-half of such taxable year,

''(C) who meets the age requirements of paragraph (3), and

''(D) who has not provided over one-half of such individual's own support for the calendar year in which the taxable year of the taxpayer begins.

''(2) RELATIONSHIP TEST.—For purposes of paragraph (1)(A), an individual bears a relationship to the taxpayer described in this paragraph if such individual is—

''(A) a child of the taxpayer or a descendant of such a child, or

''(B) a brother, sister, stepbrother, or stepsister of the taxpayer or a descendant of any such relative.

''(3) AGE REQUIREMENTS.—

''(A) IN GENERAL.—For purposes of paragraph (1)(C), an individual meets the requirements of this paragraph if such individual—

''(i) has not attained the age of 19 as of the close of the calendar year in which the taxable year of the taxpayer begins, or

''(ii) is a student who has not attained the age of 24 as of the close of such calendar year.

''(B) SPECIAL RULE FOR DISABLED.—In the case of an individual who is permanently and totally disabled (as defined in section 22(e)(3)) at any time during such calendar year, the requirements of subparagraph (A) shall be treated as met with respect to such individual.

''(4) SPECIAL RULE RELATING TO 2 OR MORE CLAIMING QUALIFYING CHILD.—

''(A) IN GENERAL.—Except as provided in subparagraph (B) and subsection (e), if (but for this paragraph) an individual may be and is claimed as a qualifying child by 2 or more taxpayers for a taxable year beginning in the same calendar year, such individual shall be treated as the qualifying child of the taxpayer who is—

''(i) a parent of the individual, or

''(ii) if clause (i) does not apply, the taxpayer with the highest adjusted gross income for such taxable year.

''(B) MORE THAN 1 PARENT CLAIMING QUALIFYING CHILD.—If the parents claiming any qualifying child do not file a joint return together, such child shall be treated as the qualifying child of—

''(i) the parent with whom the child resided for the longest period of time during the taxable year, or

''(ii) if the child resides with both parents for the same amount of time during such taxable year, the parent with the highest adjusted gross income.

''(d) QUALIFYING RELATIVE.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualifying relative' means, with respect to any taxpayer for any taxable year, an individual—

''(A) who bears a relationship to the taxpayer described in paragraph (2),

''(B) whose gross income for the calendar year in which such taxable year begins is less than the exemption amount (as defined in section 151(d)),

''(C) with respect to whom the taxpayer provides over one-half of the individual's support for the calendar year in which such taxable year begins, and

''(D) who is not a qualifying child of such taxpayer or of any other taxpayer for any taxable year beginning in the calendar year in which such taxable year begins.

''(2) RELATIONSHIP.—For purposes of paragraph (1)(A), an individual bears a relationship to the taxpayer described in this paragraph if the individual is any of the following with respect to the taxpayer:

''(A) A child or a descendant of a child.

''(B) A brother, sister, stepbrother, or stepsister.

''(C) The father or mother, or an ancestor of either.

''(D) A stepfather or stepmother.

''(E) A son or daughter of a brother or sister of the taxpayer.

''(F) A brother or sister of the father or mother of the taxpayer.

''(G) A son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law.

''(H) An individual (other than an individual who at any time during the taxable year was the spouse, determined without regard to section 7703, of the taxpayer) who, for the taxable year of the taxpayer, has as such individual's principal place of abode the home of the taxpayer and is a member of the taxpayer's household.

''(3) SPECIAL RULE RELATING TO MULTIPLE SUPPORT AGREEMENTS.—For purposes of paragraph (1)(C), over one-half of the support of an individual for a calendar year shall be treated as received from the taxpayer if—

''(A) no one person contributed over one-half of such support,

''(B) over one-half of such support was received from 2 or more persons each of whom, but for the fact that any such person alone did not contribute over one-half of such support, would have been entitled to claim such individual as a dependent for a taxable year beginning in such calendar year,

''(C) the taxpayer contributed over 10 percent of such support, and

''(D) each person described in subparagraph (B) (other than the taxpayer) who contributed over 10 percent of such support files a written declaration (in such manner and form as the Secretary may by regulations prescribe) that such person will not claim such individual as a dependent for any taxable year beginning in such calendar year.

''(4) SPECIAL RULE RELATING TO INCOME OF HANDICAPPED DEPENDENTS.—

''(A) IN GENERAL.—For purposes of paragraph (1)(B), the gross income of an individual who is permanently and totally disabled (as defined in section 22(e)(3)) at any time during the taxable year shall not include income attributable to services performed by the individual at a sheltered workshop if—

''(i) the availability of medical care at such workshop is the principal reason for the individual's presence there, and

''(ii) the income arises solely from activities at such workshop which are incident to such medical care.

''(B) SHELTERED WORKSHOP DEFINED.—For purposes of subparagraph (A), the term 'sheltered workshop' means a school—

''(i) which provides special instruction or training designed to alleviate the disability of the individual, and

''(ii) which is operated by an organization described in section 501(c)(3) and exempt from tax under section 501(a), or by a State, a possession of the United States, any political subdivision of any of the foregoing, the United States, or the District of Columbia.

''(5) SPECIAL SUPPORT TEST IN CASE OF STUDENTS.—For purposes of paragraph (1)(C), in the case of an individual who is—

''(A) a child of the taxpayer, and

''(B) a student,

amounts received as scholarships for study at an educational organization described in section 170(b)(1)(A)(ii) shall not be taken into account in determining whether such individual received more than one-half of such individual's support from the taxpayer.

''(6) SPECIAL RULES FOR SUPPORT.—For purposes of this subsection—

''(A) payments to a spouse which are includible in the gross income of such spouse under section 71 or 682 shall not be treated as a payment by the payor spouse for the support of any dependent,

''(B) amounts expended for the support of a child or children shall be treated as received from the noncustodial parent (as defined in subsection (e)(3)(B)) to the extent that such parent provided amounts for such support, and

''(C) in the case of the remarriage of a parent, support of a child received from the parent's spouse shall be treated as received from the parent.

''(e) SPECIAL RULE FOR DIVORCED PARENTS.—

''(1) IN GENERAL.—Notwithstanding subsection (c)(4) or (d)(1)(C), if—

''(A) a child receives over one-half of the child's support during the calendar year from the child's parents—

''(i) who are divorced or legally separated under a decree of divorce or separate maintenance,

''(ii) who are separated under a written separation agreement, or

''(iii) who live apart at all times during the last 6 months of the calendar year, and

''(B) such child is in the custody of 1 or both of the child's parents for more than ½ of the calendar year,

such child shall be treated as being the qualifying child or qualifying relative of the noncustodial parent for a calendar year if the requirements described in paragraph (2) are met.

''(2) REQUIREMENTS.—For purposes of paragraph (1), the requirements described in this paragraph are met if—

''(A) a decree of divorce or separate maintenance or written separation agreement between the parents applicable to the taxable year beginning in such calendar year provides that—

''(i) the noncustodial parent shall be entitled to any deduction allowable under section 151 for such child, or

''(ii) the custodial parent will sign a written declaration (in such manner and form as the Secretary may prescribe) that such parent will not claim such child as a dependent for such taxable year, and

''(B) in the case of such an agreement executed before January 1, 1985, the noncustodial parent provides at least $600 for the support of such child during such calendar year.

''(3) CUSTODIAL PARENT AND NONCUSTODIAL PARENT.—For purposes of this subsection—

''(A) CUSTODIAL PARENT.—The term 'custodial parent' means the parent with whom a child shared the same principal place of abode for the greater portion of the calendar year.

''(B) NONCUSTODIAL PARENT.—The term 'noncustodial parent' means the parent who is not the custodial parent.

''(4) EXCEPTION FOR MULTIPLE-SUPPORT AGREEMENTS.—This subsection shall not apply in any case where over one-half of the support of the child is treated as having been received from a taxpayer under the provision of subsection (d)(3).

''(f) OTHER DEFINITIONS AND RULES.—For purposes of this section—

''(1) CHILD DEFINED.—

''(A) IN GENERAL.—The term 'child' means an individual who is—

''(i) a son, daughter, stepson, or stepdaughter of the taxpayer, or

''(ii) an eligible foster child of the taxpayer.

''(B) ADOPTED CHILD.—In determining whether any of the relationships specified in subparagraph (A)(i) or paragraph (4) exists, a legally adopted individual of the taxpayer, or an individual who is placed with the taxpayer by an authorized placement agency for adoption by the taxpayer, shall be treated as a child of such individual by blood.

''(C) ELIGIBLE FOSTER CHILD.—For purposes of subparagraph (A)(ii), the term 'eligible foster child' means an individual who is placed with the taxpayer by an authorized placement agency or by judgment, decree, or other order of any court of competent jurisdiction.

''(2) STUDENT DEFINED.—The term 'student' means an individual who during each of 5 calendar months during the calendar year in which the taxable year of the taxpayer begins—

''(A) is a full-time student at an educational organization described in section 170(b)(1)(A)(ii), or

''(B) is pursuing a full-time course of institutional on-farm training under the supervision of an accredited agent of an educational organization described in section 170(b)(1)(A)(ii) or of a State or political subdivision of a State.

''(3) PLACE OF ABODE.—An individual shall not be treated as having the same principal place of abode of the taxpayer if at any time during the taxable year of the taxpayer the relationship between the individual and the taxpayer is in violation of local law.

''(4) BROTHER AND SISTER.—The terms 'brother' and 'sister' include a brother or sister by the half blood.

''(5) TREATMENT OF MISSING CHILDREN.—

''(A) IN GENERAL.—Solely for the purposes referred to in subparagraph (B), a child of the taxpayer—

''(i) who is presumed by law enforcement authorities to have been kidnapped by someone who is not a member of the family of such child or the taxpayer, and

''(ii) who had, for the taxable year in which the kidnapping occurred, the same principal place of abode as the taxpayer for more than one-half of the portion of such year before the date of the kidnapping,

shall be treated as meeting the requirement of subsection (c)(1)(B) with respect to a taxpayer for all taxable years ending during the period that the individual is kidnapped.

''(B) PURPOSES.—Subparagraph (A) shall apply solely for purposes of determining—

''(i) the deduction under section 151(c),

''(ii) the credit under section 24 (relating to child tax credit),

''(iii) whether an individual is a surviving spouse or a head of a household (as such terms are defined in section 2), and

''(iv) the earned income credit under section 32.

''(C) COMPARABLE TREATMENT OF CERTAIN QUALIFYING RELATIVES.—For purposes of this section, a child of the taxpayer—

''(i) who is presumed by law enforcement authorities to have been kidnapped by someone who is not a member of the family of such child or the taxpayer, and

''(ii) who was (without regard to this paragraph) a qualifying relative of the taxpayer for the portion of the taxable year before the date of the kidnapping,

shall be treated as a qualifying relative of the taxpayer for all taxable years ending during the period that the child is kidnapped.

''(D) TERMINATION OF TREATMENT.—Subparagraphs (A) and (C) shall cease to apply as of the first taxable year of the taxpayer beginning after the calendar year in which there is a determination that the child is dead (or, if earlier, in which the child would have attained age 18).

''(6) CROSS REFERENCES.—

''For provision treating child as dependent of both parents for purposes of certain provisions, see sections 105(b), 132(h)(2)(B), and 213(d)(5).''.

SEC. 202. MODIFICATIONS OF DEFINITION OF HEAD OF HOUSEHOLD.

(a) HEAD OF HOUSEHOLD.—Clause (i) of section 2(b)(1)(A) of the Internal Revenue Code of 1986 is amended to read as follows:

''(i) a qualifying child of the individual (as defined in section 152(c), determined without regard to section 152(e)), but not if such child—

''(I) is married at the close of the taxpayer's taxable year, and

''(II) is not a dependent of such individual by reason of section 152(b)(2) or 152(b)3), or both, or''.

(b) CONFORMING AMENDMENTS.—

(1) Section 2(b)(2) of the Internal Revenue Code of 1986 is amended by striking subparagraph (A) and by redesignating subparagraphs (B), (C), and (D) as subparagraphs (A), (B), and (C), respectively.

(2) Clauses (i) and (ii) of section 2(b)(3)(B) of such Code are amended to read as follows:

''(i) subparagraph (H) of section 152(d)(2), or

''(ii) paragraph (3) of section 152(d).''.

SEC. 203. MODIFICATIONS OF DEPENDENT CARE CREDIT.

(a) IN GENERAL.—Section 21(a)(1) of the Internal Revenue Code of 1986 is amended by striking ''In the case of an individual who maintains a household which includes as a member one or more qualifying individuals (as defined in subsection (b)(1))'' and inserting ''In the case of an individual for which there are 1 or more qualifying individuals (as defined in subsection (b)(1)) with respect to such individual''.

(b) QUALIFYING INDIVIDUAL.—Paragraph (1) of section 21(b) of the Internal Revenue Code of 1986 is amended to read as follows:

''(1) QUALIFYING INDIVIDUAL.—The term 'qualifying individual' means—

''(A) a dependent of the taxpayer (as defined in section 152(a)(1)) who has not attained age 13,

''(B) a dependent of the taxpayer who is physically or mentally incapable of caring for himself or herself and who has the same principal place of abode as the taxpayer for more than one-half of such taxable year, or

''(C) the spouse of the taxpayer, if the spouse is physically or mentally incapable of caring for himself or herself and who has the same principal place of abode as the taxpayer for more than one-half of such taxable year.''.

(c) CONFORMING AMENDMENT.—Paragraph (1) of section 21(e) of the Internal Revenue Code of 1986 is amended to read as follows:

''(1) PLACE OF ABODE.—An individual shall not be treated as having the same principal place of abode of the taxpayer if at any time during the taxable year of the taxpayer the relationship between the individual and the taxpayer is in violation of local law.''.

SEC. 204. MODIFICATIONS OF CHILD TAX CREDIT.

(a) IN GENERAL.—Paragraph (1) of section 24(c) of the Internal Revenue Code of 1986 is amended to read as follows:

''(1) IN GENERAL.—The term 'qualifying child' means a qualifying child of the taxpayer (as defined in section 152(c)) who has not attained age 17.''.

(b) CONFORMING AMENDMENT.—Section 24(c)(2) of the Internal Revenue Code of 1986 is amended by striking ''the first sentence of section 152(b)(3)'' and inserting ''subparagraph (A) of section 152(b)(3)''.

SEC. 205. MODIFICATIONS OF EARNED INCOME CREDIT.

(a) QUALIFYING CHILD.—Paragraph (3) of section 32(c) of the Internal Revenue Code of 1986 is amended to read as follows:

''(3) QUALIFYING CHILD.—

''(A) IN GENERAL.—The term 'qualifying child' means a qualifying child of the taxpayer (as defined in section 152(c), determined without regard to paragraph (1)(D) thereof and section 152(e)).

''(B) MARRIED INDIVIDUAL.—The term 'qualifying child' shall not include an individual who is married as of the close of the taxpayer's taxable year unless the taxpayer is entitled to a deduction under section 151 for such taxable year with respect to such individual (or would be so entitled but for section 152(e)).

''(C) PLACE OF ABODE.—For purposes of subparagraph (A), the requirements of section 152(c)(1)(B) shall be met only if the principal place of abode is in the United States.

''(D) IDENTIFICATION REQUIREMENTS.—

''(i) IN GENERAL.—A qualifying child shall not be taken into account under subsection (b) unless the taxpayer includes the name, age, and TIN of the qualifying child on the return of tax for the taxable year.

''(ii) OTHER METHODS.—The Secretary may prescribe other methods for providing the information described in clause (i).''.

(b) CONFORMING AMENDMENTS.—

(1) Section 32(c)(1) of the Internal Revenue Code of 1986 is amended by striking subparagraph (C) and by redesignating subparagraphs (D), (E), (F), and (G) as subparagraphs (C), (D), (E), and (F), respectively.

(2) Section 32(c)(4) of such Code is amended by striking ''(3)(E)'' and inserting ''(3)(C)''.

(3) Section 32(m) of such Code is amended by striking ''subsections (c)(1)(F)'' and inserting ''subsections (c)(1)(E)''.

SEC. 206. MODIFICATIONS OF DEDUCTION FOR PERSONAL EXEMPTION FOR DEPENDENTS.

Subsection (c) of section 151 of the Internal Revenue Code of 1986 is amended to read as follows:

''(c) ADDITIONAL EXEMPTION FOR DEPENDENTS.—An exemption of the exemption amount for each individual who is a dependent (as defined in section 152) of the taxpayer for the taxable year.''.

SEC. 207. TECHNICAL AND CONFORMING AMENDMENTS.

(1) Section 2(a)(1)(B)(i) of such Code is amended by inserting '', determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof'' after ''section 152''.

(2) Section 21(e)(5) of the Internal Revenue Code of 1986 is amended—

(A) by striking ''paragraph (2) or (4) of'' in subparagraph (A), and

(B) by striking ''within the meaning of section 152(e)(1)'' and inserting ''as defined in section 152(e)(3)(A)''.

(3) Section 21(e)(6)(B) of such Code is amended by striking ''section 151(c)(3)'' and inserting ''section 152(f)(1)''.

(4) Section 25B(c)(2)(B) of such Code is amended by striking ''151(c)(4)'' and inserting ''152(f)(2)''.

(5)(A) Subparagraphs (A) and (B) of section 51(i)(1) of such Code are each amended by striking ''paragraphs (1) through (8) of section 152(a)'' both places it appears and inserting ''subparagraphs (A) through (G) of section 152(d)(2)''.

(B) Section 51(i)(1)(C) of such Code is amended by striking ''152(a)(9)'' and inserting ''152(d)(2)(H)''.

(6) Section 72(t)(2)(D)(i)(III) of such Code is amended by inserting '', determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof'' after ''section 152''.

(7) Section 72(t)(7)(A)(iii) of such Code is amended by striking ''151(c)(3)'' and inserting ''152(f)(1)''.

(8) Section 42(i)(3)(D)(ii)(I) of such Code is amended by inserting '', determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof'' after ''section 152''.

(9) Subsections (b) and (c)(1) of section 105 of such Code are amended by inserting '', determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof'' after ''section 152''.

(10) Section 120(d)(4) of such Code is amended by inserting ''(determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof)'' after ''section 152''.

(11) Section 125(e)(1)(D) of such Code is amended by inserting '', determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof'' after ''section 152''.

(12) Section 129(c)(2) of such Code is amended by striking ''151(c)(3)'' and inserting ''152(f)(1)''.

(13) The first sentence of section 132(h)(2)(B) of such Code is amended by striking ''151(c)(3)'' and inserting ''152(f)(1)''.

(14) Section 153 of such Code is amended by striking paragraph (1) and by redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively.

(15) Section 170(g)(1) of such Code is amended by inserting ''(determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof)'' after ''section 152''.

(16) Section 170(g)(3) of such Code is amended by striking ''paragraphs (1) through (8) of section 152(a)'' and inserting ''subparagraphs (A) through (G) of section 152(d)(2)''.

(17) Section 213(a) of such Code is amended by inserting '', determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof'' after ''section 152''.

(18) The second sentence of section 213(d)(11) of such Code is amended by striking ''paragraphs (1) through (8) of section 152(a)'' and inserting ''subparagraphs (A) through (G) of section 152(d)(2)''.

(19) Section 220(d)(2)(A) of such Code is amended by inserting '', determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof'' after ''section 152''.

(20) Section 221(d)(4) of such Code is amended by inserting ''(determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof)'' after ''section 152''.

(21) Section 529(e)(2)(B) of such Code is amended by striking ''paragraphs (1) through (8) of section 152(a)'' and inserting ''subparagraphs (A) through (G) of section 152(d)(2)''.

(22) Section 2032A(c)(7)(D) of such Code is amended by striking ''section 151(c)(4)'' and inserting ''section 152(f)(2)''.

(23) Section 2057(d)(2)(B) of such Code is amended by inserting '', determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof'' after ''section 152''.

(24) Section 7701(a)(17) of such Code is amended by striking ''152(b)(4), 682,'' and inserting ''682''.

(25) Section 7702B(f)(2)(C)(iii) of such Code is amended by striking ''paragraphs (1) through (8) of section 152(a)'' and inserting ''subparagraphs (A) through (G) of section 152(d)(2)''.

(26) Section 7703(b)(1) of such Code is amended—

(A) by striking ''151(c)(3)'' and inserting ''152(f)(1)'', and

(B) by striking ''paragraph (2) or (4) of''.

SEC. 208. EFFECTIVE DATE.

The amendments made by this title shall apply to taxable years beginning after December 31, 2003.

TITLE III—CUSTOMS USER FEES

SEC. 301. EXTENSION OF CUSTOMS USER FEES.

Section 13031(j)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)) is amended by striking ''September 30, 2003'' and inserting ''March 31, 2010''.

Amend the title so as to read: ''An Act to amend the Internal Revenue Code of 1986 to accelerate the increase in the refundability of the child tax credit, and for other purposes.''.

The text of the House amendment to the Senate amendments is as follows:

House amendment to Senate amendments:

In lieu of the matter proposed to be inserted by the amendment of the Senate to the text of the bill, insert the following:

SECTION 1. SHORT TITLE, ETC.

(a) SHORT TITLE.—This Act may be cited as the ''All-American Tax Relief Act of 2003''.

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

(c) TABLE OF CONTENTS.—

Sec. 1. Short title, etc.

TITLE I—CHILD TAX CREDIT

Sec. 101. Expansion of child tax credit.

TITLE II—ARMED FORCES TAX FAIRNESS

Sec. 201. Special rule for members of uniformed services and Foreign Service in determining exclusion of gain from sale of principal residence.

Sec. 202. Restoration of full exclusion from gross income of death gratuity payment.

Sec. 203. Exclusion for amounts received under Department of Defense homeowners assistance program.

Sec. 204. Expansion of combat zone filing rules to contingency operations.

Sec. 205. Modification of membership requirement for exemption from tax for certain veterans' organizations.

Sec. 206. Clarification of the treatment of certain dependent care assistance programs.

Sec. 207. Clarification relating to exception from additional tax on certain distributions from qualified tuition programs, etc., on account of attendance at military academy.

Sec. 208. Above-the-line deduction for overnight travel expenses of National Guard and Reserve members.

TITLE III—SUSPENSION OF TAX-EXEMPT STATUS OF TERRORIST ORGANIZATIONS

Sec. 301. Suspension of tax-exempt status of terrorist organizations.

TITLE IV—RELIEF FOR ASTRONAUTS

Sec. 401. Tax relief and assistance for families of astronauts who lose their lives on a space mission.

TITLE I—CHILD TAX CREDIT

SEC. 101. EXPANSION OF CHILD TAX CREDIT.

(a) CREDIT REFUNDABILITY.—Clause (i) of section 24(d)(1)(B) (relating to portion of credit refundable) is amended by striking ''(10 percent in the case of taxable years beginning before January 1, 2005)''.

(b) INCREASE IN CREDIT THROUGH 2010.—Subsection (a) of section 24 (relating to child tax credit) is amended to read as follows:

''(a) ALLOWANCE OF CREDIT.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year with respect to each qualifying child of the taxpayer an amount equal to $1,000.''.

(c) REMOVAL OF MARRIAGE PENALTY IN PHASEOUT THRESHOLDS.—Paragraph (2) of section 24(b) is amended to read as follows:

''(2) THRESHOLD AMOUNT.—For purposes of paragraph (1), the term 'threshold amount' means $75,000 ($150,000 in the case of a joint return).''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2002.

(e) APPLICATION OF EGTRRA SUNSET.—Each amendment made by this section shall be subject to title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 to the same extent and in the same manner as section 201 of such Act.

TITLE II—ARMED FORCES TAX FAIRNESS

SEC. 201. SPECIAL RULE FOR MEMBERS OF UNIFORMED SERVICES AND FOREIGN SERVICE IN DETERMINING EXCLUSION OF GAIN FROM SALE OF PRINCIPAL RESIDENCE.

(a) IN GENERAL.—Subsection (d) of section 121 (relating to exclusion of gain from sale of principal residence) is amended by adding at the end the following new paragraph:

''(10) MEMBERS OF UNIFORMED SERVICES AND FOREIGN SERVICE.—

''(A) IN GENERAL.—At the election of an individual with respect to a property, the running of the 5-year period referred to in subsections (a) and (c)(1)(B) and paragraph (7) of this subsection with respect to such property shall be suspended during any period that such individual or such individual's spouse is serving on qualified official extended duty as a member of the uniformed services or as a member of the Foreign Service.

''(B) MAXIMUM PERIOD OF SUSPENSION.—Such 5-year period shall not be extended more than 5 years by reason of subparagraph (A).

''(C) QUALIFIED OFFICIAL EXTENDED DUTY.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'qualified official extended duty' means any extended duty while serving at a duty station which is at least 150 miles from such property or while residing under Government orders in Government quarters.

''(ii) UNIFORMED SERVICES.—The term 'uniformed services' has the meaning given such term by section 101(a)(5) of title 10, United States Code, as in effect on the date of the enactment of this paragraph.

''(iii) FOREIGN SERVICE.—The term 'member of the Foreign Service' has the meaning given the term 'member of the Service' by paragraph (1), (2), (3), (4), or (5) of section 103 of the Foreign Service Act of 1980, as in effect on the date of the enactment of this paragraph.

''(iv) EXTENDED DUTY.—The term 'extended duty' means any period of active duty pursuant to a call or order to such duty for a period in excess of 180 days or for an indefinite period.

''(D) SPECIAL RULES RELATING TO ELECTION.—

''(i) ELECTION LIMITED TO 1 PROPERTY AT A TIME.—An election under subparagraph (A) with respect to any property may not be made if such an election is in effect with respect to any other property.

''(ii) REVOCATION OF ELECTION.—An election under subparagraph (A) may be revoked at any time.''.

(b) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the amendments made by section 312 of the Taxpayer Relief Act of 1997.

(2) WAIVER OF LIMITATIONS.—If refund or credit of any overpayment of tax resulting from the amendment made by this section is prevented at any time before the close of the 1-year period beginning on the date of the enactment of this Act by the operation of any law or rule of law (including res judicata), such refund or credit may nevertheless be made or allowed if claim therefor is filed before the close of such period.

SEC. 202. RESTORATION OF FULL EXCLUSION FROM GROSS INCOME OF DEATH GRATUITY PAYMENT.

(a) IN GENERAL.—Paragraph (3) of section 134(b) (relating to qualified military benefit) is amended by adding at the end the following new subparagraph:

''(C) EXCEPTION FOR DEATH GRATUITY ADJUSTMENTS MADE BY LAW.—Subparagraph (A) shall not apply to any adjustment to the amount of death gratuity payable under chapter 75 of title 10, United States Code,

which is pursuant to a provision of law enacted before December 31, 1991.''.

(b) CONFORMING AMENDMENT.—Section 134(b)(3)(A) is amended by striking ''subparagraph (B)'' and inserting ''subparagraphs (B) and (C)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to deaths occurring after September 10, 2001.

SEC. 203. EXCLUSION FOR AMOUNTS RECEIVED UNDER DEPARTMENT OF DEFENSE HOMEOWNERS ASSISTANCE PROGRAM.

(a) IN GENERAL.—Subsection (a) of section 132 (relating to certain fringe benefits) is amended by striking ''or'' at the end of paragraph (6), by striking the period at the end of paragraph (7) and inserting '', or'' and by adding at the end the following new paragraph:

''(8) qualified military base realignment and closure fringe.''.

(b) QUALIFIED MILITARY BASE REALIGNMENT AND CLOSURE FRINGE.—Section 132 is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

''(n) QUALIFIED MILITARY BASE REALIGNMENT AND CLOSURE FRINGE.—

''(1) IN GENERAL.—For purposes of this section, the term 'qualified military base realignment and closure fringe' means 1 or more payments under the authority of section 1013 of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3374) (as in effect on the date of the enactment of this subsection).

''(2) LIMITATION.—With respect to any property, such term shall not include any payment referred to in paragraph (1) to the extent that the sum of all such payments related to such property exceeds the amount described in clause (1) of subsection (c) of such section (as in effect on such date).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to payments made after the date of the enactment of this Act.

SEC. 204. EXPANSION OF COMBAT ZONE FILING RULES TO CONTINGENCY OPERATIONS.

(a) IN GENERAL.—Subsection (a) of section 7508 (relating to time for performing certain acts postponed by reason of service in combat zone) is amended—

(1) by inserting ''or when deployed outside the United States away from the individual's permanent duty station while participating in an operation designated by the Secretary of Defense as a contingency operation (as defined in section 101(a)(13) of title 10, United States Code) or which became such a contingency operation by operation of law'' after ''section 112'',

(2) by inserting in the first sentence ''or at any time during the period of such contingency operation'' after ''for purposes of such section'',

(3) by inserting ''or operation'' after ''such an area'', and

(4) by inserting ''or operation'' after ''such area''.

(b) CONFORMING AMENDMENTS.—

(1) Section 7508(d) is amended by inserting ''or contingency operation'' after ''area''.

(2) The heading for section 7508 is amended by inserting ''OR CONTINGENCY OPERATION'' after ''COMBAT ZONE''.

(3) The item relating to section 7508 in the table of sections for chapter 77 is amended by inserting ''or contingency operation'' after ''combat zone''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any period for performing an act which has not expired before the date of the enactment of this Act.

SEC. 205. MODIFICATION OF MEMBERSHIP REQUIREMENT FOR EXEMPTION FROM TAX FOR CERTAIN VETERANS' ORGANIZATIONS.

(a) IN GENERAL.—Subparagraph (B) of section 501(c)(19) (relating to list of exempt organizations) is amended by striking ''or widowers'' and inserting '', widowers, ancestors, or lineal descendants''.

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

SEC. 206. CLARIFICATION OF THE TREATMENT OF CERTAIN DEPENDENT CARE ASSISTANCE PROGRAMS.

(a) IN GENERAL.—Subsection (b) of section 134 (defining qualified military benefit) is amended by adding at the end the following new paragraph:

''(4) CLARIFICATION OF CERTAIN BENEFITS.—For purposes of paragraph (1), such term includes any dependent care assistance program (as in effect on the date of the enactment of this paragraph) for any individual described in paragraph (1)(A).''.

(b) CONFORMING AMENDMENTS.—

(1) Section 134(b)(3)(A) (as amended by section 202) is further amended by inserting ''and paragraph (4)'' after ''subparagraphs (B) and (C)''.

(2) Section 3121(a)(18) is amended by striking ''or 129'' and inserting '', 129, or 134(b)(4)''.

(3) Section 3306(b)(13) is amended by striking ''or 129'' and inserting '', 129, or 134(b)(4)''.

(4) Section 3401(a)(18) is amended by striking ''or 129'' and inserting '', 129, or 134(b)(4)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2002.

SEC. 207. CLARIFICATION RELATING TO EXCEPTION FROM ADDITIONAL TAX ON CERTAIN DISTRIBUTIONS FROM QUALIFIED TUITION PROGRAMS, ETC., ON ACCOUNT OF ATTENDANCE AT MILITARY ACADEMY.

(a) IN GENERAL.—Subparagraph (B) of section 530(d)(4) (relating to exceptions from additional tax for distributions not used for educational purposes) is amended by striking ''or'' at the end of clause (iii), by redesignating clause (iv) as clause (v), and by inserting after clause (iii) the following new clause:

''(iv) made on account of the attendance of the designated beneficiary at the United States Military Academy, the United States Naval Academy, the United States Air Force Academy, the United States Coast Guard Academy, or the United States Merchant Marine Academy, to the extent that the amount of the payment or distribution does not exceed the costs of advanced education (as defined by section 2005(e)(3) of title 10, United States Code, as in effect on the date of the enactment of this section) attributable to such attendance, or''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect for taxable years beginning after December 31, 2002.

SEC. 208. ABOVE-THE-LINE DEDUCTION FOR OVERNIGHT TRAVEL EXPENSES OF NATIONAL GUARD AND RESERVE MEMBERS.

(a) DEDUCTION ALLOWED.—Section 162 (relating to certain trade or business expenses) is amended by redesignating subsection (p) as subsection (q) and inserting after subsection (o) the following new subsection:

''(p) TREATMENT OF EXPENSES OF MEMBERS OF RESERVE COMPONENT OF ARMED FORCES OF THE UNITED STATES.—For purposes of subsection (a)(2), in the case of an individual who performs services as a member of a reserve component of the Armed Forces of the United States at any time during the taxable year, such individual shall be deemed to be away from home in the pursuit of a trade or business for any period during which such individual is away from home in connection with such services.''.

(b) DEDUCTION ALLOWED WHETHER OR NOT TAXPAYER ELECTS TO ITEMIZE.—Paragraph (2) of section 62(a) (relating to certain trade and business deductions of employees) is amended by adding at the end the following new subparagraph:

''(E) CERTAIN EXPENSES OF MEMBERS OF RESERVE COMPONENTS OF THE ARMED FORCES OF THE UNITED STATES.—The deductions allowed by section 162 which consist of expenses, not in excess of $1,500, paid or incurred by the taxpayer in connection with the performance of services by such taxpayer as a member of a reserve component of the Armed Forces of the United States for any period during which such individual is more than 100 miles away from home in connection with such services.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2002.

TITLE III—SUSPENSION OF TAX-EXEMPT STATUS OF TERRORIST ORGANIZATIONS

SEC. 301. SUSPENSION OF TAX-EXEMPT STATUS OF TERRORIST ORGANIZATIONS.

(a) IN GENERAL.—Section 501 (relating to exemption from tax on corporations, certain trusts, etc.) is amended by redesignating subsection (p) as subsection (q) and by inserting after subsection (o) the following new subsection:

''(p) SUSPENSION OF TAX-EXEMPT STATUS OF TERRORIST ORGANIZATIONS.—

''(1) IN GENERAL.—The exemption from tax under subsection (a) with respect to any organization described in paragraph (2), and the eligibility of any organization described in paragraph (2) to apply for recognition of exemption under subsection (a), shall be suspended during the period described in paragraph (3).

''(2) TERRORIST ORGANIZATIONS.—An organization is described in this paragraph if such organization is designated or otherwise individually identified—

''(A) under section 212(a)(3)(B)(vi)(II) or 219 of the Immigration and Nationality Act as a terrorist organization or foreign terrorist organization,

''(B) in or pursuant to an Executive order which is related to terrorism and issued under the authority of the International Emergency Economic Powers Act or section 5 of the United Nations Participation Act of 1945 for the purpose of imposing on such organization an economic or other sanction, or

''(C) in or pursuant to an Executive order issued under the authority of any Federal law if—

''(i) the organization is designated or otherwise individually identified in or pursuant to such Executive order as supporting or engaging in terrorist activity (as defined in section 212(a)(3)(B) of the Immigration and Nationality Act) or supporting terrorism (as defined in section 140(d)(2) of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989); and

''(ii) such Executive order refers to this subsection.

''(3) PERIOD OF SUSPENSION.—With respect to any organization described in paragraph (2), the period of suspension—

''(A) begins on the later of—

''(i) the date of the first publication of a designation or identification described in paragraph (2) with respect to such organization, or

''(ii) the date of the enactment of this subsection, and

''(B) ends on the first date that all designations and identifications described in paragraph (2) with respect to such organization are rescinded pursuant to the law or Executive order under which such designation or identification was made.

''(4) DENIAL OF DEDUCTION.—No deduction shall be allowed under section 170, 545(b)(2), 556(b)(2), 642(c), 2055, 2106(a)(2), or 2522 for any contribution to an organization described in paragraph (2) during the period described in paragraph (3).

''(5) DENIAL OF ADMINISTRATIVE OR JUDICIAL CHALLENGE OF SUSPENSION OR DENIAL OF DEDUCTION.—Notwithstanding section 7428 or any other provision of law, no organization or other person may challenge a suspension under paragraph (1), a designation or identification described in paragraph (2), the period of suspension described in paragraph (3), or a denial of a deduction under paragraph (4) in any administrative or judicial proceeding relating to the Federal tax liability of such organization or other person.

''(6) ERRONEOUS DESIGNATION.—

''(A) IN GENERAL.—If—

''(i) the tax exemption of any organization described in paragraph (2) is suspended under paragraph (1),

''(ii) each designation and identification described in paragraph (2) which has been made with respect to such organization is determined to be erroneous pursuant to the law or Executive order under which such designation or identification was made, and

''(iii) the erroneous designations and identifications result in an overpayment of income tax for any taxable year by such organization,

credit or refund (with interest) with respect to such overpayment shall be made.

''(B) WAIVER OF LIMITATIONS.—If the credit or refund of any overpayment of tax described in subparagraph (A)(iii) is prevented at any time by the operation of any law or rule of law (including res judicata), such credit or refund may nevertheless be allowed or made if the claim therefor is filed before the close of the 1-year period beginning on the date of the last determination described in subparagraph (A)(ii).

''(7) NOTICE OF SUSPENSIONS.—If the tax exemption of any organization is suspended under this subsection, the Internal Revenue Service shall update the listings of tax-exempt organizations and shall publish appropriate notice to taxpayers of such suspension and of the fact that contributions to such organization are not deductible during the period of such suspension.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to designations made before, on, or after the date of the enactment of this Act.

TITLE IV—RELIEF FOR ASTRON÷AUTS

SEC. 401. TAX RELIEF AND ASSISTANCE FOR FAMILIES OF ASTRONAUTS WHO LOSE THEIR LIVES ON A SPACE MISSION.

(a) INCOME TAX RELIEF.—

(1) IN GENERAL.—Subsection (d) of section 692 (relating to income taxes of members of Armed Forces and victims of certain terrorist attacks on death) is amended by adding at the end the following new paragraph:

''(5) RELIEF WITH RESPECT TO ASTRONAUTS.—The provisions of this subsection shall apply to any astronaut whose death occurs while on a space mission, except that paragraph (3)(B) shall be applied by using the date of the death of the astronaut rather than September 11, 2001.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 5(b)(1) is amended by inserting '', astronauts,'' after ''Forces''.

(B) Section 6013(f)(2)(B) is amended by inserting '', astronauts,'' after ''Forces''.

(3) CLERICAL AMENDMENTS.—

(A) The heading of section 692 is amended by inserting '', ASTRONAUTS,'' after ''FORCES''.

(B) The item relating to section 692 in the table of sections for part II of subchapter J of chapter 1 is amended by inserting '', astronauts,'' after ''Forces''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to any astronaut whose death occurs after December 31, 2002.

(b) DEATH BENEFIT RELIEF.—

(1) IN GENERAL.—Subsection (i) of section 101 (relating to certain death benefits) is amended by adding at the end the following new paragraph:

''(4) RELIEF WITH RESPECT TO ASTRONAUTS.—The provisions of this subsection shall apply to any astronaut whose death occurs while on a space mission.''.

(2) CLERICAL AMENDMENT.—The heading for subsection (i) of section 101 is amended by inserting ''OR ASTRONAUTS'' after ''VICTIMS''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid after December 31, 2002, with respect to deaths occurring after such date.

(c) ESTATE TAX RELIEF.—

(1) IN GENERAL.—Subsection (b) of section 2201 (defining qualified decedent) is amended by striking ''and'' at the end of paragraph (1)(B), by striking the period at the end of paragraph (2) and inserting '', and'', and by adding at the end the following new paragraph:

''(3) any astronaut whose death occurs while on a space mission.''.

(2) CLERICAL AMENDMENTS.—

(A) The heading of section 2201 is amended by inserting '', DEATHS OF ASTRONAUTS,'' after ''FORCES''.

(B) The item relating to section 2201 in the table of sections for subchapter C of chapter 11 is amended by inserting '', deaths of astronauts,'' after ''Forces''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to estates of decedents dying after December 31, 2002.

In lieu of the matter inserted by the Senate to the long title of the bill, insert the following: ''An Act to amend the Internal Revenue Code of 1986 to enhance fairness in the internal revenue laws, and for other purposes.''.

□ 1730

APPOINTMENT OF CONFEREES

Mr. THOMAS. Mr. Speaker, pursuant to House Resolution 270, I move to take from the Speaker's table the House amendment to the Senate amendment to the bill (H.R. 1308) to amend the Internal Revenue Code of 1986 to end certain abusive tax practices, to provide tax relief and simplification, and for other purposes, insist on the House amendment, and request a conference with the Senate thereon.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. SWEENEY). Without objection, the motion is agreed to.

Mr. RANGEL. Mr. Speaker, reserving the right to object, it is my understanding that the chairman of the Committee on Ways and Means has the opportunity to be recognized for 1 hour debate, and I want to know whether that was included in his request, which I understand from the Parliamentarian the gentleman is entitled to, to discuss this issue.

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

Mr. RANGEL. I yield to the gentleman from California.

Mr. THOMAS. Mr. Speaker, I have requested the hour.

Mr. RANGEL. Mr. Speaker, I remove my reservation of objection.

The SPEAKER pro tempore. The gentleman from California (Mr. THOMAS) is recognized for 1 hour.

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

Mr. Speaker, in the 1 hour time I have, I would indicate to my colleagues that based upon the very lively debate that occurred on the rule, I believe the positions have been completely illuminated, and that when I ask for the previous question, the minority has the right to move the motion to instruct.

Having been given the motion to instruct, I would tell my friends that I can live up to almost all of these provisions and intend to do so, and, therefore, any time that this House takes in debating the motion to instruct will be the time that the minority has on the motion to instruct, because the majority intends to move the previous question and indicates that it does not intend to use any of the time on the motion to instruct, and, therefore, the time at which the House adjourns today will be entirely in the hands of the minority.

Mr. Speaker, I move the previous question.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

PARLIAMENTARY INQUIRY

Mr. RANGEL. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. RANGEL. Mr. Speaker, could the Parliamentarian or the Speaker tell me, does the eloquent statement made by the chairman of the Committee on Ways and Means mean that he did not intend to use the hour of debate that he has?

The SPEAKER pro tempore. The gentleman from California has moved the previous question.

Is there objection to ordering the previous question?

Mr. RANGEL. No, I made a parliamentary inquiry. I was not objecting to the previous question. I asked whether or not what the gentleman said meant that he did not intend to debate.

The SPEAKER pro tempore. If the House orders the previous question by unanimous consent, that will end debate.

Without objection, the previous question is ordered on the motion to go to conference.

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. THOMAS).

The motion was agreed to.

MOTION TO INSTRUCT OFFERED BY MR. RANGEL

Mr. RANGEL. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. RANGEL moves that the managers on the part of the House in the conference on the disagreeing votes of the two Houses on the House amendment to the Senate amendment to H.R. 1308 be instructed as follows:

1. The House conferees shall be instructed to include in the conference report the provision of the Senate amendment (not included in the House amendment) that provides immediate payments to taxpayers receiving an additional credit by reason of the bill in the same manner as other taxpayers were entitled to immediate payments under the Jobs and Growth Tax Relief Reconciliation Act of 2003.

2. The House conferees shall be instructed to include in the conference report the provision of the Senate amendment (not included in the House amendment) that provides families of military personnel serving in Iraq, Afghanistan, and other combat zones a child credit based on the earnings of the individuals serving in the combat zone.

3. The House conferees shall be instructed to include in the conference report all of the other provisions of the Senate amendment and shall not report back a conference report that includes additional tax benefits not offset by other provisions.

4. To the maximum extent possible within the scope of conference, the House conferences shall be instructed to include in the conference report other tax benefits for military personnel and the families of the astronauts who died in the *Columbia* disaster.

Mr. RANGEL (during the reading). Mr. Speaker, I ask unanimous consent that the motion to instruct be considered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER pro tempore. Pursuant to rule XXII, the gentleman from New York (Mr. RANGEL) and the gentleman from California (Mr. THOMAS) each will control 30 minutes.

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

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

Mr. Speaker, I move that the managers on the part of the House in the conference on the disagreeing votes of the two Houses on the House amendment to the Senate amendment to H.R. 1308 be instructed as follows:

One, the House conferees shall be instructed to include in the conference report the provision of the Senate amendment that is not included in the House amendment that provides immediate payment to taxpayers receiving an additional credit by reason of the bill in the same manner as other taxpayers were entitled to immediate payment under the Jobs and Growth Tax Reconciliation Act of 2003.

Two, the House conferees be instructed to include in the conference report the provision of the Senate amendment, that is not included in the House amendment, that provides families of the military personnel serving in Iraq, Afghanistan, and other combat zones a child credit based on the earnings of the individuals serving in the combat zone.

Three, the House conferees be instructed to include in the conference report all of the other provisions of the Senate amendment and shall report back a conference report that includes additional tax benefits not offset by other provisions.

Four, to the maximum extent possible within the scope of the conference, the House conferees shall be instructed to include in the conference report other tax benefits for military personnel and the families of the astronauts who died in the *Columbia* disaster.

Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. CARDIN), a distinguished member of the Committee on Ways and Means.

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

Mr. Speaker, working families that make between $10,000 and $26,000 a year were left out of the tax bill that was recently signed by the President. These are people who pay taxes, Mr. Speaker. They pay sales taxes, they pay property taxes, they pay excise taxes, they pay FICA taxes. In fact, many of them pay a greater percentage of their income in taxes than the wealthy people who got the benefits of the recently enacted tax bill.

To correct this oversight, it will cost a modest amount of money, about 1 percent of what it cost in the recent tax bill. We have a Senate bill that corrects this. It is fully paid for. It passed the other body by a vote of 94-to-2. It is supported by the President of the United States. Why are we not taking this bill up? But for the leadership in this House, the Republican leadership, we could have passed this bill tonight.

What this motion says, Mr. Speaker, is that we support the effort of the other body so that we could correct this bill now. This is a vote to help those working families. This is a vote to help the military families. This is a vote to say that we do not want to follow what the Republican leader has said, which is ''This ain't going to happen.'' We want it to happen, and our motion allows it to happen.

I urge my fellow Members to support the effort in the other body, support the President in saying that he would sign this legislation. This is our opportunity to do it.

Mr. Speaker, I just urge my colleagues not to hold low-wage worker families hostage to the notion that we have to do a lot more that is not going to happen in order for them to get the same type of tax relief that was provided to high-income families in the bill that was signed by the President.

This is the right thing for us to do. I urge my colleagues to support the motion to instruct.

PARLIAMENTARY INQUIRY

Mr. THOMAS. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. THOMAS. Mr. Speaker, notwithstanding the language of the motion to instruct, which says ''I move that,'' and three of the four provisions that say ''The House conferees shall be instructed to,'' is the gentleman from California correct in understanding that the motion to instruct does not in any way bind or dictate to the conferees?

The SPEAKER pro tempore. Motions to instruct are not necessarily binding on the conferees.

Mr. THOMAS. Mr. Speaker, if in fact the motion to instruct is not binding, I would tell my friends we are ready to accept this motion. I will reserve my time, and whenever you are ready to move the question for a vote, since it is not binding, we are ready to go.

Mr. FRANK of Massachusetts. Mr. Speaker, point of order. This is not a parliamentary inquiry.

Mr. THOMAS. Mr. Speaker, I am on my time. Does the gentleman from Massachusetts now wish to deny me the time that is mine?

The SPEAKER pro tempore. The gentleman will suspend.

Does the gentleman from California (Mr. THOMAS) yield himself time?

Mr. THOMAS. I certainly do.

The SPEAKER pro tempore. The gentleman from California is recognized.

Mr. THOMAS. As I was saying, since this motion to instruct is not in any way binding on the conferees, the gentleman from California awaits the awarding of the motion to instruct, and it can either be now and we can vote on it, or you can exhaust your time and we can vote on it. The effect is the same.

Therefore, I reserve the balance of my time until they exhaust theirs or move for a vote.

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

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Speaker, I apologize to the gentleman from California. I know he is very thick-skinned, so he did not mind. But he had been speaking under the guise of a parliamentary inquiry, and he was not making a parliamentary inquiry, although the parliamentary inquiry made was about a rule which has been in effect ever since he got here, and I was surprised he had forgotten it. But he did not say he was going to use his time. I did want to clarify. Apparently he decided to use his time, but he decided to use his time to tell us he did not plan to use his time.

I think it is somewhat unfortunate that, having shut off debate, having refused to an allow an amendment, he is suggesting that it is somehow improper for Members on our side to talk about the substance. He has said that he will accept the instruction, having made it clear with his usual consideration for other opinions that having accepted it in the vote, he plans to disregard it in the conference.

So we continue to think it is important to point out the difference between what we want to do, provide real help to poor children, and what he plans to do.

□ 1745

Mr. RANGEL. Mr. Speaker, in the interests of saving time, I ask unanimous consent that H.R. 1308 and H.R. 1307, both passed by the Senate, be considered and accepted by the House, and that way we can send the bill immediately to the President and we can get out of here early, without amendment, of course.

The SPEAKER pro tempore (Mr. SWEENEY). The Chair is unable to entertain that request under the Speaker's guidelines recorded on page 712 of the House Rules and Manual.

Mr. RANGEL. I am sorry. I cannot hear what the Speaker is saying.

The SPEAKER pro tempore. The Speaker's guidelines for recognition do not allow the Chair to recognize for that request.

Mr. RANGEL. Not for unanimous consent, without objection from the chairman of the distinguished Committee on Ways and Means? He does not object.

The SPEAKER pro tempore. The gentleman is correct.

Mr. RANGEL. I am correct? I can do it? What is it?

The SPEAKER pro tempore. The gentleman is correct that the Chair is unable to entertain that request.

PARLIAMENTARY INQUIRY

Mr. RANGEL. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. RANGEL. Mr. Speaker, if I ask for unanimous consent and no one objects, would the Parliamentarian tell me why I cannot be recognized?

The SPEAKER pro tempore. The Speaker has announced and enforced a policy of conferring recognition for unanimous consent requests for consideration of bills and resolutions only when assured that the majority and minority floor and committee leaderships have no objection.

Mr. RANGEL. Mr. Speaker, if the gentleman from California (Mr. THOMAS) does not say anything, Mr. Speaker, then there is no objection. So, I have unanimous consent until such time as he objects.

The SPEAKER pro tempore. The Chair has not been apprised of the requisite clearances to entertain such a request.

Mr. RANGEL. Well, could I ask unanimous consent that the chairman of the Committee on Ways and Means be given an opportunity to instruct the Speaker that he has no objection to accepting the Senate bill as passed?

The SPEAKER pro tempore. The Chair would inform the gentleman that that is not a proper unanimous consent request.

Mr. RANGEL. Well, the chairman of the Committee on Ways and Means knows that we will not allow parliamentary obstacles to move this bill that the Senate has passed in a bipartisan way and that the President has supported it. Now, I know a lot of time and money has gone into building up this $82 billion, but since the distinguished chairman has said that he wants to move this bill swiftly and the initial bill only cost $3.5 billion, if we knock off the $72 billion put on the Senate bill, it would seem to me, even with a little help from the Parliamentarian, that we could expedite this bill by not instructing the conferees to do anything which the chairman already has indicated he does not intend to do but, rather, to just have it pass as is. I do not know why we cannot do this. But I will get the Parliamentarian and get together with the chairman and see what we can do to expedite this.

Meanwhile, Mr. Speaker, I yield 2 minutes to the gentleman from the sovereign State of California (Mr. MATSUI), the distinguished senior member of the Committee on Ways and Means.

Mr. MATSUI. Mr. Speaker, I thank the gentleman from New York, the ranking Democrat on the Committee on Ways and Means, for yielding me this time.

I can understand why the majority does not want to debate this issue. Perhaps he wants to catch a plane to California, I do not know. But I can understand why he would not want to debate this issue, given the fact that the President of the United States and the U.S. Senate, on a 94 to 2 vote, basically came up with a bill that was totally different. It basically paid for its tax cuts and, at the same time, it tried to restrict itself basically to the main issue, that is, taking care of families that make between $10,000 and $26,000 a year.

I might just for a moment go back to May 23 when the conference report was passed. As my colleagues know, the big issue on that bill was the dividend reduction and the capital gains tax reduction. At the same time, as we know, that bill also took out from the other body the provision that would have taken care of people that made, families that made between $10,000 and $26,000 a year, a measly tax credit of $150 to $400.

At the same time, what this bill did, Mr. Speaker, it might be kind of interesting to really discuss why there is a lot of concern about this. We looked at the FCC filings of the annual report of Microsoft Corporation. Bill Gates, and this is not anything about Bill Gates, but Bill Gates will get, under the bill that passed, that became law on May 23, $14,538,000; $14 million. Sandy Weill, again, somebody who is a good person, Citicorp, will get $2.7 million.

What is very interesting, what is very interesting, Mr. Speaker, if we would have just taken that $14 million from Bill Gates and given it to families that earn between $10,000 and $26,000 a year, we could have taken care of 52,000 families.

So I can understand why the majority does not want to discuss this; I can understand why they do not want to see this have the light of day, because they are really taking care of people that do not need the money. This will not help the economy of the United States. It is basically just game-playing, and it is really unfortunate that this is happening. This bill will not become law because the other body will ensure it does not become law because it is not paid for. I would have hoped that we would have adopted the other body's legislation.

Mr. RANGEL. Mr. Speaker, the gentleman from California, nobody wants to dispute anything we say?

The SPEAKER pro tempore. The gentleman from California continues to reserve his time. The gentleman from New York is recognized.

Mr. RANGEL. Then Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. LEVIN), a distinguished member of the Committee on Ways and Means.

Mr. LEVIN. Mr. Speaker, I want to refer to the motion. It says in paragraph 3, if the chairman, the distinguished chairman would listen, ''The House conferees shall be instructed to include in the conference report all of the other provisions of the Senate amendment and shall not report back a conference report that would result in increased deficits by reason of additional tax benefits not offset by other provisions.''

We all know that motions to instruct are not technically binding, but I would like to yield to the chairman of the committee to ask him if he will commit verbally on the floor that he will not bring back a conference report that will result in increased deficits by reasons of additional tax benefits not offset by other provisions.

Mr. THOMAS. Mr. Speaker, I told the gentleman from the initial introduction, and I am pleased to respond on his time, that three of the four seem to be somewhat reasonable; and my assumption is that as we go to conference, since it is the Senate that has been significantly concerned about the question of offsets, under the budget which was agreed upon by the House and the Senate, there is ample provision for us to move tax bills that are not required to be offset.

Mr. LEVIN. So is the answer, if I could then ask the gentleman, since it is my time, is the gentleman willing to say here on the floor that he will not bring back a conference report that would result in increased deficits by reason of additional tax benefits not offset by other provisions?

Mr. THOMAS. Mr. Speaker, if the gentleman will yield, under the budget agreement, the House is entitled to move tax bills that are not offset or are required to modify the deficit. If the Senate brings, if the Senate brings offsets to the conference to cover the House bill, I am more than willing to look at them.

The SPEAKER pro tempore. The gentleman's time has expired.

Mr. LEVIN. He is unwilling to answer, then.

The SPEAKER pro tempore. The Chair recognizes the gentleman from New York (Mr. RANGEL).

Mr. RANGEL. Well, just a minute. If the gentleman from Michigan (Mr. LEVIN) needs 30 seconds in order to get a response to his question, notwithstanding the fact that the majority is not using their time, I will be glad to do it.

The SPEAKER pro tempore. The gentleman from Michigan (Mr. LEVIN) is recognized for 30 seconds.

Mr. LEVIN. Mr. Speaker, I will wait for the gentleman from California (Mr. THOMAS) to say yes or no.

Mr. THOMAS. The answer is, if the Senate brings offsets, I will be happy to look at them.

Mr. LEVIN. No, but does the gentleman agree that he will not report back a conference report that will result in increased deficits by reason of additional tax benefits not offset by other provisions? Yes or no.

Mr. THOMAS. Mr. Speaker, if the gentleman will yield, I asked of the Speaker a parliamentary inquiry which said this is not binding, yet the gentleman continues to pursue a yes or no as to whether or not an unbinding statement will bind me. The answer is, and it will be, if the Senate brings offsets, we will look at them.

Mr. LEVIN. Mr. Speaker, the gentleman is making a mockery out of this procedure.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the 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.

Mr. Speaker, for my colleagues and the American public that perhaps have not quite figured out what is going on here when we are trying to help working families through a child tax credit, H.R. 1308, I believe, boils down to two things, and probably the best way to describe it is to remind folks about the very common joke we hear about how many people does it take to screw in a light bulb, except in this case, we have to ask how many people and how much money does it take to correct the $3.5 billion omission for working families through a child tax credit. The punch line, as funny as it may sound, is $80 billion, is what we are being told by our colleagues and friends on the other side of the aisle that it takes to correct the $3.5 billion omission: $80 billion.

And if it is not a joke, then it is either a very smart, some might say sneaky, others might say sinister, ploy, to try to sneak in all of these other tax cuts for very wealthy American families into what is a good package for working families, and a lot of our men and women who work in uniform who were left out by this House in the tax cuts under the child tax credit.

It has got to be one of the two. Either it is a real joke on the American people, or it is a very cleverly planned, intentional way of sneaking through $76.5 billion of additional tax cuts that have nothing to do with the working families that we are trying to help.

Now, it would not be so sinister or such a joke if it were not for the fact that our Federal Government is running a $400 billion deficit this year; and next year, we are being told by the White House and by our own congressional budget estimators that we will probably have about a $500 billion deficit next year. And yet, somehow our colleagues on the other side of the aisle believe we can spend an additional $6.5 billion to correct the problem that costs $3.5 billion.

I think it is clear what is going on, and I would urge my colleagues to support this motion to instruct.

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

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

Mr. Speaker, perhaps President Bush is wrong about this bill. Perhaps the 94 Members of the Senate who voted on this child tax credit measure are wrong, and perhaps all of the Democrats who have supported relief now, not some day, with reference to the child tax credit are also wrong, that all of us who together have supported meaningful relief that is paid for, that does not add a death tax to future generations of Americans, perhaps all of us are out of line and the gentleman from Texas (Mr. DELAY), standing there along with his minions who insist on having an approach that is different than that and killing this child tax credit, perhaps they are right.

But I rather expect they are not just right, but far right, extremists and outside of the mainstream of American thinking; that those who work very hard, be they police officers, be they teachers' aids, be they home health care workers, be they the people that empty the bedpans in the nursing homes and do the hard work in our society, that they deserve a chance too. I believe that it is today, with the obedience to the gentleman from Texas (Mr. DELAY) and his thinking out of the mainstream, that our Republican colleagues have sentenced this child tax credit to death, death by conference committee.

□ 1800

Many Members will remember that death by conference committee was the appropriate execution method used to kill the Patients' Bill of Rights, so people in this country still do not have the rights they need to protect themselves from the giant insurance HMOs that often deny them the health care they need.

Today, by sending this bill to conference, this is an attempt to kill a proposal that the gentleman from Texas (Mr. DELAY) never wanted this House to consider, and today again rejects.

It means for people in Texas almost 1 in 4 families will not get the child tax credit relief that they deserve. It means 1.3 million, 1,312,000 children, will not have tax relief that they deserve; they will instead be saddled with a giant debt tax as a result of the approach that is being proposed.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Washington (Mr. MCDERMOTT), a member of the Committee on Ways and Means.

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

Mr. MCDERMOTT. Mr. Speaker, there seems to be some confusion here in the rubber-stamp Congress today.

I will quote from an article in Roll Call this morning which explains to me what happened.

It says that the President invited them all down to the White House, and this is from a senior Republican aide: ''Most people in the GOP leadership think it is inappropriate for the White House to bring our bosses down there to discuss congressional business and then not invite any staff to go with them.'' The aide said, ''Members who attend meetings are frustrated by the exclusion of the staff because it leaves them without aides to jog their memories of the sessions later.''

Now it is clear what has happened. The President said pass the Senate bill. The gentleman from Texas (Mr. DELAY) had on his mind that he had to find all these legislators in Texas, so he had to call up the home security board and he had to call up the FBI, and he got confused and got down in there and told the chairman of the Committee on Ways and Means, Do anything you want.

Now, here we are coming out here with no debate, and nobody wants to have anybody talk about what the issues here are. They just want to slam another $80 million on this bill, and wind up with what? A dead bill. They know the Senate is going to kill it. They are not as wild and radical as they are. With 74 to 2, this is a conservative Senate; or 94 to 2. I get carried away.

This rubber-stamp Congress is really out of control. They are the gang that cannot shoot straight. They should at least have one meeting on this.

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MCDERMOTT. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Perhaps if the White House has a shortage of space, it might help if they invite the Members without staff and next week they invite the staff without the Members, and we might function better.

Mr. MCDERMOTT. I think that is a good idea.

Mr. Speaker, I include for the RECORD the article from Roll Call this morning to which I referred earlier.

The article referred to is as follows:

[From Roll Call, June 12. 2003]

HILL AIDES SPURNED

(By Ethan Wallison)

Republican aides on Capitol Hill are incensed over a new White House policy to exclude virtually all Congressional staff from

the semi-regular ''bi-cam'' meetings between President Bush and the GOP leadership.

The aides contend that they are being kept out of the meetings even as White House staffers and other senior officials, such as top Congressional lobbyist David Hobbs, continue to sit in.

''It does strike one as a little bit arrogant,'' one senior Senate GOP aide said. But, the aide added, ''I think that's the way some people at the White House think about Congressional staff.''

Noting that the meetings focus on the Congressional agenda, one senior House Republican aide added, ''Most people [in the GOP leadership] think it's inappropriate for [the White House] to bring our bosses down there to discuss Congressional business and then not invite any staff to go with them.''

The aide said Members who attend the meetings are as frustrated by the exclusions as the staff, because it leaves them without aides to help jog their account of the sessions later.

A White House official denied that there are any ''hard and fast rules'' about whether Congressional staff can attend the meetings.

''It comes down to the space that's available in the room and the topics that are being covered,'' the official said, adding that the same factors apply to White House staff.

But Congressional sources said they have been told that the staff directive comes straight from the top and President Bush, who simply wanted less staff in the meetings.

Under the new guidelines, according to these sources, Speaker Dennis Hastert's (R-Ill.) top aide, Scott Palmer, and Lee Rawls, Senate Majority Leader Bill Frist's chief of staff, will be permitted to attend the bi-cam sessions.

The new policy appears to be the upshot of a months-long give-and-take between the White House and the Congressional GOP leadership on the staff issue. Senior Congressional aides said the White House has been seeking ways to pare down the number of aides at the bi-cam meetings, but were finding it difficult to exclude some Capital Hill staff while allowing others to continue to attend.

''The figured they couldn't get away with the half-way approach, so they went all-or-nothing,'' one senior House GOP aide said.

The same aide said the White House has pledged to pare down the number of administration officials and staff at the meetings as well in the weeks ahead. Congressional aides remain skeptical.

One source noted that even Rawls was among the Capitol Hill aides who were kept out of the room Tuesday evening, when the GOP leadership went to the White House to discuss appropriations. (The spending meeting immediately preceded the bi-cam session.)

Rawls made the trip to the White House along with Senate Appropriations Committee Staff Director Jim Morhard and Kevin Fromer, Hastert's policy director.

All three were forced to wait outside the door to the meeting, even though Hobbs and Candida Wolff, Vice President Cheney's legislative affairs director, were allowed to participate.

Neither Rawls nor Palmer responded to phone calls on Wednesday.

To be sure, frustrated Congressional aides acknowledge that the personnel who are allowed into meetings at the White House reflects Bush's sense of what's appropriate.

Some of the meetings in the past have taken place in the White House residence, a more intimate setting that provides less space for visitors, according to a White House official.

But the exclusions have nevertheless fed resentments on Capitol Hill about what some Congressional Republicans believe to be the White House's disregard for Congress' role in shaping the overall agenda.

''It's particularly unhelpful in the same week that [the White House] cut our legs out from under us on the child tax credit,'' one senior House GOP aide said.

And some senior GOP aides contend that the shortage of first-hand accounts has at times had significant practical consequences, such as misunderstandings about deals and other arrangements that were sealed behind closed doors.

''When it comes down to implementing an agreement, it's the staff that has to do that,'' a senior Senate aide said, citing the appropriations process as one area where such miscommunication has been a problem.

''It's just frustrating.''

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. TANNER), a member of the Committee on Ways and Means.

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

Mr. Speaker, I know I sound like Johnny one-note when I get up here talking about the debt and the deficit on everything that seems to come along. But I want to tell the Members this is serious business, what is happening. If Members want to talk about spending, we and this Congress are spending more money now than any Congress in the history of this country. We are spending it every year, beginning next year and into perpetuity, on interest.

The difference between the bill the chairman has and what we tried to do to fix the problem like the Senate did in spending is $3.39 billion additional in spending, because that is what the interest over 10 years is on $80-something billion that is not paid for.

Now, anybody who wants to get into an argument about spending, we are spending ourselves into oblivion. CBO just came out and said that the deficit this year will be $400 billion. They raised it $100 billion in a month. So $400 billion at 4 percent is an additional $16 billion next year just to pay the interest on the operation of this government that has lasted over 200 years.

They sit here and they talk about spending. We are spending this country silly, and they are doing it by borrowing money that we have to pay interest on every year from now on.

Last year we paid or accrued $336 billion in interest, for which nobody gets a job, nobody gets an aircraft carrier, nobody gets health care, nobody gets an education. It is gone. It is payment on past consumption that we either did not have the courage to ask people to pay for, or we did not have the guts to cut the programs that need cutting.

Members want to talk about spending; let us talk about it. Here is $30 billion right now that we can save if Members want to accept what we have done with the motion to recommit.

Mr. RANGEL. Mr. Speaker, I yield 2½ minutes to the gentleman from South Carolina (Mr. SPRATT), the ranking member of the Committee on the Budget.

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

Mr. SPRATT. Mr. Speaker, let me explain to the House how under this Republican bill that we have just passed, compared to the Senate bill, taxes can be raised or child tax credits can be denied to many of our service men and women serving in places like Iraq and Iran and Afghanistan.

Let us take for example an E–6, a staff sergeant with two children who makes $29,000. His family will qualify for the full child tax credit, get this, so long as he stays stateside, in the United States. His pay is $29,000. He has to make more than $10,500 to qualify. Subtract the 105 from the 29, you get 18.5; multiply it by 15, he is fully qualified for two child tax credits at $1,000 apiece.

Now let us assume that he is assigned to Iraq, Afghanistan, or a combat zone. His pay while he is in a combat zone is tax-exempt. Let us assume he stays there 8 months. That is two-thirds of the year. Two-thirds of his income is therefore tax-exempt. It is not considered to be taxable income. His taxable income, therefore, is about $9,700, less than the $10,500 threshold. As a consequence, for serving in Iraq, serving in Afghanistan, he loses the two child tax credits.

Is this necessary? Absolutely not. The Senate bill avoided this problem. The language was there in the Senate bill. For some reason that has yet to be explained to these service members, much less the whole House. We do not know why it was dropped; we just know it was dropped.

As a consequence, an E–6, an average serviceman or woman serving in a combat zone, will be denied the benefit of these child tax credits that we are giving other people. Perversely, the longer he stays in the combat zone, the less his entitlement to these two child tax credits. That is absolutely outrageous. We should never have passed this bill; but having passed it, we certainly should pass the motion to instruct.

Maybe Members can say the reason we did that is we had to trim back this child tax credit so we could fit it into the overall bill. But this chart right here shows down in the little blue corner how much of the total cost of this bill is committed or required for the refundability of the child tax credit to apply to families making less than $26,000. There it is right there, $3 billion 48 million.

This represents the additional cost of the bill, all the other provisions that were extraneous, and this is the additional interest. It did not have to be done. There was plenty of room. Will somebody please tell us why we are treating our service members in this manner?

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. WATSON), the distinguished former Ambassador.

Ms. WATSON. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, just a few minutes ago we had the pleasure and the honor of

hosting Specialist POW Shoshana Johnson. Shoshana Johnson was the young woman who we saw worldwide taken captive by the Iraqi military. She served well. She endured, shot through both of her ankles. Once she was freed, they took care of her and flew her home. She has been in the States a few weeks, and agreed to come here so we could pay the most deserving tribute to her.

I want Members to know she has a 2-year-old child. She is a specialist. She will make less than $18,000 this year. She will be denied the child tax credit under the bill that just passed.

These young people who were willing not only to serve their country, but to give their lives and their limbs. I want Members to know she was up there in Rayburn with a cast on her left leg. She was brought in with a wheelchair. She is proud, and did not even realize what she did for her country.

But, Mr. Speaker, if we do not take care of the Shoshana Johnsons and take care of the very wealthy, we are abdicating our values under a democracy. I ask Members to please let us accept the Senate proposal for the child tax credit.

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

Mr. Speaker, I intend to close the debate on this issue, hoping that perhaps the conferees would have an opportunity to review what has been done by the Senate and what has been done by the House, and to recognize this all started with us trying to help 6.5 million families and 12 million kids.

Why this was dropped by the majority, this provision that was in the Senate bill, I do not know. Why it was so vigorously resisted by the Republican leadership I do not know. Why they continuously referred to giving assistance to hardworking people throughout the United States and our military people as being welfare, I do not know.

Why they do not understand that a stronger America, a productive America, an increase in the purchasing power not just for those who clip coupons but for those who work every day, that have to buy clothes for their kids and pay for prescription drugs and pay rent, these are the things that really spur the economy.

It would just seem to me that somewhere we could find some type of compassion, to say we made a mistake, we left it out. And even for political reasons to be able to say, since the Senate has reached some type of bipartisan agreement, we looked it over, the President wants us to get relief out there as fast as we can; it is $6.5 billion more than we expected, but we will accept it.

What went into the thinking when people said, this is not going to happen? There are a lot of other things that are more important than that. The President can suggest, but he cannot vote. Then all of a sudden someone said, oh, no, we have to find some way politically that we can vote for it but make certain that it never sees the light of day. What can we possibly do to get a positive vote on this but to make certain that the Senate cannot accept it?

I was not privy to what happened, but one thing is clear: That other body knocked down the President's request from a tax cut for $726 billion. When they got finished with that, they knocked down the House tax cut from $550 billion to $350 billion. So it appears as though the Senate is very, very concerned about the size of the deficit.

Now, I know that that does not concern us in the House. I am glad to see the distinguished chairman of the Committee on the Budget that is here, because God knows he picked the wrong time to head the Committee on the Budget. They just threw that away. But things change, and maybe we will see better days.

But if they really wanted to find out what is it that they could do to politically irritate the Senate and to have them reverse themselves on the child credit, some demon could have whispered in their ear, Why don't you increase the deficit more? And they would say, yes, why not double it?

So we would come out in the House with a $20 billion, go to conference and adjust it, and it will be $15 billion. But then they said, but if you do that, you still would have a child credit bill. We want to make certain that when the majority leader says that it is not going to happen, it is not going to happen.

So then they said, Why not increase it to $30 billion, $40 billion, $50 billion, $80 billion? Bingo. The House will accede to the President's request and consider the legislation for giving child tax credits to working people by increasing the deficit by $82 billion. See how they like that.

□ 1815

See how the bleeding hearts like that? You really want to help the working families?

Well, this is what the deal is: We will give the working families a break today, but when it comes time to pay down the deficit, those kids are going to pay and they are going to pay big time. That is the decision that you are leaving to the Senate. It is shameful because I do not doubt the dedication of members of the other party. You just have a different way of looking at government. You really believe that government should be so small that we will reduce the revenue so low that we will starve each and every program that we believe in.

Some of those programs will not go away by legislation. You cannot kill Social Security by privatization. You cannot kill Medicare by vouchers. You cannot kill Medicaid by block grant. But there is one thing, whether you are a bleeding heart, a liberal, a Democrat or a moderate Republican, if the money is not there, then the leader is right, it is not going to happen. And let me tell you, every bit of taxes that we reduce here, that tax comes up somewhere. It comes up when Governors try to say, well, maybe we can fill up the gap, but politically they cannot. They have a limit on how much taxes they can raise, how much money they can borrow. And then it gets down to the cities, and, God knows, I know it. We got a good mayor, trying to do all of the things that the Congress has said in terms of homeland security, but we are closing fire departments, we are closing clinics, we are closing libraries. And while you are cutting taxes here, guess what we are doing in the great city of New York with the working people?

They are not getting welfare. They are working every day. They have got kids, but they are paying more for buses, for subways, for buying food and clothing, for day care, everything. They are paying more, including paying for Social Security and Medicare expenses.

So I know a lot of you think that these working people that we are trying to protect are welfare recipients. You do not pay taxes, you do not get tax relief. Well, they deserve some relief. They are entitled when we are giving the people back, those who pay taxes, God knows who makes America great, except those people who work every day, hoping that life will get better for them and a lot better for their kids.

And so if you want to say that that is not the Congress' responsibility, leave it to the United Jewish Appeal, leave it to Catholic Charities, leave it to the Protestants Council, but leave us out as the Federal Government. Let local and State government do it.

If you believe that, then what you do is starve the great reserves of this country. And if you cannot kill the programs legislatively, you kill them by not having the money there. So what you are saying is that one day when you accomplish your purpose, we will be paying more in interest on the trillions of dollars that we have borrowed than we will be able to pay for the programs that America has been so proud of.

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

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

The gentleman from California said, ''This really has nothing to do with working families.''

I will tell the gentleman, it has everything to do with working families. The provision that was offered and accepted on the Senate side, which was included in the Senate bill, was not supported by the authors of that amendment. This measure was never presented to, asked for, or included in the Senate provisions. We are now at a position of examining the Senate's behavior.

The movement for the refundable tax credit from 10 percent to 15 percent is in underlying law. It will occur January 1, 2005. The entire debate is over

whether or not it ought to be accelerated. But what also ends on January 1, 2005 is the $1,000 child credit, because the Senate decided it was more important to create the opportunity so that between now and the elections of 2004, someone can show their compassion for working families. The $57 billion of this proposal says, after the election, will you show your compassion for working families in the year 2005, 2006, 2007, 2008, 2009 and 2010, which just happens to correspond to the 6-year term of the Senate.

We thought it might be appropriate if there is compassion between now and November that the people are going to vote. No compassion will be there for the next 6 years as well. I believe one move was politics, the other is policy.

Let us talk about working families. In New York City, a fireman who responded on 9/11 and his wife, a teacher, make about $150,000 together. The Senate in its wisdom said we ought to raise the child credit from $110,000 to $150,000. And if you read the fine print of the Senate proposal, they are going to do that for 1 year, in 2010. Is that politics or policy? The $21 billion of this measure says if it is good enough for the $150,000-a-year joint working family in 2010, it is good enough for the working family today, next year, and every year until 2010.

Do you want politics or do you want policy? Politics is cheap. Policy costs money. We are asking you to put your dollars where your mouth is.

July 9, 2002, as a matter of urgency we sent to the Senate a military tax fairness bill that would provide appropriate changes in the laws for our men and women in uniform. Underscore that: July 9, 2002.

It still languishes over in the Senate. If they really cared about the men and women in uniform, we would have seen that bill-signing ceremony already. We are including that provision in this bill and asking the Senate once again to put policy where their mouth is. If the Senate has provisions in their measure that they want to bring to conference that we did not include, we invite them. But we invited them to a conference that does policy and not politics.

Mr. STARK. Mr. Speaker, I rise today in opposition to H.R. 1308, the House Republicans' phony attempt to fix the problem they created when they dumped low-income families from eligibility for the increased child tax credit passed as part of the President's latest tax cut package.

The Senate has already passed a bill to fix the problem with nearly unanimous support. But, House Republicans refuse to bring forth that bill. Instead, they've written an $82 billion bill with numerous tax breaks unrelated to the child tax credit for low income working families—and none of those $82 billion are paid for. It will increase our ballooning deficit even more.

This bill is nothing more than a way for the House Republicans' to look like they're trying to address the needs of working families. In fact, their goal is to sabotage this issue so they can hide the fact that they excluded low-income families from the child tax credit in the first place. They don't care at all if these families ever qualify for tax credit.

The House Republicans have brought this Trojan horse to the floor in order to pass further tax relief to upper-income families while betting that the Senate won't touch such an expensive bill with a ten-foot pole.

The House Republicans believe that they will then be able to blame defeat of the bill on the Senate, when in fact they are the ones to blame! The Senate bill has already overwhelmingly passed the Senate on a bipartisan basis. The bill is paid for, unlike the House version. And most important, the President has already signed-off on the Senate-passed bill.

These families work hard and contribute their fair share through payroll taxes and sales taxes. There is no question that they also deserve their fair share of tax relief, especially when the child tax credit has been increased by $400 for parents just one rung higher on the income ladder. They can use this tax credit to help pay for their children's needs—like food, clothing, medical care, and childcare.

I applaud Senate Republicans for heeding the call of Democrats and reversing course to pass a bill reinstating the child tax credit for these low-income working families. While it doesn't go far enough, it is a step in the right direction. Now it is time for House Republicans to do the same. It is the right and fair thing to do for America's families.

I urge my colleagues to support the Democratic motion to instruct conferees on H.R. 1308 so that the conference will agree to the Senate child tax credit bill. That's the only way these low-income families are going to get the tax credit. These are the families that need those few extra dollars the most. Vote for the motion to instruct.

Mr. KLECZKA. Mr. Speaker, last week the Senate passed legislation to restore to children of low-income working families the tax relief that was—at the last minute—removed from the tax cut signed into law last month. This new Senate bill's cost of 9.7 billion dollars is fully offset and is waiting at the desk right here, right now for our action. We could pass the bill today and send it to the President for his signature tomorrow.

However, my House Republican colleagues couldn't resist taking this important non-controversial bill—which passed the other body by a vote of 94–2—and weighing it down with more deficit growing tax cuts. The package before us today is almost 9 times larger than the Senate bill and every nickel of its 82 billion dollar price tag will be put onto our National Debt and repaid by our children and grandchildren.

The Congressional Budget Office reported earlier this week that the tax cut signed into law last month, coupled with increasing defense spending, will send the federal budget deficit above $400 billion this year. If House Republicans were serious about giving child tax credit relief they would have paid for their bill. And, knowing that the Senate is fiscally responsible—they know this product won't pass.

This is a cute way to appear to be for ''something'' while knowingly killing it. Let's be honest—most poor working folks don't vote for your guys so you're punishing their children today. Shame on you.

I urge my colleagues to reject this bill and to send a message to the 94 members of the other body that we are with them.

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

The SPEAKER pro tempore (Mr. SWEENEY). Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from New York (Mr. RANGEL).

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

Mr. RANGEL. Mr. Speaker, 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 205, nays 201, not voting 29, as follows:

[Roll No. 275]

YEAS—205

Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Bass
Becerra
Bell
Bereuter
Berkley
Berry
Bishop (GA)
Bishop (NY)
Boehlert
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Burr
Capito
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Castle
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Etheridge
Evans
Farr
Fattah
Filner
Frank (MA)
Frost
Gillmor
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 (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McHugh
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
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 (MI)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velazquez
Visclosky
Waters
Watson
Watt
Weiner
Wexler
Woolsey
Wu
Wynn

NAYS—201

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Buyer
Calvert
Camp
Cantor
Carter
Chabot
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
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
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Johnson, Sam
Jones (NC)
Kaptur
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Lewis (CA)
Lewis (KY)
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McKeon
Mica
Miller (FL)
Miller (MI)
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Pearce
Pence
Peterson (PA)
Petri
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tauzin
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—29

Abercrombie
Ackerman
Berman
Blumenauer
Burton (IN)
Cannon
Cubin
Davis (FL)
Eshoo
Ford
Fossella
Gallegly
Gephardt
Janklow
Jenkins
Johnson (CT)
Linder
Lipinski
McInnis
Miller, Gary
Moran (VA)
Paul
Pickering
Royce
Sessions
Smith (WA)
Tancredo
Taylor (NC)
Waxman

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SWEENEY) (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1840

Mr. WHITFIELD and Mr. HERGER changed their vote from ''yea'' to ''nay.''

Mr. GUTIERREZ changed his vote from ''nay'' to ''yea.''

So the motion to instruct was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. MORAN of Virginia. Mr. Speaker, on rollcall No. 275, I was unavoidably detained in traffic due to the thunderstorm in Northern Virginia. Had I been present, I would have voted "yea."

Ms. KAPTUR. Mr. Speaker, on rollcall vote 275, the motion to instruct, I would like the RECORD to show that I intended to vote ''yea'' and inadvertently voted ''no.''

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs. THOMAS, DELAY, and RANGEL.

There was no objection.

MESSAGES FROM THE PRESIDENT

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

MESSAGE FROM THE SENATE

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

S. Con. Res. 54. Concurrent resolution commending Medgar Wiley Evers and his widow, Myrlie Evers-Williams for their lives and accomplishments, designating a Medgar Evers National Week of Remembrance, and for other purposes.

The message also announced that pursuant to sections 276h–276k of title 22, United States Code, as amended, the Chair, on behalf of the Vice President, appoints the following Senators as members of the Senate Delegation to the Mexico-United States Interparliamentary Group during the First Session of the One Hundred Eighth Congress——

the Senator from Tennessee (Mr. FRIST);

the Senator from Tennessee (Mr. ALEXANDER); and

the Senator from Texas (Mr. CORNYN).

ORBIT TECHNICAL CORRECTIONS ACT OF 2003

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce be discharged from further consideration of the bill (H.R. 2312) to amend the Communications Satellite of 1962 to provide for the orderly dilution of the ownership interest in Inmarsat by former signatories to the Inmarsat Operating Agreement, and ask for its immediate consideration.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 2312

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 ''ORBIT Technical Corrections Act of 2003''.

SEC. 2. INITIAL PUBLIC OFFERING DEADLINES.

Clause (ii) of section 621(5)(A) of the Communications Satellite Act of 1962 (47 U.S.C. 763(5)(A)) is amended—

(1) by striking ''December 31, 2002'' and inserting ''June 30, 2004''; and

(2) by striking ''June 30, 2003'' and inserting ''December 31, 2004''.

Mr. DINGELL. Mr. Speaker, I rise in support of H.R. 2312, a bill to extend the deadline for Inmarsat to conduct the initial public offering required of it by the ORBIT Act.

The ORBIT Act was adopted in March of 2000 to promote a competitive market for satellite communications through privatization of inter-governmental organizations, one of which is Inmarsat. To further the twin goals of the privatization and independence of satellite carriers, the ORBIT Act called on Inmarsat to conduct an initial public offering (IPO) by December 31, 2001. As that December 2001 deadline approached, however, it became clear, given market conditions at the time, that it would be punitive to effectively force Inmarsat to conduct its IPO by the specified date. As a result, Congress passed legislation to provide an additional year to conduct the IPO, and also provided the FCC the ability to grant a six-month extension if warranted by market conditions.

Unfortunately, the market conditions have not improved to a point where it would be reasonable to require the IPO, and the current deadline—June 30, 2003—is now less than a month away. H.R. 2312, the ORBIT Technical Corrections Act, would not require Inmarsat to conduct its IPO until June 30, 2004, and it permits the FCC to grant an additional six months delay should market conditions continue to warrant such regulatory action. This legislation is clearly necessary at this time, lest the government would unfairly require one company and its investors to risk capital by offering shares to the public at a time when such shares are likely to be undervalued—perhaps grossly undervalued.

The Committee on Energy and Commerce continues to take an interest in the state of competition in the industry and the financial health of those who invest capital to build networks and offer satellite communications services. But as we proceed to grant one carrier additional time with which to conduct its IPO, I would observe that another provider—New Skies Satellites—long ago fulfilled the ORBIT Act's IPO and substantial dilution requirements. Since that time, it has diluted its original shareholder base yet again with a 10 percent share buyback. And New Skies is competing for satellite business independently, with strong independent management, precisely as congress envisioned in ORBIT. As

the Committee considers holding hearings to examine the state of competition in the satellite industry, I believe that Congress, having introduced a new market competitor to the satellite industry, ought to examine whether the many restrictions the ORBIT Act placed on ''separated entities''—in effect New Skies—are still necessary to preserve that company's independence and promote competition.

I look forward to working with my colleagues on the Committee on these issues. Today, I am satisfied simply to enact H.R. 2312. I urge my colleagues to support it as well.

Mr. SHIMKUS. Mr. Speaker, I rise today in support of H.R. 2312.

This bill is very straightforward. H.R. 2312 amends the ORBIT Act and gives the satellite company, Inmarsat, a little more time to complete their Initial Public Offering (IPO). Specifically, this legislation gives Inmarsat a 12-month extension from their pending June 30, 2003, deadline. It also gives the FCC the discretion to grant Inmarsat an additional 6-month extension on top of that if the company can demonstrate a legitimate need.

This legislation is necessary because the ORBIT Act—which was enacted in March 2000—did not anticipate the collapse of the IPO markets, especially in the telecommunications sector. In today's economic climate, Inmarsat cannot complete an IPO.

Without swift action by Congress on this bill, American farmers will face disrupted service of their precision farming technologies that rely on Inmarsat-distributed signals at the end of this month. Currently, many farmers, including many in my home state of Illinois, are utilizing GPS-based guidance systems to improve their productivity and efficiency. These systems enable farmers to more accurately apply seed, fertilizer and other inputs, reduce fuel use, and increase yields while reducing costs.

I want to emphasize that H.R. 2312 does not reopen the battles over the ORBIT law or challenge its underlying public policy. Rather, it simply makes this law workable as we suffer through this continuing down market.

I urge my colleagues to vote for this important and time-sensitive legislation.

Mr. TAUZIN. Mr. Speaker, I rise today in support of H.R. 2312, which will extend the deadline for Inmarsat to conduct the initial public offering required of it by the ORBIT satellite privatization law. H.R. 2312, introduced by Representatives SHIMKUS and MARKEY, is unopposed.

The ORBIT Act was enacted in March of 2000 to promote a competitive market for satellite communications through privatization of inter-governmental organizations, one of which is Inmarsat. The Federal Commications Commission has since found that Inmarsat has indeed satisfied the privatization criteria of the ORBIT Act.

In addition, ORBIT called on Inmarsat to conduct an initial public offering (IPO) by a date certain—December 31, 2001. However, as that December 2001 deadline approached, it became quite apparent that the volatility in the financial markets in general, and the telecommunications sector specifically, necessitated a grant of additional time within which Inmarsat could conduct its statutorily mandated IPO. As a result, Congress took the prudent step of including language in the Commerce-Justice-State FY 2002 Appropriations bill to provide an additional year to conduct the IPO, and also provide the FCC the ability to grant a six-month extension if warranted by market conditions. This action was non-controversial.

Unfortunately, the market conditions have not improved to a point where it would be reasonable to require the IPO and the current deadline (June 30, 2003) is now less than a month away. H.R. 2312, the ORBIT Technical Corrections Act, allows Inmarsat until June 30, 2004, to conduct its IPO.

The purpose of this IPO requirement was to substantilly dilute the ownership of the privatized Inmarsat by its former owners, many of which are foreign governmental entities, so as to further ensure its independence. I fully supported this goal when we enacted ORBIT, and still do today. Indeed, the action we take today, in my view, is consistent with this policy objective.

If forced to move ahead with an IPO at this time, Inmarsat will probably receive a reduced price for its shares offered. Foreign entities that still own significant portions of Inmarsat would likely be discouraged from offering their ownership interests for sale. Instead of resulting in substantial dilution of prior owners as envisioned by the ORBIT Act, a current year IPO might not achieve much dilution whatsoever. In that instance, Inmarsat would have complied with the procedural requirement of ORBIT without the substantive result that we in Congress sought: dilution of previous government owners. Given the state of the markets, the only way to ensure the dilution sought by ORBIT is to allow Inmarsat to further delay its IPO. That result is good public policy that is also good for the long-term health of the satellite communications industry.

The health of the satellite communications industry and ORBIT's implementation are important to the Committee on Energy and Commerce. We are currently exploring the possibility of holdings hearings on the state of the industry in the future. At the appropriate time, we need to examine ORBIT's implementation, and the efficiency of the existing regulatory regime. For instance, New Skies Satellites has fulfilled the requirements of ORBIT and now is a fully independent competitor in the international satellite marketplace. Some have questioned whether it makes sense to hold New Skies to a continuing list of regulatory restrictions and requirements. I look forward to working with my colleagues on the Committee to ensure that current law reflects the current realities of the satellite industry. However, today we need to enact H.R. 2312. I thank my collleagues for their support and I urge the prompt passage of this legislation.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. TAUZIN. 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. 2312, the bill just passed.

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

There was no objection.

LEADERSHIP NEEDS TO MAKE SURE THE ELEVATORS ARE WORKING SO MEMBERS CAN VOTE

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

Mr. ABERCROMBIE. Mr. Speaker, I and other Members are as anxious as everyone else in here and leadership on both sides to vote in an expeditious manner; but if that is going to take place, then the leadership has to see to it that we are able to get into these elevators and get downstairs and get over here.

If it says ''Members Only'' during the time that the bells are ringing, then you have got to either put some signage up or get some people into the elevators that see to it that happens. I cannot see trying to kick people off the elevators who are citizens, trying to come see us, who operate in good faith, and we cannot get here to vote.

Now if you are so anxious to get this thing done in 15 minutes or 17 or whatever it is, that is fine. I will do my best, as I am sure everybody else will; but, Mr. Speaker, you have got to see to it then that we are able to get to do this in the manner in which we are supposedly designated to do it.

If you have elevators that are supposed to be for us during this time, then you are going to have to do things to see we can use them. I am not the only one who was disenabled from voting because I simply could not get down here. I could not get here fast enough because these elevators are stuck, and there are all kinds of people on them asking directions and you cannot get down here. If they are on the seventh floor in Longworth or end of the Cannon building, it is just not easy to do that in the 15 minutes, particularly when you are trying to kick people out of your office or get finished with what you have to get done in order to get over here to vote.

I am just asking on behalf of not just myself but any Member that finds himself or herself in these circumstances. Had I been over here, I am sure I would have voted aye, depending on what the wisdom of my colleagues would have directed me to do in the interest of the national purpose.

The SPEAKER pro tempore. The gentleman's request is respectfully noted.

LEGISLATIVE PROGRAM

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

Mr. HOYER. Mr. Speaker, I rise for the purpose of inquiring of the distinguished majority whip the schedule for tomorrow, and I will be pleased to yield to my friend, the distinguished majority whip.

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

Mr. HOYER. I yield to the gentleman from Missouri.

Mr. BLUNT. Mr. Speaker, I thank the gentleman from Maryland, my good friend, the Democratic whip for yielding to me.

Mr. Speaker, the House will convene on Monday at 12:30 p.m. for morning hour and 2 p.m. for legislative business and will consider several measures under suspension of the rules, and a final list of those bills will be sent to Members' offices by the end of this week.

□ 1845

Mr. Speaker, any votes called on those measures will be rolled until 6:30 p.m.

On Tuesday, we may consider additional legislation under suspension of the rules as well as the conference report on S. 342, the Keeping the Children and Families Safe Act. Next week we expect to consider several bills under a rule, including H.R. 8, the Death Tax Permanency Act; H.R. 1528, the Taxpayers Protection and IRS Accountability Act; and H.R. 660, the Small Business Health Fairness Act.

I would like to note for all Members that we are making a change to schedules that were sent to offices at the beginning of the year, and we do not plan to have votes next Friday, June 20.

Mr. HOYER. Mr. Speaker, I thank the gentleman for the information he provided us. I would like to ask a number of questions about bills that we see on the horizon, to see whether or not they may be scheduled in the near future.

The Associated Health Plans, can you tell us what day we might consider that bill, and how the bill will be considered, and whether or not we will be allowed a substitute and/or amendment?

Mr. BLUNT. If the gentleman will continue to yield, we intend to bring that bill to the floor this coming week, I think on Wednesday or Thursday.

Mr. HOYER. Does the gentleman have any information as to whether or not the minority would be allowed a substitute to that bill?

Mr. BLUNT. We look forward to a fair and full debate on that bill. Our rules generally leave that to the Committee on Rules, but if the proposed substitute is within the rules of the House, that is normally the procedure.

Mr. HOYER. Mr. Speaker, I appreciate the gentleman's remarks and I hope that we will be able to get a substitute and such amendments as we might deem to be appropriate to be considered by the full House.

On the State tax bill, can you tell us when we might consider that bill and also the status of any rule?

Mr. BLUNT. Again, I have announced that we intend to bring that bill to the floor next week. Again I would expect that would be on Wednesday or Thursday.

Mr. HOYER. Do you know which would come first, the associated health plans or the State tax?

Mr. BLUNT. I do not know which will come first.

Mr. HOYER. The IRS Accountability Act, can you tell us what day we might consider that bill and under what type of rule?

Mr. BLUNT. We are working with the Committee on Ways and Means on that bill and intend to have that bill up the two heavy working days, Wednesday and Thursday of next week.

Mr. HOYER. Medicare prescription drugs, there has been a lot of activity on that, and I know that a lot of work is going on in the Senate and here in the House. Can you tell us about when we can expect to see the Medicare prescription drug legislation considered in the committee of jurisdiction and then on the floor?

Mr. BLUNT. If the gentleman will continue to yield, this is one of the most important topics we will deal with, one of the most important debates we will have this year. Both the Committee on Ways and Means and the Committee on Energy and Commerce have been working hard for months now on a bill. That bill appears to be very near completion. We hope to have that bill on the floor before we take a district work break later this month.

Mr. HOYER. Mr. Speaker, I thank the gentleman.

Appropriations bills, I know we have started to mark up appropriations bills in the committee. When do you expect the first appropriations bills may come to the floor, now that some of the subcommittees are beginning to mark up their bills, and how many bills do you expect to consider before the July 4 district work period?

Mr. BLUNT. As the gentleman knows, the Committee on Appropriations has begun to move forward on these bills. Two bills, Military Construction and Homeland Security, were able to mark up their bills this week. We believe the Committee on Appropriations will have several additional markups in the next week. I would anticipate that we would have some of these appropriations bills on the floor this month.

Mr. HOYER. Lastly, Mr. Whip, the child tax credit, we have just instructed the conference committee to pass the Senate bill out of conference on a bipartisan vote. I do not see the chairman of the Committee on Ways and Means, but is there any feel when that bill might come out of conference?

Mr. BLUNT. Mr. Whip, I do not have any specific feel for that, but I have heard that the other body has indicated a willingness to go to conference fairly quickly on that. I would expect that conference to move in the relatively near future.

Mr. HOYER. Mr. Speaker, would it be fair to expect that we would consider that conference committee prior to the July 4 district work period?

Mr. BLUNT. It is always difficult to expect anything out of a conference committee, but it is certainly possible it could happen that quickly; but it is possible that is a little quicker than the conference could move. That would be some time within the next 2 weeks. I do not think that is impossible, but I think it might be a little optimistic.

Mr. HOYER. Mr. Speaker, reclaiming my time, I thank the gentleman for his comments, and I would simply say from our side of the aisle, and I know I speak for the leader and myself, in light of the fact that the House has urged the conference committee to report out the Senate bill, and in light of the fact that the Senate passed it 94–2, it would seem to be a relatively easy matter if the conferees followed the instructions of the House to pass the Senate bill. I believe the Senate would probably concur in that judgment, and we could have a bill out of here perhaps as early as next week.

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

Mr. HOYER. I yield to the gentleman from Missouri.

Mr. BLUNT. I would only say that the motion to instruct was a much narrower decision than the vote on the bill itself. There were many Members not making that vote. Certainly the motion to instruct did carry, but perhaps it was because of those elevators that Members were stuck in.

Mr. HOYER. Reclaiming my time, I do not know about everybody else, but of course had the gentleman who complained made the vote, we would have had one more vote on our side, as the gentleman indicated.

Mr. BLUNT. I would not want to overclaim where our votes were, but I was told we had more people in the elevator getting here. I think the gentleman's comments about time and ability to get to the floor were well taken, and I am sure the Speaker and the leaders on both sides of the aisle will take that under serious consideration.

Mr. MORAN of Virginia. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Virginia.

Mr. MORAN of Virginia. Mr. Speaker, I thank the gentleman. I missed the vote as well. There was a thunderstorm. I was caught in traffic, and I had no idea that such a quick gavel would be called on such an important vote. Had I been present, I would have voted ''aye.''

Mr. HOYER. Mr. Speaker, it is almost an avalanche of support for the position of this side, and some enlightened souls on your side of the aisle, and so perhaps we ought to conclude before we have such an overwhelming majority that there will be no alternative but to follow those instructions.

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

Mr. HOYER. I yield to the gentleman from Missouri.

Mr. BLUNT. By the speed of some of the things we do, my friend, a couple of Members stepping up in 10 minutes of time is almost an avalanche. The gentleman may be right about that.

ADJOURNMENT TO MONDAY, JUNE 16, 2003

Mr. GUTKNECHT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 12:30 p.m. on Monday next for morning hour debates.

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. GUTKNECHT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

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

There was no objection.

ROADLESS RULE REVISION AND ALASKA

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

Ms. DELAURO. Mr. Speaker, I rise today to express my strong opposition to the decision earlier this week by the Bush administration to roll back protection for over 14 million acres of pristine forestland in the Tongass and Chugach National Forests in Alaska, the crown jewels of our national forest system.

In its most blatant example of catering to corporate special interests to date, the administration has once again put its wealthy contributors before the health and safety of our environments. Whether it comes to the stewardship of our precious forestlands, it appears the administration's priority is the timber industry, first and foremost, not the taxpayers or the environment. This decision, which was the result of a settlement with the State of Alaska, was made despite over 2.2 million comments and 600 public meetings and hearings on the roadless policy, the vast majority in support of protecting the Tongass and the Chugach, which is home to America's last great rainforest.

Just as damaging, the decision will allow individual States to seek additional exemptions, eroding national protections for 58.5 million acres of pristine national forests in 39 States.

I urge my colleagues to support the legislation that I have introduced, the Alaska Rainforest Protection Act, and the Inslee-Boehlert National Forest Roadless Area Conservation Act.

HONORING PASTOR CHARLES MCGOWAN

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

Mrs. BLACKBURN. Mr. Speaker, today I rise to honor a man who has been a role model for me and my 2,500 fellow church members in how to honor the Lord and serve our brothers and sisters. He has shown us the path to both living a life of service and leaving a legacy of service.

Charles McGowan, the senior pastor of Christ Presbyterian Church in Nashville, Tennessee, is retiring. His decades of service to congregations and his mission outreach are a testament to the good a single man can do when firmly planted in a place by God. Under Pastor McGowan's leadership, we have developed a strong extension training site for the Covenant Theological Seminary. And in a time when we seek international understanding, our congregation, guided by Pastor McGowan, has forged a Ukraine partnership that has led to the Ukraine Biblical Seminary in Kiev.

Not only has Charles served his country as a man of God, he has served his country as a captain in the U.S. Army Reserve, Military Intelligence. Pastor McGowan and his wife Alice found time to raise a family of four children. Charles and Alice McGowan have shared generously with us. Theirs is truly the story of a life of grace, a life dedicated to others, and to their Lord and Savior, Jesus Christ.

RECOGNIZING SERGEANT ATANASIO HARO MARIN

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

Ms. SOLIS. Mr. Speaker, I rise today to honor and remember Sergeant Atanasio Haro Marin, who lost his life in service to our Nation during Operation Iraqi Freedom. Today was his funeral. He came from a city I represent in Baldwin Park.

He was a member of Battery C, 3rd Battalion, 16th Field Artillery, 4th Infantry Division of Fort Hood, Texas. Today I pay tribute to him, to his loved ones, to his family for the safety and freedom and protections that he gave us. Let us not forget the other soldiers that are there that are also protecting our freedoms.

Mr. Speaker, I ask that Members of Congress please join me in extending my sincerest sympathy and condolences to the family and friends of Sergeant Atanasio Haro Marin, and would ask that all Americans join me in remembering our soldiers at this time.

□ 1900

COMMUNICATION FROM HON. NANCY PELOSI, DEMOCRATIC LEADER

The SPEAKER pro tempore (Mr. FRANKS of Arizona) laid before the House the following communication from the Honorable NANCY PELOSI, Democratic Leader:

U.S. HOUSE OF REPRESENTATIVES,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, DC, June 12, 2003.

Hon. J. DENNIS HASTERT,
Speaker of the House, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to 44 U.S.C. 2702, I hereby appoint Mr. Joseph cooper of Baltimore, Maryland to the Advisory Committee On The Records Of Congress for a term of two years.

Best regards,

NANCY PELOSI.

REPORT ON ADMINISTRATION OF COASTAL ZONE MANAGEMENT ACT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Resources:

To the Congress of the United States:

I am pleased to transmit the Biennial Report to Congress on the Administration of the Coastal Zone Management Act by the Office of Ocean and Coastal Resource Management, National Ocean Service, National Oceanic and Atmospheric Administration for fiscal years 2000 and 2001. This report is submitted as required by section 316 of the Coastal Zone Management Act of 1972, as amended (16 U.S.C. 1451, *et seq.*).

The report provides an overview of the Coastal Zone Management Act and describes progress in addressing the major goals of the Act; partnerships to enhance coastal and ocean management; and research, education, and technical assistance.

GEORGE W. BUSH.

THE WHITE HOUSE, *June 12, 2003.*

REVIEW OF ALL FEDERAL DRUG AND SUBSTANCE ABUSE PROGRAMS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Armed Services, the Committee on Education and the Workforce, the Committee on Energy and Commerce, the Committee on Government Reform, the Committee on the Judiciary, the Committee on Small Business, and the Committee on Veterans' Affairs:

To the Congress of the United States:

Consistent with section 2202 of the Public Law 107–273, I hereby transmit a report prepared by my Administration detailing the findings of a comprehensive review of all Federal drug and substance abuse treatment, prevention,

education, and research programs. The report also presents an inventory of all such programs, indicating the legal authority for each program and the amount of funding in the last 2 fiscal years.

GEORGE W. BUSH.
THE WHITE HOUSE, *June 12, 2003.*

FATHER'S DAY 2003

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

Ms. CARSON of Indiana. Mr. Speaker, Sunday, June 15 is Father's Day in America. Children and families will give tribute to men who are wonderful, caring parents. According to the 2000 census, there were 27 million fathers who had children under the age of 18 in their households in the year 2000. According to the National Fatherhood Initiative, an estimated 25 million children live absent from their biological fathers, up from under 10 million in 1960. Of the children under 18 in the United States, 66 percent lived with both parents and 5 percent lived with only their father in 2000.

All fathers can be important contributors to the well-being of their children. Kristin Clark Taylor, author of ''Black Fathers, A Call for Healing,'' in her introduction writes:

''We are in need of our fathers. Our stomachs are growling, hungry for their presence. Our throats are parched, thirsty for the moment, the minute, the second that they walk back into our lives and bring smiles.''

I encourage, Mr. Speaker, the fathers across this land to do all that they can do to be with their children, not just for a Sunday holiday but to be a permanent part of their life. To quote Marian Wright Edelman, director of the Children's Defense Fund, ''We do not need an $82 billion bill to correct a $3.5 billion injustice.'' Fathers are struggling to be the best dad for the most part.

I salute Father's Day 2003 and fatherhood. I call upon the Congress to do what they can do to help the fathers, fatherhood and the wannabe fathers through responsible child tax credit legislation.

Happy Father's Day.

SPECIAL ORDERS

The SPEAKER pro tempore. 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.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. CULBERSON) is recognized for 5 minutes.

(Mr. CULBERSON 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 Ohio (Mr. BROWN) is recognized for 5 minutes.

(Mr. BROWN of Ohio addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

EXCHANGE OF SPECIAL ORDER TIME

Ms. WOOLSEY. Mr. Speaker, I ask unanimous consent to give my Special Order at this time.

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

There was no objection.

CHILD TAX CREDIT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, today's vote on the Republican child tax credit bill was a squandered opportunity, a squandered opportunity to invest in our children and their families. We missed the chance to pass legislation that would immediately grant our Nation's hardworking families an increased child tax credit. The families I am talking about are those with dedicated workers that put in full-time hours at a low wage, pay taxes, and earn less than $26,000 a year. It is unfortunate that Republicans believe these forgotten children and families do not contribute enough to deserve a break. Their actions today left me no doubt that their priorities are dead wrong.

Why could the House Republican leadership not follow the other body and bring a clean child tax credit bill before us today? According to a colleague on the other side of the aisle, ''If we're going to do it, we should get something in exchange. If we give people a tax break that don't pay taxes, it's really welfare.''

Mr. Speaker, these families are not on welfare. They do pay taxes. They are not seeking welfare. They are seeking the same acknowledgment for their hard work as the rich received in the Republican tax package earlier, and they deserve tax relief now. This supposed party of compassionate conservatism has exploited the child tax credit issue to pass even more tax cuts for their wealthy friends. Rather than bringing up a child tax credit bill costing $3.5 billion with full offsets, which means fully paid for, they passed a bill that costs over $80 billion with no offsets, totally unpaid for, at a time when America's Federal deficit will exceed $400 billion.

Our priority should be to put money in the hands of working Americans while keeping our fiscal house in order. That way we can create jobs and build a strong economy. If we do not help our children now, I ask you, when will we? How can we ever expect to strengthen our Nation in the future when we ignore our children, 25 percent of our population, 100 percent of our future?

Mr. Speaker, the House Republican leadership failed our children today. They failed working families. The other body handed us a bill that would have increased tax credits for 6.5 million tax-paying families. The President, after hearing from the public and getting the pressure from the majority of the people in this Nation, actually came out in strong support of this cleaner legislation. He supported what the other body passed 94 to 2. But the bill passed today will not address the real needs of this Nation's hardworking, low-wage-earning families in the same way at all.

Mr. Speaker, it is time to restore true compassion for our Nation's working families rather than our Nation's millionaires. Our families need to know that we have not forgotten them. They are the core, they are the engine, they are what makes this Nation work, and we cannot forget them.

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.)

EXCHANGE OF SPECIAL ORDER TIME

Mr. GUTKNECHT. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from Indiana (Mr. BURTON).

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

There was no objection.

ADDRESSING THE HIGH COST OF PRESCRIPTION DRUGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. GUTKNECHT) is recognized for 5 minutes.

Mr. GUTKNECHT. Mr. Speaker, I rise again tonight to talk about the high cost that Americans pay for prescription drugs. I am so lucky. Today I got to spend a good part of my day with a true American hero. Her name is Kate Stahl. For Members who have not seen it, I recommend, and I will submit for the RECORD, a copy of last week's U.S. News and World Report; and they did a story, the title of which is ''Health on the Border, Elderly Americans head north and south to find drugs they can afford.''

Featured in the story is this American hero. Her name is Kate Stahl. She is an 84-year-old grandmother. She was here in Washington today. She wore a little sign. It just said, ''Kate Stahl, Old Woman.'' In my opinion, Kate Stahl is an American hero, and she is a patriot. She stands on the shoulders of great patriots like the Sons of Liberty who threw tea in Boston Harbor, because she has said in this article, and I will quote, ''I'd like nothing better than to be thrown in jail.''

Kate Stahl has thrown herself into this fight for lower prescription drug prices. She calls herself a drug runner. She goes to Canada regularly to bring back prescription drugs for her friends and neighbors who cannot afford them. She is a patriot. Recently, the Kaiser Foundation did a study. They found that 29 percent of seniors say that they have had prescriptions that have gone unfilled because they could not afford them. I do not say shame on the pharmaceutical industry. Shame on us. Because we have the power to change it. The reason that we pay so much, and no one disputes this, and they have charts in here and comparisons of what people pay in Canada, Mexico and in Europe. No one disputes the charts. The numbers are always the same. America, the world's best market for prescription drugs, pays the world's highest prices. No one disputes that.

But the question is why. The answer I think is pretty simple. Because we are a captive market. Because the FDA has literally said that Americans, unlike most other people in the world, cannot take drugs across the border.

I am a Republican, and I happen to believe that there is nothing wrong with the word ''profit.'' But, ladies and gentlemen, there is something wrong with the word ''profiteer.'' They have every right to expect a reasonable rate of return on their investment and their research, but they should not get it all from American consumers like Kate Stahl. Kate Stahl, is she a common criminal? I do not think so. But our own government treats her like a common criminal. In the end, we are going to have a debate in the next several weeks about prescription drugs; and in the end every one of us is going to have to decide, will we stand with those brave patriots like Kate Stahl or will we stand with the huge pharmaceutical industry? I hope we make the right choice.

[From U.S. News & World Report, June 9, 2003]

HEALTH ON THE BORDER

ELDERLY AMERICANS HEAD NORTH AND SOUTH TO FIND DRUGS THEY CAN AFFORD

(By Susan Brink)

It's become something of a joke along the Maine-Canada border. So many busloads of retired people crisscross the line looking for affordable drugs that the roadside stands should advertise, ''Lobsters. Blueberries. Lipitor. Coumadin.'' Except, of course, that such a market in prescription drugs would be illegal.

These senior long-distance shopping sprees fall in a legal gray zone. But as long as people cross the border with prescriptions from a physician and have them filled for no more than a three-month supply for personal use, customs and other federal officials leave them alone. The trip might be tiring, but people can save an average of 60 percent on the cost of their prescription drugs. For some, that's the difference between taking the drugs or doing without. ''The last bus trip I was on six months ago had 25 seniors,'' says Chellie Pingree, former Maine state senator and now president of Common Cause. ''Those 25 people saved $19,000 on their supplies of drugs.'' Pingree sponsored a bill known as Maine Rx, which authorizes a discounted price on drugs for Maine residents who lack insurance coverage. The law was challenged by drug companies but recently upheld by the U.S. Supreme Court. It hasn't yet taken effect.

For years, field trips of senior citizens who live near the borders have been organized to roll north to Canada and south to Mexico. People in the middle of the country sometimes found, if their prescription drug costs were especially high, that they could save money on medications even if they flew to Europe. The Internet has made it even easier for people to fill their prescriptions from mail-order pharmacies.

Figuring out ways to spend less on prescription drugs has become a multi-faceted national movement of consumers, largely senior citizens. The prescription drug bill in America is $160 billion annually, and people over 65 fill five times as many prescriptions as working Americans on average. ''But they do it on health benefits that are half as good and on incomes that are half as large,'' says Richard Evans, senior analyst at Sanford C. Bernstein, an investment research firm. What's more, seniors account for 20 percent of the voting public.

Face-off. It's little wonder that the May 19 Supreme Court ruling got the attention of drug manufacturers and politicians across the country. The often-over-looked state of 1.3 million tucked in the northeast corner of the country became David to the pharmaceutical industry's Goliath. The face-off began three years ago when state legislators like Pingree began questioning why Maine's elderly population had to take all those bus trips.

Americans who are elderly and uninsured pay the world's highest prices for prescription drugs. That's because they buy their drugs individually, without the bulk bargaining power of an insurance company or the federal government. Other industrialized countries, like Canada, France, Germany, and Japan, have national healthcare systems and can use the bargaining power of their entire populations to negotiate drug prices and set limits on how much drug manufacturers can charge.

Though Congress has been debating a prescription drug plan for years, seniors today still have no drug coverage under Medicare. The Maine plan does not provide a drug benefit. Seniors and the uninsured would still purchase their own medicines, but the plan helps them get a discounted price on drugs similar to that available to Medicaid recipients, in effect bringing hundreds of thousands of individual (and powerless) consumers into a powerful negotiating block.

Teaming the elderly and uninsured with Medicaid recipients gives them bargaining power they've never had before. Drug manufacturers are required to give Medicaid a discount of about 15 percent below the list price or match the lowest price on the market. That creates an incentive to keep the market price as high as possible, says Katharine Greider, author of The Big Fix: How the Pharmaceutical Industry Rips Off American Consumers. But most consumers don';t notice the high drug prices, because with health insurance they only pay a small copayment. Only those lacking prescription drug coverage—including many elderly—end up paying full retail price for drugs.

The law's leverage disturbs the drug industry. It would create formulary, or list of preferred drugs, for this block of patients, similar to those used by many managed-care organizations. If a manufacturer did not lower its prices, it would not be on the state's formulary. Drug companies oppose the law as a quality-of-care issue. ''Under Maine's program, government officials, rather than doctors and patients, would effectively decide which medicines will be available for Medicaid and non-Medicaid patients,'' says a statement from Pharmaceutical Research and Manufacturers of America, the industry's trade organization.

The Maine drug plan was crafted three years ago, and health officials are now refining a draft of the law to send to the Legislature. But the pharmaceutical industry is far from ready to give up the fight. ''I don't go to any meetings that don't have five lawyers sitting around the table,'' says Peter Walsh, acting commissioner or the Maine Department of Human Services. Even when it goes forward, one small New England state's law won't solve the nation's prescription drug crisis.

The greater hope for consumers—and the greater threat to the industry—is the clout of about 18 other states that have filed bills similar to Maine's. ''The point at which you get half or more states to do this, it becomes a more and more significant intrusion into the market. And it becomes harder for the pharmaceutical industry to fight back. That's why they had to fight so hard against Maine's law,'' says Sara Rosenbaum, professor of health-policy law at George Washington University.

Going south. Meanwhile, individual consumers are figuring out their own ways to bypass steep American drug prices. For example, Bill Goff goes to Tijuana, Mexico, four times a year. He flies from his home in Reno, Nev., to San Diego, stays in the Travelodge, rents a car for a day, and crosses the border to visit Carlos Cortez of Farmacia Internacional with a fist-full of prescriptions. He has a host of medical disorders, including rheumatoid arthritis, diabetes, asthma, glaucoma, and osteoporosis. He would spend $32,000 a year on prescription drugs in the United States, but he has cut his annual cost to $9,500, even including travel costs. ''It's not a matter of saving money. It's a matter of living,'' says Goff. ''If I didn't go to Mexico, I couldn't afford the drugs. I'd be dead.''

Others are skipping the travel altogether, some with the help of 84-year-old Kate Stahl. She is not above using the ''grandmother'' image to further a cause. ''I'd like nothing better than to be thrown in jail. People would say, 'Oh, the poor, frail old granny,''' she says with a laugh. ''I can be very frail if I have to.'' Stahl volunteers with the Minnesota Senior Federation, helping people get the forms and information they need to get mail-order prescription from Canada. The plan, called the Canadian Prescription Drug Importation Program (www.mnseniorfed.org), is open to anyone in the United States. But while no one seems ready to throw the likes of Stahl in the slammer, the program's legality is murky.

Though the Food and Drug Administration says it cannot guarantee the safety of imported drugs (even if they're exported from the United States, then reimported, as many are), individuals filling their personal prescriptions are generally left alone. But the agency has sent warning letters to profit-making drugstores in the United States that

help consumers get mail-order prescriptions from Canada, saying that reimporting cheap drugs is a violation of the law and a risk to public health.

Since Stahl and her organization do not profit from their efforts, so far no one has hassled them. Rep. Gil Gutknecht, a Minnesota Republican, is trying to pass legislation that would make it easier for people to get their drugs from Canada or overseas. Laws to that effect have passed twice before, but both times the FDA protested that it could not guarantee the safety of drugs reimported from Canada, and so the law has not taken effect. Still, Gutknecht is not alone in interpreting present laws in a way that allows people to buy personal three-month supplies of drugs overseas without problems.

Cortez has a conference table display of brand-name prescription drugs in his Tijuana office. One by one he holds them up. Pfizer's Lipitor, Eli Lilly's Prozac. Merck's Fosamax. They're not loose pills; they are individually bubble-wrapped within sealed boxes. ''We have no doubt that what we're buying is what it is. It comes from world-class labs,'' he says. And the 30 percent of his customers who are American seem to agree.

He's aware of the irony: a businessman from the developing world profiting on sales to desperate citizens of the wealthiest country on Earth. ''It doesn't get more stark than right here. You can see so clearly: Third World,'' he says, pointing to the roadside squalor in Tijuana, the concrete barriers at dusk crowded with men waiting for nightfall and a risky dash across the border. ''First World,'' he finishes, pointing toward the city of San Diego across the border. ''My business thrives on people coming here from the States. But I shouldn't have people thanking me for making it possible for them to survive when they are from a country like the United States.''

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. DAVIS) is recognized for 5 minutes.

(Mr. DAVIS of Illinois addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from 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 Indiana (Mr. BUYER) is recognized for 5 minutes.

(Mr. BUYER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

ORDER OF BUSINESS

Mr. HENSARLING. Mr. Speaker, I ask unanimous consent to give my Special Order now.

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

There was no objection.

LITIGATION REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. HENSARLING) is recognized for 5 minutes.

Mr. HENSARLING. Mr. Speaker, today the House passed landmark legislation in the passage of the Class Action Fairness Act of 2003. Lawsuit abuse is everywhere. It is harming American businesses, consumers, and families.

Mr. Speaker, there is something wrong with our legal system when it is easier to sue a doctor than it is to see a doctor. There is something wrong with our legal system when a plaintiff can be awarded millions of dollars because McDonald's serves hot coffee and not lukewarm coffee. There is something wrong with our legal system when people can sue Kentucky Fried Chicken for their weight gain because they ate too much fried chicken. And, Mr. Speaker, there is definitely something wrong with our legal system when the awards and settlements from class action lawsuits more often than not benefit the trial attorneys and not the purported victims.

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That is right, studies show that over half of all tort liability costs go to trial lawyers and administrative expenses, not the victims, real or imagined. In one egregious example, a Bank of Boston settlement ordered $8.64 to each class member, but then turned right around and assessed each of those members $90 in trial lawyer fees.

In a case against Blockbuster, the attorneys took home $9.25 million in fees, while customers got a $1-off coupon for future video rentals.

In a suit against Cheerios, the trial lawyers were paid nearly $2 million in fees, while the customers from the suit received coupons for a free box of cereal.

Mr. Speaker, the examples go on and on and on; millions for trial lawyers, pennies for purported and real victims.

In recent years, State courts have been flooded with interstate class action lawsuits, many without merit. In fact, more than 15 million civil lawsuits were filed in 1999 alone. That is one lawsuit for every 18 people in our country.

Over the last 10 years alone, class action filings in State courts have increased 1,000 percent. That is right, 1,000 percent. Why is this happening? Well, with so many class action suits and so much at stake, most companies are deciding to settle these suits, even if they do not have merit, enriching trial lawyers and giving little or nothing to victims and costing the rest of us dearly.

How does it cost us, Mr. Speaker? The cost of litigation accounts for one-third of the price of an 8-foot aluminum ladder, it doubles the price of a football helmet, it adds $500 to the sticker price of a new car, and it increases the cost of a pacemaker by $3,000.

Mr. Speaker, the American people may not realize it, but they are paying $1,200 a year more for goods and services because of lawsuit abuse. That is enough to pay a couple of months of day care, purchase a home computer for a child, or buy 9 months of prescription drugs for a senior citizen. That is what each of us is losing.

It costs us in other ways as well. Another survey has found that for fear of product liability, almost half of small businesses have had to withdraw products from the marketplace, and 39 percent decided not to introduce new products. Litigation concerns have led several companies to postpone or cancel promising AIDS vaccines.

Class action lawsuit abuse especially hurts small businesses, because small businesses are often named as defendants in these suits so that the suits can be kept in trial-lawyer-friendly local courts.

These suits cause huge increases in insurance premiums, causing many small businesses to either pay up or go belly up. What a loss, Mr. Speaker, because two out of three jobs in America are created by small business.

Mr. Speaker, we must make the class action process more fair. The Class Action Fairness Act of 2003 will implement several important changes to dramatically improve our judicial system. By expanding Federal jurisdiction for truly multistate lawsuits, the Class Action Fairness Act will reduce the number of frivolous lawsuits and help prevent venue shopping by trial attorneys for favorable rulings. The judicial review and approval process will prohibit courts from awarding larger settlements to plaintiffs based solely on their proximity to the courthouse, and, very, very important, it will provide a much-needed safeguard for plaintiffs from being shortchanged by trial attorneys.

Mr. Speaker, many class action lawsuits are valid, meritorious, and address legitimate grievances by groups of people with similar claims. But the abuse of this legal tool is overwhelming. It is costing us jobs, bankrupting businesses, depleting businesses, and gouging consumers. We must have reform.

REPUBLICANS AND SPENDING

The SPEAKER pro tempore (Mr. FRANKS of Arizona). Under a previous order of the House, the gentleman from Texas (Mr. STENHOLM) is recognized for 5 minutes.

Mr. STENHOLM. Mr. Speaker, just yesterday, the Congressional Budget Office projected the Federal Government will end fiscal year 2003 with the largest deficit in the history of our country, more than $400 billion. The Republican leadership responded to that news by scheduling a vote today on legislation that would add another $100 billion in debt over the next decade. The Republican leadership claims that we can afford their tax cuts and balance the budget by controlling

spending. Unfortunately, the Republican rhetoric about controlling spending does not match the reality of their own record.

In the 8 years since Republicans took control of Congress, discretionary spending has increased by an average of 6.5 percent per year, compared to an average of 1.6 percent in the previous 8 years. President Bush signed spending bills increasing spending by nearly 22 percent in the first 2 years he was in office.

Now, some of that was uncontrollable, due to the war and 9/11, but not all of it. When Republicans took control of Congress in 1994, total spending was $1.4 trillion. Under their budget they propose to spend $2.2 trillion next year, an increase of over $800 billion over 10 years.

If we are going to come to the floor day after day, tax cut after tax cut, a tax cut a week, if that is your strategy, and you say we are going to control spending, you have got to do something about your record.

This is the way spending is going to increase under the budget that the majority has put forward this year. By the end of this decade, total spending under the Republican budget will be more than double what it was when Republicans gained control of Congress. You would not gather that by the rhetoric we heard again today. We just keep talking over each other.

But these are the facts of what is happening. If we are going to cut taxes and if we are going to do the things that you propose to do every week, then you have got to cut spending. Otherwise we are going to run this country into the ground. And you are not proposing to do it.

Earlier this week, the administration and Republican leadership have already agreed to increase discretionary spending for the next year by $5.2 billion, an increase above the budget resolution they passed just 2 months ago.

Just today, the administration has informed the Committee on Appropriations that they will request another $1.6 billion in supplemental spending for the current fiscal year, an increase. The Blue Dog budget called for tough spending limits by adopting the President's overall spending levels.

I have no quarrel with what the majority proposed on discretionary spending. This is the green line. I have no quarrel with that.

The budget conference report the Republicans passed earlier this year is essentially adopting the spending levels we had in the Blue Dog budget, and that was supported by a majority of Democrats. The Blue Dogs are willing to work with Republicans to hold the line on spending at levels in their budget resolution. Unfortunately, the actions of the last few days show that the Republicans are not willing to stick with the spending levels in their own budget, but yet we keep talking about we are going to control spending.

The Republican budget policies are increasing the most wasteful spending in the Federal budget, the $332 billion collected from taxpayers simply to cover our national interest payments. This debt tax consumed a whopping 18 percent of all Federal tax dollars this year, and will increase to 20.1 percent by 2013. This is an increase in the debt tax that working men and women are going to have to pay in order to fulfill the economic policy that we keep hearing about every day.

The bill that passed the House today would add another $31 billion in spending, spending, spending. We had a $3.48 billion problem, and what does the leadership on this side of the aisle propose to do? Spend $30.39 billion more to solve a $3.48 billion problem.

I do not know how much longer we can do that. It does not seem to bother anybody on the other side of the aisle. I used to join with you day after day after day in saying we need to balance our Federal budget. I used to vote with you. I have not changed my voting pattern.

Under the Republican budget plan, the national debt will increase to over $12 trillion by 2013. Now, that may not bother anyone, and we can have another tax cut next week, which I understand we are going to have.

But let me say at this point, in closing, Mr. Speaker, the Blue Dogs have issued a letter of challenge to the Republican Message Group. I have spoken with the gentleman from Georgia (Mr. KINGSTON). We would like to have a little debate on this. We have got responsible people on both sides of the aisle that are just as worried about this as we are.

Instead of talking over each other and reading our 2-minute speeches and acting like we are not even in the same world, the Blue Dogs are challenging at least once every week, every night, for the rest of this year, if that is what we agree to do, to talk about these issues, and not just have me standing up pointing to the charts, but having my friends on the other side stand up and say, ''You are all wet, Charlie. That is not the way it is,'' even though these come right out of your budget and the OMB.

I think we need to have a real debate on this issue. So we are making this challenge, I am making it publicly right now, and I look forward to Special Orders next Monday, Tuesday or Wednesday, in which we can sit down and talk about this.

If we are going to talk about controlling spending, then let us propose a budget that does it. Let us not vote down the Blue Dog budget that would have been balanced. Let us not talk about a constitutional amendment, which, by the way, I am for and we will be starting the charge on that also next week to require a balanced budget.

If you are going to talk about it, you have to be prepared to do those things necessary to do it. And you do not cut taxes and increase the debt cost, the interest debt cost by $30 billion to solve a $3 billion problem. It will not work.

As we say back home in Texas, ''that dog won't hunt.''

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

(Mr. JONES of North Carolina addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

CHILD TAX CREDIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. BURGESS) is recognized for 5 minutes.

Mr. BURGESS. Mr. Speaker, I rise tonight to discuss the refundable child tax credit that we voted on earlier this evening.

I appreciate the remarks of my good friend and next-door neighbor from Texas, but, Mr. Speaker, I have to ask, how did we get here?

Our friends on the other side of the aisle have characterized the recently passed Jobs and Growth Tax Act as ''misdirected'' and targeted to the wrong people. They say that in order to stimulate the economy we do not need to return the tax dollars to people who pay taxes.

Well, in 2001, and, of course, I was not here then, but this House did pass a tax bill that did return tax dollars to people who do not pay taxes, but the stimulatory effect to the economy from that activity was minimal. So 2 weeks ago we did something different, and we passed the President's economic stimulus plan, which put tax dollars back in the hands of the people who make our economy go. The other side complained about the deficit again, and yet this week they advocated extending the refundable child credit another $3.5 billion.

Mr. Speaker, the fact remains that small businesses are becoming more and more important to the Nation's overall business activity. They create the majority of new jobs and account for half of the economy's private output.

The jobs and growth plan gives small businesses the ability to immediately expense up to $100,000, instead of the current write-off of $25,000 in capital purchases. This encourages small businesses to buy technology, machinery and other equipment that they need to expand their business and meet the needs of their consumers.

The jobs and growth plan increased the child tax credit and eliminated the marriage penalty and exempted another 3.8 million workers from Federal tax liability. And low-income families in particular benefited from this economic growth and tax relief package through a number of provisions.

We accelerated the expansion of the 10 percent bracket. This means workers

can earn more before they get moved into the 15 or 25 percent tax brackets.

Our jobs and growth program eliminated the marriage penalty.

We also accelerated the President's 2001 tax cut provision to increase the child tax credit to $1,000. Accelerating the expansion of the child tax credit will provide 26 million families with an average tax cut of $623. Obviously it means a great deal for a family of four, working to make ends meet each year.

While I recently was surprised to learn that the Democratic Caucus was interested in passing additional tax relief, I am pleased to work with them to accomplish several things. I would like to see us eliminate the marriage penalty in the child tax credit.

I would like to see us repeal the sunset included in the jobs and growth economic package to ensure that the child tax credit stays at $1,000 through 2010, not just through the next election year.

I would like to reiterate with my good friend from Texas our commitment to the military tax relief provisions that passed this House in March. These provisions include the capital gains tax relief on home sales, tax-free death gratuity payments, and tax-free dependent care assistance for members of the military.

In the future, Mr. Speaker, I look forward to working with my friend from Texas and our friends on the other side of the aisle on fundamental tax reform, including permanent elimination of the death tax. I also look forward to holding the line on the Federal deficit by controlling discretionary spending as we start this year's appropriations process.

Mr. Speaker, in closing, I think it is time that we have to focus on the fact that we cannot any longer punish those who work hard, take risks and are successful, the small business entrepreneurs in our society. America's economic recovery depends on the jobs created by the success of that segment of the population.

Mr. Speaker, our majority leader said it so well tonight: It is time for some of us not just to stand up for the cameras, but to stand up for America.

PUBLICATION OF THE RULES FOR THE PERMANENT SELECT COMMITTEE ON INTELLIGENCE, 108TH CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. GOSS) is recognized for 5 minutes.

Mr. GOSS. Mr. Speaker, I am pleased to transmit herewith the Rules of Procedure for the Permanent Select Committee on Intelligence for the 108th Congress. The enclosed rules were adopted by the Committee, in February 2003.

Pursuant to rule XI, clause 2(a)(2) of the Rules of the House of Representatives, I request that the enclosed Rules of Procedure be printed in the CONGRESSIONAL RECORD at the earliest convenient date.

RULES OF PROCEDURE FOR THE PERMANENT SELECT COMMITTEE ON INTELLIGENCE

1. SUBCOMMITTEES

(a) Generally.

(1) Creation of subcommittees shall be by majority vote of the Committee.

(2) Subcommittees shall deal with such legislation and oversight of programs and policies as the Committee may direct.

(3) Subcommittees shall be governed by these rules.

For purposes of these rules, any reference herein to the ''Committee'' shall be interpreted to include subcommittees and the working group, unless otherwise specifically provided.

(b) Establishment of Subcommittees. The Committee establishes the following subcommittees:

(1) Subcommittee on Human Intelligence, Analysis, and Counterintelligence;

(2) Subcommittee on Technical and Tactical Intelligence;

(3) Subcommittee on Intelligence Policy and National Security; and,

(4) Subcommittee on Terrorism and Homeland Security.

For purposes of these rules, any reference herein to the ''Committee'' shall be interpreted to include subcommittees, unless otherwise specifically provided.

(d) Subcommittee Membership.

(1) Generally. Each Member of the Committee may be assigned to at least one of the four subcommittees.

(2) Ex Officio Membership. In the event that the Chairman and Ranking Minority Member of the full Committee do not choose to sit as regular voting members of one or more of the subcommittees, each is authorized to sit as an ex officio Member of the subcommittees and participate in the work of the subcommittees. When sitting ex officio, however, they—

(A) shall not have a vote in the subcommittee; and

(B) shall not be counted for purposes of determining a quorum.

2. MEETING DAY

(a) Regular Meeting Day for the Full Committee.

(1) Generally. The regular meeting day of the Committee for the transaction of Committee business shall be the first Wednesday of each month, unless otherwise directed by the Chairman.

(2) Notice Required. Such regular business meetings shall not occur, unless Members are provided reasonable notice under these rules.

(b) Regular Meeting Day for Subcommittees. There is no regular meeting day for subcommittees.

3. NOTICE FOR MEETINGS

(a) Generally. In the case of any meeting of the Committee, the Chief Clerk of the Committee shall provide reasonable notice to every Member of the Committee. Such notice shall provide the time and place of the meeting.

(b) Definition. For purposes of this rule, ''reasonable notice'' means:

(1) written notification;

(2) delivered by facsimile transmission or regular mail, which is

(A) delivered no less than 24 hours prior to the event for which notice is being given, if the event is to be held in Washington, D.C.; or

(B) delivered no less than 48 hours prior to the event for which notice is being given, if the event is to be held outside Washington, D.C.

(c) Exception. In extraordinary circumstances only, the Chairman may, after consulting with the Ranking Minority Member, call a meeting of the Committee without providing notice, as defined in subparagraph (b), to Members of the Committee.

4. PREPARATIONS FOR COMMITTEE MEETINGS

(a) Generally. Designated Committee Staff, as directed by the Chairman, shall brief Members of the Committee at a time sufficiently prior to any Committee meeting in order to:

(1) assist Committee Members in preparation for such meeting; and

(2) determine which matters Members wish considered during any meeting.

(b) Briefing Materials.

(1) Such a briefing shall, at the request of a Members, include a list of all pertinent papers, and such other materials, that have been obtained by the Committee that bear on matters to be considered at the meeting; and

(2) The staff director shall also recommend to the Chairman any testimony, papers, or other materials to be presented to the Committee at the meeting of the Committee.

5. OPEN MEETINGS

(a) Generally, Pursuant to Rule XI of the House, but subject to the limitations of subsection (b), Committee meetings held for the transaction of business, and Committee hearings, shall be open to the public.

(b) Exceptions. Any meetings or portion thereof, for the transaction of business, including the markup of legislation, or any hearing or portion thereof, shall be closed to the public, if:

(1) the Committee determines by record vote, in open session with a majority of the Committee present, that disclosure of the matters to be discussed may:

(A) endanger national security;

(B) compromise sensitive law enforcement information;

(C) tend to defame, degrade, or incriminate any person; or

(D) otherwise violate any law or Rule of the House.

(2) Notwithstanding paragraph (1), a vote to close a Committee hearing, pursuant to this subsection and House Rule X shall be taken in open session—

(A) with a majority of the Committee being present; or

(B) pursuant to House Rule X, clause 11(d)(2), regardless of whether a majority is present, so long as at least two Members of the Committee are present, one of whom is a member of the Minority, and votes upon the motion.

(c) Briefings. All Committee briefings shall be closed to the public.

6. QUORUM

(a) Hearings. For purposes of taking testimony, or receiving evidence, a quorum shall consist of two Committee Members.

(b) Other Committee Proceedings. For purposes of the transaction of all other Committee business, other than the consideration of a motion to close a hearing as described in rule 5(b)(2)(B), a quorum shall consist of a majority of Members.

7. REPORTING RECORD VOTES

Whenever the Committee reports any measure or matter by record vote, the report of the Committee upon such measure or matter shall include a tabulation of the votes cast in favor of, and the votes cast in opposition to, such measure or matter.

8. PROCEDURES FOR TAKING TESTIMONY OR RECEIVING EVIDENCE

(1) Notice. Adequate notice shall be given to all witnesses appearing before the Committee.

(b) Oath or Affirmation. The Chairman may require testimony of witnesses to be given under oath or affirmation.

(c) Administration of Oath or Affirmation. Upon the determination that a witness shall testify under oath or affirmation, any Member of the Committee designated by the Chairman may administer the oath or affirmation.

(d) Interrogation of Witnesses.

(1) Generally. Interrogation of witnesses before the Committee shall be conducted by Members of the Committee.

(2) Exceptions.

(A) The Chairman, in consultation with the Ranking Minority Member, may determine that Committee Staff will be authorized to question witnesses at a hearing in accordance with clause (2)(j) of House Rule XI.

(B) The Chairman and Ranking Minority Member are each authorized to designate Committee Staff to conduct such questioning.

(e) Counsel for the Witness.

(1) Generally. Witnesses before the Committee may be accompanied by counsel, subject to the requirements of paragraph (2).

(2) Counsel Clearances Required. In the event that a meeting of the Committee has been closed because the subject to be discussed deals with classified information, counsel accompanying a witness before the Committee must possess the requisite security clearance and provide proof of such clearance to the Committee at least 24 hours prior to the meeting at which the counsel intends to be present.

(3) Failure to Obtain Counsel. Any witness who is unable to obtain counsel should notify the Committee. If such notification occurs at least 24 hours prior to the witness' appearance before the Committee, the Committee shall then endeavor to obtain voluntary counsel for the witness. Failure to obtain counsel, however, will not excuse the witness from appearing and testifying.

(4) Conduct of Counsel for Witnesses. Counsel for witnesses appearing before the Committee shall conduct themselves ethically and professionally at all times in their dealings with the Committee.

(A) A majority of Members of the Committee may, should circumstances warrant, find that counsel for a witness before the Committee failed to conduct himself or herself in an ethical or professional manner.

(B) Upon such finding, counsel may be subject to appropriate disciplinary action.

(5) Temporary Removal of Counsel. The Chairman may remove counsel during any proceeding before the Committee for failure to act in an ethical and professional manner.

(6) Committee Reversal. A majority of the Members of the Committee may vote to overturn the decision of the Chairman to remove counsel for a witness.

(7) Role of Counsel for Witness.

(A) Counsel for a witness:

(i) shall not be allowed to examine witnesses before the Committee, either directly or through cross-examination; but

(ii) may submit questions in writing to the Committee that counsel wishes propounded to a witness; or

(iii) may suggest, in writing to the Committee, the presentation of other evidence or the calling of other witnesses.

(B) The Committee may make such use of any such questions, or suggestions, as the Committee deems appropriate.

(f) Statements by Witnesses.

(1) Generally. A witness may make a statement, which shall be brief and relevant, at the beginning and at the conclusion of the witness' testimony.

(2) Length. Each such statements shall not exceed five minutes in length, unless otherwise determined by the Chairman.

(3) Submission to the Committee. Any witness desiring to submit a written statement for the record of the proceeding shall submit a copy of the statement to the Chief Clerk of the Committee.

(A) Such statements shall ordinarily be submitted no less than 48 hours in advance of the witness' appearance before the Committee.

(B) In the event that the hearing was called with less than 24 hours notice, written statements should be submitted as soon as practicable prior to the hearing.

(g) Objections and Ruling.

(1) Generally. Any objection raised by a witness, or counsel for the witness, shall be ruled upon by the Chairman, and such ruling shall be the ruling of the Committee.

(2) Committee Action. A ruling by the Chairman may be overturned upon a majority vote of the Committee.

(h) Transcripts.

(1) Transcript Required. A transcript shall be made of the testimony of each witness appearing before the Committee during any hearing of the Committee.

(2) Opportunity to Inspect. Any witness testifying before the Committee shall be given a reasonable opportunity to inspect the transcript of the hearing, and may be accompanied by counsel to determine whether such testimony was correctly transcribed. Such counsel:

(A) shall have the appropriate clearance necessary to review any classified aspect of the transcript; and

(B) should, to the extent possible, be the same counsel that was present for such classified testimony.

(3) Corrections.

(A) Pursuant to Rule XI of the House Rules, any corrections the witness desires to make in a transcript shall be limited to technical, grammatical, and typographical.

(B) Corrections may not be made to change the substance of the Testimony.

(C) Such corrections shall be submitted in writing to the Committee within 7 days after the transcript is made available to the witnesses.

(D) Any questions arising with respect to such corrections shall be decided by the Chairman.

(4) Copy for the Witness. At the request of the witness, any portion of the witness' testimony given in executive session shall be made available to that witness if that testimony is subsequently quote or intended to be made part of a public record. Such testimony shall be made available to the witness at the witness' expense.

(i) Requests to Testify.

(1) Generally. The Committee will consider requests to testify on any matter or measure pending before the Committee.

(2) Recommendations for Additional Evidence. Any person who believes that testimony, other evidence, or commentary, presented at a public hearing may tend to affect adversely that person's reputation may submit to the Committee, in writing:

(A) a request to appear personally before the Committee;

(B) A sworn statement of facts relevant to the testimony, evidence, or commentary; or

(C) proposed questions for the cross-examination of other witnesses.

(3) Committees Discretion. The Committee may take those actions it deems appropriate with respect to such requests.

(j) Contempt Procedures. Citations for contempt of Congress shall be forwarded to the House, only if:

(1) reasonable notice is provided to all Members of the Committee of a meeting to be held to consider any such contempt recommendations;

(2) the Committee has meet and considered the contempt allegations;

(3) The subject of the allegations was afforded an opportunity to state either in writing or in person, why he or she should not be held in contempt; and

(4) the Committee agreed by majority vote to forward the citation recommendations to the House.

((k) Release of Name of Witness.

(1) Generally. At the request of a witnesses scheduled to be heard by the Committee, the name of that witness shall not be released publicly prior to, or after, the witness' appearance before the Committee.

(2) Exceptions. Notwithstanding paragraph (1), the chairman may authorize the release to the public of the name of any witness scheduled to appear before the Committee.

9. INVESTIGATIONS

(a) Commencing Investigations.

(1) Generally. The Committee shall conduct investigations only if approved by the full Committee. An investigation may be initiated either:

(A) by a vote of the full Committee;

(B) at the direction of the Chairman of the full Committee, with notice to the Ranking Minority Member; or

(C) by written request of at lease five Members of the full Committee, which is submitted to the Chairman.

(2) Full Committee Ratification Required. Any investigation initiated by the Chairman pursuant to paragraphs (B) and (C) must be brought to the attention of the full Committee for approval, at the next regular meeting of the full Committee.

(b) Conducting Investigation. An authorized investigation may be conducted by Members of the Committee or Committee Staff members designated by the Chairman, in consultation with the Ranking Minority Member, to undertake any such investigation.

10. SUBPOENAS

(a) Generally. All subpoenas shall be authorized by the Chairman of the full Committee, upon consultation with the Ranking Minority member, or by vote of the Committee.

(b) Subpoena Contents. Any subpoena authorized by the Chairman of the full Committee, or the Committee, may compel:

(1) the attendance of witnesses and testimony before the Committee, or

(2) the production of memoranda, documents, records, or any other tangible item.

(c) Signing of Subpoena. A subpoena authorized by the Chairman of the full Committee, or the Committee, may be signed by the Chairman, or by any Member of the Committee designated to do so by the Committee.

(d) Subpoena Service. A subpoena authorized by the Chairman of the full Committee, or the Committee, may be served by any person designated to do so by the Chairman.

(e) Other Requirements. Each subpoena shall have attached thereto a copy of these rules.

11. COMMITTEE STAFF

(a) Definition. For the purpose of these rules, ''Committee Staff'' or 'staff of the Committee'' Means:

(1) employees of the Committee;

(2) consultants to the Committee;

(3) employees of other Government agencies detailed to the Committee; or

(4) any other person engaged by contract, or otherwise, to perform services for, or at the request of, the Committee.

(b) Appointment of Committee Staff.

(1) Chairman's Authority. The appointment of Committee Staff shall be by the Chairman, in consultation with the Ranking Minority Member. The Chairman shall certify Committee Staff appointments to the Clerk of the House in writing.

(2) Security Clearance Required. All offers of employment for prospective Committee Staff positions shall be contingent upon:

(A) the results of a background investigation; and

(B) a determination by the Chairman that requirements for the appropriate security clearances have been met.

(c) Responsibilities of Committee Staff.

(1) Generally. The Committee Staff works for the Committee as a whole, under supervision and direction of the Chairman of the Committee.

(2) Authority of the Staff Director.

(A) Unless otherwise determined by the Committee, the duties of Committee Staff shall be performed under the direct supervision and control of the staff director.

(B) Committee Staff personnel affairs and day-to-day Committee Staff administrative matters, including the security and control of classified documents and material, shall be administered under the direct supervision and control of the staff director.

(3) Staff Assistance to Minority Membership. The Committee Staff shall assist the Minority as fully as the Majority of the Committee in all matters of Committee business, and in the preparation and filing of supplemental, minority, or additional views, to the end that all points of view may be fully considered by the Committee and the House.

12. LIMIT ON DISCUSSION OF CLASSIFIED WORK OF THE COMMITTEE

(a) Prohibition.

(1) Generally. Except as otherwise provided by these rules and the Rules of the House of Representatives, Members and Committee staff shall not at any time, either during that person's tenure as a Member of the Committee or as Committee Staff, or anytime thereafter, discuss or disclose:

(A) the classified substance of the work of the Committee;

(B) any information received by the Committee in executive session;

(C) any classified information received by the Committee from any source; or

(D) the substance of any hearing that was closed to the public pursuant to these rules or the Rules of the House.

(2) Non-Disclosure in Proceedings.

(A) Members of the Committee and the Committee Staff shall not discuss either the substance or procedure of the work of the Committee with any person not a Member of the Committee or the Committee Staff in connection with any proceeding, judicial or otherwise, either during the person's tenure as a Member of the Committee, or of the Committee Staff, or at any time thereafter, except as directed by the Committee in accordance with the Rules of the House and these rules.

(B) In the event of the termination of the Committee, Members and Committee Staff shall be governed in these matters in a manner determined by the House concerning discussions of the classified work of the Committee.

(3) Exceptions.

(A) Notwithstanding the provisions of subsection (a)(1), Members of the Committee and the Committee Staff may discuss and disclose those matters described in subsection (a)(1) with—

(i) Members and staff of the Senate Select Committee on Intelligence designated by the chairman of that committee;

(ii) the chairmen and ranking minority members of the House and Senate Committees on Appropriations and staff of those committees designated by the chairmen of those committees; and

(iii) the chairman and ranking minority member of the Subcommittee on Defense of the House Committee on Appropriations and staff of that subcommittee as designated by the chairman of that subcommittee.

(B) Notwithstanding the provisions of subsection (a)(1), Members of the Committee and the Committee Staff may discuss and disclose only that budget-related information necessary to facilitate the enactment of the annual defense authorization bill with the chairmen and ranking minority members of the House and Senate Committees on Armed Services and the staff of those committees designated by the chairmen of those committees.

(C) Notwithstanding the provisions of subsection (a)(1), Members of the Committee and the Committee staff may discuss with and disclose to the chairman and ranking minority member of a subcommittee of the House Appropriations Committee with jurisdiction over an agency or program within the National Foreign Intelligence Program (NFIP), and staff of that subcommittee as designated by the chairman of that subcommittee, only that budget-related information necessary to facilitate the enactment of an appropriations bill within which is included an appropriation for an agency or program within the NFIP.

(D) The Chairman may, in consultation with the Ranking Minority Member, upon the written request to the Chairman from the Inspector General of an element of the Intelligence Community, grant access to Committee transcripts or documents that are relevant to an investigation of an allegation of possible false testimony or other inappropriate conduct before the Committee, or that are otherwise relevant to the Inspector General's investigation.

(E) Upon the written request of the head of an Intelligence Community element, the Chairman may, in consultation with the Ranking Minority Member, make available Committee briefing or hearing transcripts to that element for review by that element if a representative of that element testified, presented information to the Committee, or was present at the briefing or hearing the transcript of which is requested for review.

(F) Members and Committee Staff may discuss and disclose such matters as otherwise directed by the Committee.

(b) Non-Disclosure Agreement.

(1) Generally. All Committee Staff must, before joining the Committee, agree in writing, as a condition of employment, not to divulge any classified information, which comes into such person's possession while a member of the Committee Staff, to any person not a Member of the Committee or the Committee Staff, except as authorized by the Committee in accordance with the Rules of the House and these rules.

(2) Other Requirements. In the event of the termination of the Committee, Members and Committee Staff must follow any determination by the House of Representatives, with respect to the protection of classified information received while a Member of the Committee or as Committee Staff.

(3) Requests for Testimony of Staff.

(A) All Committee Staff must, as a condition of employment agree in writing, to notify the Committee immediately of any request for testimony received while a member of the Committee Staff, or at any time thereafter, concerning any classified information received by such person while a member of the Committee Staff.

(B) Committee Staff shall not disclose, in response to any such request for testimony, any such classified information, except as authorized by the Committee in accordance with the Rules of the House and these rules.

(C) In the event of the termination of the Committee, Committee Staff will be subject to any determination made by the House of Representatives with respect to any requests for testimony involving classified information received while a member of the Committee Staff.

13. CLASSIFIED MATERIAL

(a) Receipt of Classified Information.

(1) Generally. In the case of any information that has been classified under established security procedures and submitted to the Committee by any source, the Committee shall receive such classified information as executive session material.

(2) Staff Receipt of Classified Materials. For purposes of receiving classified information, the Committee Staff is authorized to accept information on behalf of the Committee.

(b) Non-Disclosure of Classified Information.

Generally. Any classified information received by the Committee, from any source, shall not be disclosed to any person not a Member of the Committee or the Committee Staff, or otherwise released, except as authorized by the Committee in accord with the Rules of the House and these rules.

14. PROCEDURES RELATED TO HANDLING OF CLASSIFIED INFORMATION

(a) Security Measures.

(1) Strict Security. The Committee's offices shall operate under strict security procedures administered by the Director of Security and Registry of the Committee under the direct supervision of the staff director.

(2) U.S. Capitol Police Presence Required. At least one U.S. Capitol Police officer shall be on duty at all times outside the entrance to Committee offices to control entry of all persons to such offices.

(3) Identification Required. Before entering the Committee's offices all persons shall identify themselves to the U.S. Capitol Police officer described in paragraph (2) and to a Member of the Committee or Committee Staff.

(4) Maintenance of Classified Materials. Classified documents shall be segregated and maintained in approved security storage locations.

(5) Examination of Classified Materials. Classified documents in the Committee's possession shall be examined in an appropriately secure manner.

(6) Prohibition on Removal of Classified Materials. Removal of any classified document from the Committee's offices is strictly prohibited, except as provided by these rules.

(7) Exception. Notwithstanding the prohibition set forth in paragraph (6), a classified document, or copy thereof, may be removed from the Committee's offices in furtherance of official Committee business. Appropriate security procedures shall govern the handling of any classified documents removed from the Committee's offices.

(b) Access to Classified Information by Member. All Members of the Committee shall at all times have access to all classified papers and other material received by the Committee from any source.

(c) Need-to-know.

(1) Generally. Committee Staff shall have access to any classified information provided to the Committee on a strict ''need-to-know'' basis, as determined by the Committee, and under the Committee's direction by the staff director.

(2) Appropriate Clearances Required. Committee Staff must have the appropriate clearances prior to any access to compartmented information.

(d) Oath.

(1) Requirement. Before any Member of the Committee, or the Committee Staff, shall have access to classified information, the following oath shall be executed:

''I do solemnly swear (or affirm) that I will not disclose any classified information received in the course of my service on the House Permanent Select Committee on Intelligence, except when authorized to do so

by the Committee or the House of Representatives.''

(2) Copy. A copy of such executed oath shall be retained in the files of the Committee.

(e) Registry.

(1) Generally. The Committee shall maintain a registry that:

(A) provides a brief description of the content of all classified documents provided to the Committee by the executive branch that remain in the possession of the Committee; and

(B) lists by number all such documents.

(2) Designation by the Staff Director. The staff director shall designate a member of the Committee Staff to be responsible for the organization and daily maintenance of such registry.

(3) Availability. Such registry shall be available to all Members of the Committee and Committee Staff.

(f) Requests by Members of Other Committees. Pursuant to the Rules of the House, Members who are not Members of the Committee may be granted access to such classified transcripts, records, data, charts, or files of the Committee, and be admitted on a non-participatory basis to classified hearings of the Committee involving discussions of classified material in the following manner:

(1) Written Notification Required. Members who desire to examine classified materials in the possession of the Committee, or to attend Committee hearings or briefings on a non-participatory basis, must notify the Chief Clerk of the Committee in writing.

(2) Committee Consideration. The Committee shall consider each such request by non-Committee Members at the earliest practicable opportunity. The Committee shall determine, by roll call vote, what action it deems appropriate in light of all of the circumstances of each request. In its determination, the Committee shall consider:

(A) the sensitivity to the national defense or the confidential conduct of the foreign relations of the United States of the information sought;

(B) the likelihood of its being directly or indirectly disclosed;

(C) the jurisdictional interest of the Member making the request; and

(D) such other concerns, constitutional or otherwise, as may affect the public interest of the United States.

(3) Committee Action. After consideration of the Member's request, the Committee may take any action it may deem appropriate under the circumstances, including but not limited to:

(A) approving the request, in whole or part;

(B) denying the request; or

(C) providing the requested information or material in a different form than that sought by the Member.

(4) Requirements for Access by Non-Committee Members. Prior to a non-Committee Member being given access to classified information pursuant to this subsection, the requesting Member shall—

(A) provide the Committee a copy of the oath executed by such Member pursuant to House Rule XXIII, clause 13; and

(B) agree in writing not to divulge any classified information provided to the Member pursuant to this subsection to any person not a Member of the Committee or the Committee Staff, except as otherwise authorized by the Committee in accordance with the Rules of the House and these rules.

(5) Consultation Authorized. When considering a Member's request, the Committee may consult the Director of Central Intelligence and such other officials it considers necessary.

(6) Finality of Committee Decision.

(A) Should the Member making such a request disagree with the Committee's determination with respect to that request, or any part thereof, that Member must notify the Committee in writing of such disagreement.

(B) The Committee shall subsequently consider the matter and decide, by record vote, what further action or recommendation, if any, the Committee will take.

(g) Advising the House or Other Committees. Pursuant to Section 501 of the National Security Act of 1947 (50 U.S.C.§413), and to the Rules of the House, the Committee shall call to the attention of the House, or to any other appropriate committee of the House, those matters requiring the attention of the House, or such other committee, on the basis of the following provisions:

(1) By Request of Committee Member. At the request of any Member of the Committee to call to the attention of the House, or any other committee, executive session material in the Committee's possession, the Committee shall meet at the earliest practicable opportunity to consider that request.

(2) Committee Consideration of Request. The Committee shall consider the following factors, among any others it deems appropriate:

(A) the effect of the matter in question on the national defense or the foreign relations of the United States;

(B) whether the matter in question involves sensitive intelligence sources and methods;

(C) whether the matter in question otherwise raises questions affecting the national interest; and

(D) whether the matter in question affects matters within the jurisdiction of another Committee of the House.

(3) Views of Other Committees. In examining such factors, the Committee may seek the opinion of Members of the Committee appointed from standing committees of the House with jurisdiction over the matter in question, or submissions from such other committees.

(4) Other Advice. The Committee may, during its deliberations on such requests, seek the advice of any executive branch official.

(h) Reasonable Opportunity to Examine Materials. Before the Committee makes any decision regarding any request for access to any classified information in its possession, or a proposal to bring any matter to the attention of the House or another committee, Members of the Committee shall have a reasonable opportunity to examine all pertinent testimony, documents, or other materials in the Committee's possession that may inform their decision on the question.

(i) Notification to the House. The Committee may bring a matter to the attention of the House when, after consideration of the factors set forth in this rule, it considers the matter in question so grave that it requires the attention of all Members of the House, and time is of the essence, or for any reason the Committee finds compelling.

(j) Method of Disclosure to the House.

(1) Should the Committee decide by roll call vote that a matter requires the attention of the House as described in subsection (i), it shall make arrangements to notify the House promptly.

(2) In such cases, the Committee shall consider whether:

(A) to request an immediate secret session of the House (with time equally divided between the Majority and the Minority); or

(B) to publicly disclose the matter in question pursuant to clause 11(g) of House Rule X.

(k) Requirement to Protect Sources and Methods. In bringing a matter to the attention of the House, or another committee, the Committee, with due regard for the protection of intelligence sources and methods, shall take all necessary steps to safeguard materials or information relating to the matter in question.

(l) Availability of Information to Other Committees. The Committee, having determined that a matter shall be brought to the attention of another committee, shall ensure that such matter, including all classified information related to that matter, is promptly made available to the chairman and ranking minority member of such other committee.

(m) Provision of Materials. The Director of Security and Registry for the Committee shall provide a copy of these rules, and the applicable portions of the Rules of the House of Representatives governing the handling of classified information, along with those materials determined by the Committee to be made available to such other committee of the House or Member (not a Member of the Committee).

(n) Ensuring Clearances and Secure Storage. The Director of Security and Registry shall ensure that such other committee or Member (not a Member of the Committee) receiving such classified materials may properly store classified materials in a manner consistent with all governing rules, regulations, policies, procedures, and statutes.

(o) Log. The Director of Security and Registry for the Committee shall maintain a written record identifying the particular classified document or material provided to such other committee or Member (not a Member of the Committee), the reasons agreed upon by the Committee for approving such transmission, and the name of the committee or Member (not a Member of the Committee) receiving such document or material.

(p) Miscellaneous Requirements.

(1) Staff Director's Additional Authority. The staff director is further empowered to provide for such additional measures, which he or she deems necessary, to protect such classified information authorized by the Committee to be provided to such other committee or Member (not a Member of the Committee).

(2) Notice to Originating Agency. In the event that the Committee authorizes the disclosure of classified information provided to the Committee by an agency of the executive branch to a Member (not a Member of the Committee) or to another committee, the Chairman may notify the providing agency of the Committee's action prior to the transmission of such classified information.

15. LEGISLATIVE CALENDAR

(a) Generally. The Chief Clerk, under the direction of the staff director, shall maintain a printed calendar that lists:

(1) the legislative measures introduced and referred to the Committee;

(2) the status of such measures; and

(3) such other matters that the Committee may require.

(b) Revisions to the Calendar. The calendar shall be revised from time to time to show pertinent changes.

(c) Availability. A copy of each such revision shall be furnished to each Member, upon request.

(d) Consultation with Appropriate Government Entities. Unless otherwise directed by the Committee, legislative measures referred to the Committee shall be referred by the Chief Clerk to the appropriate department or agency of the Government for reports thereon.

16. COMMITTEE TRAVEL

(a) Authority. The Chairman may authorize Members and Committee Staff to travel on Committee business.

(b) Requests.

(1) Member Requests. Members requesting authorization for such travel shall state the

purpose and length of the trip, and shall submit such request directly to the Chairman.

(2) Committee Staff Requests. Committee Staff requesting authorization for such travel shall state the purpose and length of the trip, and shall submit such request through their supervisors to the staff director and the Chairman.

(c) Notification to Members.

(1) Generally. Members shall be notified of all foreign travel of Committee Staff not accompanying a Member.

(2) Content. All Members are to be advised, prior to the commencement of such travel, of its length, nature, and purpose.

(d) Trip Reports.

(1) Generally. A full report of all issues discussed during any travel shall be submitted to the Chief Clerk of the Committee within a reasonable period of time following the completion of such trip.

(2) Availability of Reports. Such report shall be:

(A) available for the review of any Member or Committee Staff; and

(B) considered executive session material for purposes of these rules.

(e) Limitations on Travel.

(1) Generally. The Chairman is not authorized to permit travel on Committee business of Committee Staff who have not satisfied the requirements of subsection (d) of this rule.

(2) Exception. The Chairman may authorize Committee Staff to travel on Committee business, notwithstanding the requirements of subsections (d) and (e) of this rule—

(A) at the specific request of a Member of the Committee; or

(B) in the event there are circumstances beyond the control of the Committee Staff hindering compliance with such requirements.

(f) Definitions. For purposes of this rule the term ''reasonable period of time'' means:

(1) no later than 60 days after returning from a foreign trip; and

(2) no later than 30 days after returning from a domestic trip.

(C) DISCIPLINARY ACTIONS

(a) Generally. The Committee shall immediately consider whether disciplinary action shall be taken in the case of any member of the Committee Staff alleged to have failed to conform to any rule of the House of Representatives or to these rules.

(b) Exception. In the event the House of Representatives is:

(1) in a recess period in excess of 3 days; or

(2) has adjourned sine die; the Chairman of the full Committee, in consultation with the Ranking Minority Member, may take such immediate disciplinary actions deemed necessary.

(c) Available Actions. Such disciplinary action may include immediate dismissal from the Committee Staff.

(d) Notice to Members. All Members shall be notified as soon as practicable, either by facsimile transmission or regular mail, of any disciplinary action taken by the Chairman pursuant to subsection (b).

(e) Reconsideration of Chairman's Actions. A majority of the Members of the full Committee may vote to overturn the decision of the Chairman to take disciplinary action pursuant to subsection (b).

18. BROADCASTING COMMITTEE MEETINGS

Whenever any hearing or meeting conducted by the Committee is open to the public, a majority of the Committee may permit that hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, subject to the provisions and in accordance with the spirit of the purposes enumerated in the Rules of the House.

19. COMMITTEE RECORDS TRANSFERRED TO THE NATIONAL ARCHIVES

(a) Generally. The records of the Committee at the National Archives and Records Administration shall be made available for public use in accordance with the Rules of the House of Representatives.

(b) Notice of Withholding. The Chairman shall notify the Ranking Minority Member of any decision, pursuant to the Rules of the House of Representatives, to withhold a record otherwise available, and the matter shall be presented to the full Committee for a determination of the question of public availability on the written request of any Member of the Committee.

20. CHANGES IN RULES

(a) Generally. These rules may be modified, amended, or repealed by vote of the full Committee.

(b) Notice of Proposed Changes. A notice, in writing, of the proposed change shall be given to each Member at least 48 hours prior to any meeting at which action on the proposed rule change is to be taken.

ENCOURAGING PEACE TALKS IN SRI LANKA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I rise this evening to encourage a new round of peace talks between the Sri Lankan Government and the Liberation Tigers of Tamil Eelam, LTTE, also known as the Tamil Tigers. Recent conciliatory actions by the Sri Lankan Government, as well as strong international support for peace, offers progress in finding a resolution to this conflict. However, the Tamil Tigers need to be encouraged to return to the negotiating table in order to continue this momentum towards peace.

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Sri Lanka, Mr. Speaker, is a nation that has suffered a tremendous loss of nearly 65,000 lives due to a long-standing conflict between Sri Lankans and the Tamil Tigers. Finally, on February 22nd of last year, the Norwegian Government brokered a cease-fire signed by both groups, but the peace process remains far from complete.

Excluded from a preliminary conference held in Washington this April, the Tamil Tigers then withdrew from participating in the Tokyo Donor Conference that is currently taking place. However, recent developments on the part of the Sri Lankan Government and the international community offer some progress. On Monday, the Prime Minister of Sri Lanka offered a provisional administrative structure for the Tamil majority region of the island, a step toward meeting a central demand of the Tamil Tigers for resuming peace talks.

The Tigers have said they would return to the negotiating table only if an interim administration in the Tamil-majority north and east was established, and the Prime Minister's proposal does just that. Having taken this important step, the Prime Minister must further lay out a more specific outline for addressing the Tamil Tigers' concerns.

The movement towards peace in Sri Lanka is further solidified by the vast influx of international support for peace on the island. At the Donor meeting in Tokyo, host Japan has already pledged $1 billion in assistance. Another $1 billion has been offered by the Asian Development Bank, and a spokesman for the European Union said it will contribute $290 million over the next 3 years. The U.S. has committed to $54 million in aid, and the World Bank recently announced before the conference that it would provide Sri Lanka with $200 million a year for 4 years.

Mr. Speaker, these donations show an enormous interest by the international community in rebuilding postconflict Sri Lanka and finding a peaceful resolution. Any aid will come with strict conditions in an effort to provide the international community with the ability to compel the Sri Lankan Government and the Tamil Tigers to move quickly toward resolving their conflict.

Mr. Speaker, I have to say the atmosphere for peace in Sri Lanka, I think, is right. Strong international financial and moral support for peace, and recent Sri Lankan compromises to the Tamil Tigers will hopefully lead to the Tamil Tigers' return to the negotiating table and, hopefully, eventually lead to a peaceful resolution in Sri Lanka.

REVISIONS TO THE FISCAL YEAR 2004 BUDGET RESOLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. NUSSLE) is recognized for 5 minutes.

Mr. NUSSLE. Mr. Speaker, in accordance with section 507 of H. Con. Res. 95 and consistent with section 310 of the Congressional Budget Act, I submit for printing in the CONGRESSIONAL RECORD revisions to the fiscal year 2004 budget resolution to reflect the enactment of H.R. 2, the Jobs and Growth Tax Relief Reconciliation Act of 2003 (P.L. 108–27).

Section 201 of the budget resolution (H. Con. Res. 95) directed the Committee on Ways and Means to report a bill that would increase outlays and reduce revenue by specified amounts. The conference report accompanying H.R. 2 exceeded the target for outlays, but reduced revenue by less than the amount allowed under the revenue target.

Since the overage in outlays was within 20 percent of the total cost of the bill and was offset on the revenue side, as permitted under section 310 of the Budget Act, the conference report was deemed to be in compliance with its reconciliation instructions.

I am, therefore, adjusting the 302(a) allocation to the Committee on Ways and Means to

reflect the enacted levels of budget authority, outlays and revenue in the tax bill. This will hold other measures assumed in the budget resolution harmless for the permissible variance in budget authority and revenue between the budget resolution and enacted tax bill.

Accordingly, the adjusted 302(a) allocation to the Committee on Ways and Means is as follows:

Fiscal year 2003: $14,576,000,000 in new budget authority and $14,512,000,000 in outlays.

Fiscal year 2004: $20,626,000,000 in new budget authority and $20,054,000,000 in outlays.

The period of fiscal years 2004–2008: $24,079,000,000 in new budget authority and $23,876,000,000 in outlays.

The period of fiscal years 2004–2013: $39,261,000,000 in new budget authority and $39,128,000,000 in outlays.

The changes in the Ways and Means allocation cause changes in the budgetary aggregates. Accordingly, I also modify the budgetary aggregates to the following levels:

Fiscal year 2003: $1,877,204,000 in new budget authority and $1,829,299,000 in outlays; $1,310,347,000 in revenues.

Fiscal year 2004: $1,880,555,000 in new budget authority and $1,903,502,000 in outlays.

The period of fiscal years 2004–2013: $19,632,020,000,000 in revenues.

Questions may be directed to Dan Kowalski at 67270.

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.)

BUSH ADMINISTRATION STRIPS VETERANS' BENEFITS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. STRICKLAND) is recognized for 5 minutes.

Mr. STRICKLAND. Mr. Speaker, these are difficult days for our country. The war is not over. We continue to have young Americans killed, almost on a daily basis in Iraq, and that country is very unsettled. But that is not why I rise to speak tonight. I rise to speak about soldiers of wars passed.

Just this past weekend in Marietta, Ohio, I attended a meeting of the Purple Heart Association; and later on that evening I spoke to a group of veterans who had served on the LST ships, those large ships that transported cargo and goods and soldiers, landing them on the beaches of Normandy and elsewhere; and I was struck by the fact that these veterans are full of goodwill and wonderful stories about their lives as members of the United States Armed Forces. They went through some hellish experiences, things that we can only imagine, I guess, in our darkest moments.

But I am concerned, Mr. Speaker, that this country, as rich as we are and as willing as we are to take care of the well-off among us, that this country is failing to live up to its obligations to our Nation's veterans. I would just like to share some of the actions that have been recently taken by the President and this administration that I think are so harmful to veterans.

Approximately a year and a half or so ago, the VA made a decision that they were going to increase the cost of a prescription drug that a veteran would have to pay from $2 a prescription to $7 a prescription, and I thought that was outrageous at the time, and I introduced legislation to roll back that decision. But the matter has gotten worse. In the President's budget which he sent to us a few months ago, in fact, the budget that he sent to us in January at the very time when we were preparing to send our young men and women into harm's way in Iraq, the President sent us a budget that asked that the cost of a prescription drug be increased, the copayment, not at $7, but that that be increased up to $15 a prescription. I felt like that was a shameful act. But the President also asked in his budget that the cost of a clinic visit be increased from $15 to $20. The President asked in his budget that there be an annual enrollment fee of $250 imposed upon Priority 7 and 8 veterans. It just seems as if it does not stop.

Then, Secretary Principi created a new priority group of veterans, which is now known as Priority Group 8, and these are veterans who do not have service-connected disabilities and are considered higher-income veterans. So the decision was made that these Priority 8 veterans simply could no longer enroll in the VA health care system. Now, how much money does one have to make in order to be considered a higher-income Priority 8 veteran? Well, in my district and in other parts of the country, one can make as little as $22,000 a year.

Now, Mr. Speaker, those of us who serve in this Chamber make over $150,000 a year, and maybe we just cannot understand what it is like to make $22,000 a year. Maybe we just think if one makes $22,000 a year, one is going to have all one needs to pay their bills and support their families and so on. But, quite frankly, I think it is shameful that at a time when we are giving huge tax breaks to the richest among us, that we would impose a $250 annual enrollment fee on veterans who have honorably served this Nation, whose incomes are as little as $22,000 a year.

Well, I do not know what the solution is. I know some of my colleagues in this Chamber say, well, we are never going to have these requests that the President has made passed into law; but just this week, I am on the Committee on Veterans Affairs, and just this week we had representatives from the Veterans Affairs Department before our committee. And I asked them if it was current administration policy to pursue these efforts to increase the cost of prescription drugs to impose an annual enrollment fee on veterans, and to exclude Priority 8 veterans from even participation in the VA system. I was told that it continues to be the intention of this administration of the President to pursue these efforts.

There is something else I would like to mention tonight. About a year or so ago, the VA put out a memo to all of its health care providers around the country, a memo which consists of, in my judgment, little more than a gag order. The memo basically said, and I am certainly paraphrasing, but what I am saying is true to the spirit of the memo, the memo said: too many veterans are coming in for service. We do not have enough money to provide those services, and so you are no longer able to actively pursue the dissemination of information to our veterans.

So, Mr. Speaker, these are troublesome things, and I would just ask that my colleagues in this Chamber rethink the direction in which we are going.

THE NEW APOLLO ENERGY PROJECT: A BOLD NEW ENERGY POLICY FOR AMERICA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from Washington (Mr. INSLEE) is recognized for 60 minutes as the designee of the minority leader.

Mr. INSLEE. Mr. Speaker, I have come to the House Chamber tonight to talk about a tremendous opportunity for our great country, and it is an opportunity that follows in the historical path that John Kennedy set forth back on May 9, 1961. The path that I would like to talk about tonight is a path towards a new energy future for our country, a future that is befitting of this century and our technological progress and achievements we have made and can make in the next decade or two.

What we are going to be introducing for the House consideration in the next week or two is what we call the New Apollo Energy Project, because many of my colleagues and myself believe that our country deserves a bold, vigorous, aggressive new energy policy that is befitting of the technological wherewithal and talents of our country. So we are calling it the New Apollo Energy Project.

The reason we are calling it the New Apollo Energy Project is because we think that we need to follow in the footsteps of what John F. Kennedy did in challenging America right behind us. He came to this Chamber on May 9, 1961 as a young President, way back before computers, biotechnologies, solar cells, fuel cells; and he stood behind me and looked out to America and challenged America to put a man on the Moon within the decade, which was an extraordinary challenge to America in 1961. Computers were in their infancy, our rocketry was failing repeatedly at that time. At that moment, people

really scratched their heads to ask how a President could be so bold to challenge the country to reach such an ambitious goal. But Kennedy did make that challenge; and the Nation responded and, indeed, America put a man on the Moon within that decade.

I think Kennedy recognized some things about America that were perhaps unique in the world that others did not who were skeptical about that effort. He recognized the basic can-do spirit of the culture and the American economy; and he recognized that when challenged, Americans can deliver technologically much more than people would otherwise think so, and so he set forth a challenge and a promise to Americans that we could do this.

Many of us now believe that we need to do a similar thing in the field of energy, in our energy policy in this country. And we are very optimistic that if we set high bars and high goals for America, we can meet them just as we did in the original Apollo project.

So in the coming weeks, my colleagues and I will be introducing the New Apollo Energy Project, which will basically set three goals for a new energy policy of our Nation. Not one that is sort of captured by the artifacts of old industries, not one that is captured by a feeling that we just have to continue down the same old road, but one that can really lift our eyes and see a higher plane that will solve three challenges that America has now that we need a new policy to address. I will briefly mention what those three are.

Number one, we need to get our economy growing again. And to do that, America needs to seize the moment by the reins and create these new, clean energy technologies that can create high-paying jobs in America. So job creation is job number one for a new energy policy, and we are optimistic that that can be done; and I will talk about that in a moment.

Second, we set a goal in our national energy policy of reducing our contributions to global warming gases that are now polluting our atmosphere and causing a warming and climate change in our planet, and this is something we can do using new technology; and it is required if we want to avoid climactic changes to change the world as we know it.

Three, and perhaps as important, we set a goal to break addiction to Middle Eastern oil, which has enslaved us to certain policies over the last several decades that are now clearly not in our security interests.

□ 1945

It is time for America to become more self-reliant for fuel so that we do not have to make foreign policy decisions in one shape or another that are affected by our now current addiction for over half our fuel from those sources.

So those are the three goals we have set for the New Apollo Energy Project: Job creation, reduction of global climate gas emissions, and reduction of our dependence on foreign oil, particularly Mideast oil sources. And we believe all of them are very achievable.

Let me talk about the first goal which is job creation and getting a new sort of horizon, a new scope of our economy. And that is to adopt measures that will spur the development of these new high-paying jobs in high-tech industries. Let me talk about what some of them are.

Right now we have the capacity in this country which we are not using as much as we should, for instance, to create hundreds of thousands of jobs in the wind turbine industry, a growing industry, very rapidly growing industry, but one that needs to continue to increase that rate of acceleration. And what we are now proposing as one measure out of many is to continue the tax incentive, the investment tax credit for wind turbine construction in the United States. And we believe and the economics show very clearly that when we do this, when we foster the creation of this industry, we actually create ten times as many jobs as fostering megawatt creation instead of our old industries. For every megawatt of energy, a new renewable energy program develops, we create 10 times more jobs than if we do so in the old 19th century fossil fuel-based economic systems.

So now we believe we should be building wind turbines in the United States. We should have the high-paid jobs to do that and high-sector, high-skilled manufacturing jobs. We should be having construction jobs putting them on line. We should be building transmission facilities, all of which creates jobs in our country.

Now, we have the capability to do this. We are doing this in the State of Washington. Using an existing wind tax credit, we are building the largest wind turbine facility, farm essentially, in North America in the southeast corner of the State of Washington. It will create enough energy for 70,000 homes. And with the tax credit, it will do so on a market-based rate. But without the Apollo energy project or some other way, that tax credit will expire and we will lose the ability to create these jobs. And these jobs come at a very beneficial moment where the cost of wind turbine energy and a variety of other sources, I am just picking wind turbine to start this discussion, is becoming market based.

And, in fact, there is an interesting phenomenon that has occurred with many of our new technologies and that is what gives us such optimism about our new technologies. The fact of the matter is that over the last decade or so, the cost of energy produced by new technologies has come down dramatically. With every increase in the units of production of wind turbine, solar power, fuel cells, you name it, these new technologies, the cost of energy has come down dramatically.

I have a chart here that indicates how significant that reduction cost has been. For wind-powered energy, if you start in 1980, wind power was costing about 35 cents a kilowatt hour. Now, because of efficiencies caused by new production efficiencies, in 2000 that has come down to 2½, 3 cents; a reduction of a factor of 10 in the last 20 years. And it is projected that that will continue to decline in cost as we get efficiencies in production. And, of course, anyone who thinks about this knows why that happens. The more of these units you produce, we get economies of scale and the price comes down.

The same is the situation in photovoltaics and solar cells. In 1980, just 23 years ago, the price was over $1 a kilowatt hour. That has now come down to about 21, 22 cents, still above markets rates. But the interesting thing about this curve is you see this very significant reduction in cost as the rate of production has gone on up and it is predicted to continue on the downward slope. That is true for geothermal as well. It has had a reduction of more than half the cost in the last 20 years. And biomass, not quite as steep a curve, but still a reduction of cost.

What this shows us is we ought to be optimistic about, if we do engage in the production and incentivize the production of these new technologies, we will reduce cost, we will create jobs, and we will bring those jobs home.

This is a very important issue of bringing these jobs home. It is very clear for anyone who has thought about the future of the world's energy sources, is that the world is going to adopt new technologies. There is no question about that. The question is which countries are going to draw the jobs that are associated with that. And right now, unfortunately, it is not us as much as it should be.

In wind, many of these wind turbines are manufactured in Denmark. In hybrid automobile manufacturing, the cars are being manufactured in Japan. In photovoltaic manufacturing, a German company is leading the way, although much of the production is in the United States. And we are thinking about opening a Denmark-based turbine manufacturer as well. Those jobs need to be in America. Those jobs need to be American jobs. Just as we dominated the aeronautics industry for the last 50 years, as we created the first auto industry at the turn of the century, we need to create an industry that is homegrown and growing those jobs right here in America. And the New Apollo Energy Project is signed to do exactly that. And we do it by using the whole scope of tools that is available to the Federal Government to help to do that.

Number one is to use our tax policy in a way that will actually create jobs in a meaningful way. We have passed a lot of tax cuts in this Chamber recently, but virtually none of them have actually been directed to try to create new technologically driven jobs. And we need to use the Tax Code to create incentives for business people to create

these new industries, to give them a little leg up to a little start, and that is why we have created investment tax credits for a whole slew of these new industries, both to the manufacturers, photovoltaics, wind turbine, fuel-efficient hybrid vehicles, retooling costs to the auto industry. It is clear that our local auto industry is going to have some retooling costs to go to either hybrid vehicles or, in the long term, fuel-cell vehicles.

We believe we ought to give our local domestic auto industry tax breaks to help those retooling costs to build this new generation of vehicles to get this job done. But it should not be just for manufacturers; we need to take care of consumers and, ultimately, buyers as well. And that is why in the New Apollo Energy Project we have created incentives to give tax breaks for people to buy fuel-efficient vehicles. Significant incentives. And not only fueled vehicles, but also other energy producing materials including air-conditioning units, including tax credits in a new mortgage incentivized program to help people who build energy-efficient homes. We have a lot to do to get that done.

Now, let me just also indicate there is optimism in getting this job done in real life today. I would like to show a picture of a home in Virginia, and this is a home that was built about a year and a half ago in Virginia, which is not a tropical climate. We have a picture actually in the snow. And this is a home built for $365,000 which is relatively close, maybe a little bit more than actual building costs of a typical home of Virginia in this area, but this home is special. This home, which is a very comfortable home, I have actually been in it or actually the prototype, it was built on the Mall at one time to show us what it was like, or a very similar home. This home, using existing technologies today, has zero net energy consumption, zero net energy consumption.

It does so by using photovoltaic cells incorporated in the roof in the actual shingles to produce electricity. It has a very high degree of insulation value. It uses an in-ground heat pump, and it has a net energy consumption of zero because it can produce, and we one get a net metering bill which allows homeowners who generate electricity to feed their excess electricity back into the grid and to get a credit for doing that. This is a model for the future that is here today. And we need to utilize our Tax Code in a way that helps homeowners who want to recreate homes like this across America, which can happen today in a variety of climates, in almost every climate, to help reduce energy costs. To do that we need to pass a bill that is similar like that.

So what we are saying is this is not pie-in-the-sky, Buck Rogers, over the horizon, next decade. Some of these technologies may take a decade to, in fact, become cost effective; but some are on the market today with a very modest boost, and America ought to be doing it.

Now, I would like to turn to the second goal of the New Apollo Energy Project and that is the goal to reduce America's contribution to global warming gases. We unfortunately, with every other industrialized country, are contributing an enormous load of pollutants to the atmosphere; and what we are creating, all of us, we are putting out of the tailpipes of our cars and out of our smokestacks of our industry and a whole host of any fossil fuel-based system, we are putting millions of tons of carbon dioxide and methane into the air. And these are invisible gases. They really do not bother our eyesight but they will bother our climate in the long term.

To the extent that now science is irrefutable that the concentration of these gases are going to significantly increase during our lifetime, and I have a chart to indicate that, to indicate how significant this problem is, I have a chart of the levels of concentrations of carbon dioxide. And carbon dioxide is a global warming gas basically. The levels of carbon dioxide you will see are relatively consistent for 1,000 years, starting at 800,000. Then we get to the Industrial Age of 1800. We started burning coal and other fossil fuels. And when we do that, we create carbon dioxide and it goes out to the atmosphere. We dump it for free. We treat the atmosphere sort of as a big garbage dump. When that happens, those rates of concentration of carbon dioxide started to go up dramatically, and now in the early 2000s start to rise in almost a vertical fashion.

So for thousands of years we had levels in the 240 parts per million range, which are now going to be skyrocketing in the next century, are anticipated to double at least in the next century. This is doubling of an unprecedented occurrence in the history of the world. And the reason that is significant is that carbon dioxide acts, in a manner of speaking, like a pane of glass or a blanket, depending on how you look at it.

The way carbon dioxide works is that carbon dioxide allows the rays of the sun to come in. Because the rays of the sun come in, there is ultraviolet light. But when the energy bounces back, it bounces back at the infrared spectrum. It is a different spectrum of light. And carbon dioxide traps infrared light. So as a pane of glass works, it traps, if you will, the infrared radiation from going back into space and it warms the planet. And it is a really good thing we have some carbon dioxide in our atmosphere because we would have a very cold planet if we did not have it.

But the problem is if we are going to double the rate of carbon dioxide in the atmosphere, it is going to, as you can imagine, trap enormous amounts of energy. And we are already seeing the ramifications of that. The 5 hottest years in recorded history have been in the last 10 years; 1999, I believe, probably was the hottest year in record in the last 10,000 years. And we saw extraordinary damage associated with the change in our climate already.

We have seen significant changes right here in America. We have seen the glaciers in Glacier National Park disappear. It is predicted in the next 75 years, if we keep going at the rate we are going, there will not be any glaciers in Glacier National Park.

In the Arctic, dead Intuit Indians are popping out of the ground because the tundra is melting and the caskets are popping out of the ground.

□ 2000

In the Arctic ice sheet, it could be reduced by 40 percent in the next couple of decades and in depth reduced 40 percent, almost in half; and it is reduced at least 10 percent already.

We are seeing huge increases in very severe hurricane thunderstorm activity so that the insurance losses in the domestic industry have gone up something like 40 or 50 percent in the last several years.

So we are seeing now just a little taste of very significant changes in our climate that are going to continue to go up if we do not do something about it.

What we have proposed, we have introduced in the new Apollo Energy project, we can do this better than this. We have achieved really dramatic results, improving our environment in the last 2 decades because the Federal Government's got busy and it has done some things to clean our air. We have got a lot cleaner air than we did 25 years ago. In sulfur dioxide and various particulate matter, we have made some real strides because the Federal Government has acted, but in this situation Congress has sort of adopted the pose of an ostrich. We have put our heads in the sand, our tails in the air, rather than the American eagle; and it is time for us to pull our heads out of the sand and do something about the climate, and there are some things happening here in Congress.

We have this proposal we have suggested in the House. In the other Chamber there will be an energy debate in the next week or two. There will be a very important vote on trying to create a cap to try to limit the amount of CO_2 that goes into the global atmosphere, and that is something that is in America's long-term interest. We hope that the other Chamber will show some action in that regard.

What we have done is we have used the tools in the Federal tool box to try to reduce the rate of global gas emissions in a way that will preserve the way we live because Americans still want to continue to enjoy easy, accessible transportation, safe transportation. We want to have enjoyable homes. We do not want to change dramatically our lifestyle, and we can do that if we will make some smart investments in new technology.

So what we have done is to try to create incentives to use new technology to reduce global emissions in a

variety of ways. One, we suggested that we, in fact, improve the efficiency, for instance, of our air conditioners which have enormous improvements we can make of the efficiency of air conditioners to reduce the demand of electricity and reduce the fossil fuel we burn to create electricity.

We think people who buy autos that are efficient ought to get a tax break to try to reduce the amount of CO_2 emissions we put into the air. We think that we ought to use the regulatory basis to improve the efficiency of our automobiles through the government acting as well as we have to improve the CAFE standards which we stopped in the early 1980s.

It is interesting, we improved the mileage of our cars dramatically in the 1970s, but we stopped in 1983; and we actually have gone backwards in the mileage of our cars. I mean, think about that. At the very time we have created the world's best computers, the world's most vibrant biotech industry, we have gone backwards in what our auto industry has given us for mileage of our cars. That is an abysmal record, and we ought to improve this and get back on this track of improving the fuel efficiency of our vehicles; and that is very possible. That is part of our new Apollo Energy Project.

Now I want to say, too, it is very important to realize there are no silver bullets to any of the challenges we have here tonight, and we recognize that. There is no one technology that is going to solve all of our energy challenges. We believe we have to have a very broad-based approach to do the research and development work that it is going to take to meet our challenges, and that means that we just do not look at wind or solar or geothermal. We think about things outside of the box, if you will, one of those being, for instance, clean coal technology.

There may be a way for us to burn coal and trap, or as the scientists use it, a $24 word, sequester the carbon dioxide as it comes out of the smokestack. If we can sequester the carbon dioxide from coal, we can continue to use coal without, in fact, increasing our CO_2 emission, and we have an enormous supply of coal in this country.

There are other environmental challenges we have to address with this mining; but this is something we need to explore, and we need to have sort of an all-comers approach when we are doing research and development to look at all the potential energy efficiencies and new technologies that we can use in this regard. So we have taken an all-comers approach.

The third goal that we have is to break our addiction from Middle Eastern oil, and I do not think anyone has to be a foreign policy genius to understand that we have to act. Not just Republicans or Democrats, multiple administrations have skewed our foreign policy by necessity because of our addiction to oil. We certainly have not been as aggressive in insisting on Saudi Arabia's ending the terrorist threat to this country as we should have been, and one of the reasons is because of our addiction to Saudi oil. It has made us lethargic in multiple administrations in dealing with this terrorist threat which now we are starting to actually make some improvements on. I heard today that Saudi Arabia is going to start to take some steps finally, way too late, to cut off financing for terrorism; but we need to get rid of this anchor on our foreign policy.

We need to make foreign policy decisions based on the security of Americans, rather than the security of the oil industry. To do that we have got to reduce our dependence on Middle Eastern oil; and what we have suggested is to set a goal, set a goal of saving or eliminating 600,000 barrels of oil a day, oil we otherwise would buy from the Mideast, by the year 2010; and that is an achievable goal using these new technologies. We set the goal of eliminating 2.4 million barrels of oil a day by the year 2015; and assessments by the Department of Energy have indicated that if we use our smarts and use these new technologies, we can, in fact, break that addiction to Middle Eastern oil if, in fact, we will use our heads.

Certainly, jobs are a good reason to do this. Our environment is a good reason to do this, but our personal security is an excellent reason to do this; and we ought to do that for all three reasons. Therefore, we set those effective goals that we would like to achieve.

Now we realize that we do not have all the answers starting out in this effort. So we have also essentially given future administrations flexibility to act; and in our bill, we have basically said that if these goals are not being met in a timely fashion, if we are not reducing our CO_2 emissions down to 1990 levels, as is our goal, if we are not reducing our oil by 600,000 barrels a day, as is our goal, if we are not on a path to create those millions of jobs that we want to create, we would give the administration further flexibility to, in fact, act in ways that it sees fit and certain efficiency measures to improve our productive capability to continue on the path of jobs and improve our efficiency because it is going to be a flexible standard in that regard.

In conclusion this evening, Mr. Speaker, we are very optimistic about our country's energy future. We are only optimistic if the U.S. Congress starts to act in a progressive way that really is in keeping with the can-do spirit of America. There are some naysayers who would say that we are just not smart enough, bright enough, creative enough, we are just going to have to sort of stick with the technologies that were invented in 1899, which much of our industrial energy policy we are still using; but we are the folks who believe that America is brilliant because we keep changing. America is successful because we are not sort of shackled by the ideas of the past or the technologies of the past. So we believe that we ought to adopt this new approach.

I will be working with my colleagues to pass the new Apollo Energy Project. I do not know if it will be this year; but we believe it is going to happen, and it must happen because this is the destiny of the United States of America, the greatest country on Earth.

FEDERAL PRISON INDUSTRIES

The SPEAKER pro tempore (Mr. FRANKS of Arizona). Under the Speaker's announced policy of January 7, 2003, the gentleman from Michigan (Mr. HOEKSTRA) is recognized for 60 minutes as the designee of the majority leader.

Mr. HOEKSTRA. Mr. Speaker, I want to spend a few minutes talking about an issue that I have got a passion for because it impacts workers around the country, and then I am going to be joined by my colleague from Minnesota to talk about another issue that we feel passionate about because it affects those folks who want to buy prescription drugs.

The first thing I want to do is I want to introduce my colleagues to a Federal program. Actually, I want to introduce my colleagues to a company in the United States of America, a company that is growing rapidly; and its automotive component sector last year grew by about 216 percent, and its office furniture segment grew by over 30 percent last year and grew in textiles, grew in a wide variety of different product categories that it produces. An outstanding company, creating jobs.

You kind of say who is this company, who is this great company? We are having some economic tough times around the country. Who is this company that is growing, growing in a number of different market segments and what is its secret to being competitive and growing in a tough economy? What is it doing that maybe other U.S. companies ought to be taking a look at?

The company that we are talking about tonight is called Federal Prison Industries. You say, excuse me, Federal Prison Industries, they are growing jobs? And the answer is, absolutely yes. Federal Prison Industries is one of these government monopolies. They enjoy an advantage which is called ''mandatory sourcing''; and it means that if the Federal Government is looking at buying a product, whether it is shirts for the military, whether it is office furniture for the Federal Aviation Administration, or whether it is automotive components for its fleet of cars, the Federal Government is required to buy these products from Federal Prison Industries regardless of the price, regardless of the quality, regardless of the delivery schedule; and this has enabled Federal Prison Industries, or UNICORP as it is called, to become one of the fastest-growing companies in America today.

So as in certain parts of the country in my district or right outside of my

district, unemployment has now reached 8 percent, the highest in 11 years, home to the largest office furniture manufacturing company in America. You wonder how the Federal Government can grow office furniture by double digits in the last 12 months while the industry itself over the last 30 months has probably declined by 30 to 40 percent. Let's see, if the Federal Prison Industries is growing by double digits, the private sector is declining by double digits on an annual basis, what is happening?

What is happening is that Federal Prison Industries is going in and taking some significant business and using their preferred or mandatory source capability, is putting people in the private sector, we call them taxpayers, we call them workers, putting them out of jobs.

Just recently, Federal Prison Industries took this form of competition that they have to a new height. What happened was there was a project, and this was the Federal Aviation Administration requiring $6 million, roughly $6 million of new office furniture for their facilities. It is kind of like, yes, that is a good sized project that any one of a number of private sector companies would be thrilled to get. It is like, yes, we are going to go out and bid for that project.

So Federal Aviation Administration put this project out to bid and a number of companies went through the design process, the specification process, the pricing process and they put in a bid. The Federal Aviation Administration opened the bids and company A won the bid. The company was excited, like yes, we need this business, we have laid off workers with up to 25 years of seniority, up to 28 years of seniority, $6 million may provide the opportunity, it is not going to solve their problem, but it may provide the opportunity to put some of these people back to work.

Are these people back to work? No, because as Federal Prison Industries came into the process, this is very unique. This company had won the bid, ready to go to work and at the last minute Federal Prison Industries walks in and says no, no, no, excuse me, you do not understand the bidding process when you are doing business with the Federal Government.

□ 2015

They said first round of bidding is you guys out in the private sector; the second round of bidding is we get to come in as Federal Prison Industries and take a look at the winning bid, and then we have a second round of bidding. Of course the second round of bidding is one company, Federal Prison Industries. And in this case Federal Prison Industries came in and literally copied the winning bid to the penny.

So they said we matched the bid price of the private sector, we are taking this business. And so now some folks in west Michigan who were hoping to go back to work are not going to have the opportunity to go back to work, but we are going to be creating jobs for folks in Federal prisons.

It is not only the office furniture industry. Federal Prison Industries are huge in textiles. They put a number of textile companies out of business. Just last fall, Hathaway Shirts in New England closed. One of the reasons was one of the dress shirt contracts put out by the Air Force went not to Hathaway Shirts, went to Federal Prison Industries. This time, though, it was not that a few workers would be laid off, the company shut its doors and Hathaway Shirts, at least being made in that plant, are no longer made in the United States. Hathaway Shirts tried to compete. Federal Prison Industries was the organization that put the last nail in the coffin that resulted in the factory closing and these people being put out of work.

It is absolutely outrageous what is going on and what is going on with this Department of Justice, that this Department of Justice believes that the best way to rehabilitate Federal prisoners is by putting taxpayers out of work, and that the best way to compete and create high-quality and high-paying jobs in America today is to create new jobs for prisoners. And they are talking about building 11 new plants, new jobs for prisoners that are high-quality, high-paying jobs that pay in the neighborhood of 23 cents to $1.15 an hour. Of course they pay no benefits.

They pay no taxes. Think about it. They pay absolutely no local taxes, so that is an advantage. They pay no State taxes, no sales taxes or Federal taxes. They do not pay any taxes. They put taxpayers out of work. It is a huge, huge problem. They are doing this in a whole series of different industries.

Look at the kinds of things that they make. Clothing and textiles is a business group. Electronics is a business group. Graphics business group; fleet management; vehicular components business group; industrial products business group; office furniture business group; and recycling activities business group.

They have declared war on American manufacturing, American manufacturing that is already under attack by low-cost producers in China and other parts of Asia, and it is very interesting. My colleagues come to the floor and they rail against Chinese prison labor, saying these people work in unsafe conditions. It is interesting. American prisoners, do they have the protection of OSHA? Absolutely not. So they are low paid, and work in unsafe conditions. They are government sponsored, just like our prisoners are government sponsored. So our manufacturers not only have to compete against low-cost manufacturing from overseas, they are also now in the process of having to fight their own government, their own Department of Justice.

Like I said, this is an industry that this Department of Justice has said is going to be a growth industry for the Federal Government. They anticipate growing. And in office furniture alone, and this is an industry that has declined 30–40 percent, one would think that Federal Prison Industries would realize this is an industry that is facing some hard economic times, and that they might slack off in terms of the amount of business that they would take out of the Federal Government and let the private sector compete for more of this business. But when we look from 2002 to 2003, what has Federal Prison Industries' strategy been in office furniture? They are authorized to grow their business in office furniture by an additional 50 percent.

Office furniture workers in America who are competing against Canada, China, Korea, Indonesia, now are also competing against their own Federal Government, and their own Federal Government is not even giving them the slightest of a break and saying we have got the opportunity, we are going to increase our volume by up to 50 percent. They are looking for the growth numbers.

Federal Prison Industries, taxes; and this is from their annual report. As a wholly-owned corporation of the Federal Government, Federal Prison Industries is exempt from Federal and State income taxes, gross receipts taxes, and property taxes. That is not a bad way to run a business.

We have a reform proposal in place. The interesting thing for the reform proposal, we are not asking for Federal Prison Industries to be eliminated, although some of my colleagues would say that they should not be competing for these jobs, and that is exactly what Congress said back in the 1930s when they created Federal Prison Industries. They said they should have minimal to no impact on free labor, they should not be competing with the private sector. But they do.

All I am asking is let the workers in west Michigan, Minnesota, New England, and other States in the South, let them just compete for the opportunity to sell their products. Right now they cannot compete. What are the businesses that they are in? Clothing and textiles, $157 million; electronics, $116 million. They grew from $116 million to $132 million in electronics. Fleet management, automotive, which is an industry facing tough competition from overseas, and now they are facing it from their own government. Fleet management; in 2001 Federal Prison Industries grew their automotive component sales from $31 million in 2001 to $99 million in 2002.

Thank you very much, Federal Prison Industries. I wonder how many private sector workers they put out of work when they grew their business by $68 million?

Office furniture, they went from $174 million to $217 million. They are authorized for another expansion of up to 50 percent in 2004.

Services, they grew from only $8 million, but they are on the right track as

far as they are concerned. They are up to $12 million.

Mr. Speaker, this is an area that needs congressional oversight. When American workers are under attack, I think it is time for this Congress to stand up and say we are going to stand up for American workers, we are going to stand up for American taxpayers. It is the right thing to do. And we are going to allow these folks to compete, to keep their jobs and compete against Chinese workers, to compete against Korean workers, and we are going to allow them to compete against American prison labor, labor that is paid 23 cents an hour to $1.15 an hour in tax-free facilities which have no OSHA safeguards. It is the right thing to do.

We need a manufacturing base in the United States. And our reform bill does not say we are not going to have prisoners do nothing. We increase technical training. We increase the amount of work opportunities that we give to prisoners, but we say they should make things that will be used in the not-for-profit sectors. That is what Michigan does in its prisons. It does not compete against the private sector. We should take that kind of model and apply it to the Federal Government and Federal Prison Industries.

It is time for this Congress to act. We are looking forward to the Committee on the Judiciary moving a reform bill that does exactly that, allows American workers to again compete for their jobs, compete for the jobs that enable them to provide health care and a living to their families.

I walk around my district and I cringe every time when I run into a worker who says, I just got laid off; recognizing that as that person has gotten laid off, we have put people in our prisons to work for maybe the first time. But it is totally inappropriate for this government, for this Department of Justice to believe that its best strategy for dealing with inmates is to put them to work at the expense of American workers.

Mr. Speaker, I welcome one of my colleagues who is here tonight and change the subject. This is an issue that my colleague, the gentleman from Minnesota (Mr. GUTKNECHT), and I have a passion on because it addresses a real concern that we have, and again it is about competitiveness. I know my colleague is a firm believer in competitiveness, whether it is supplying products to the Federal Government or whether it is providing prescription drugs to our senior citizens or to other Americans. It is not just senior citizens.

One of the things that we face in America today is the gentleman and I both live in border States. One of the things that is happening in border States on the north and the southern borders of the U.S. is that consumers are rather smart. What are they doing?

Mr. Speaker, I yield to the gentleman from Minnesota (Mr. GUTKNECHT).

Mr. GUTKNECHT. Mr. Speaker, I thank the gentleman, and it is not just Minnesotans and Michiganers who are smart. One of our favorite Presidents, Ronald Reagan, said it best: Markets are more powerful than armies. Starting several years ago, consumers figured out that they could buy their prescription drugs cheaper in Canada and Mexico, and now they know in Europe and almost every other industrialized country in the world they can buy the same drugs for dramatically less.

Mr. HOEKSTRA. Mr. Speaker, if my colleague will explain to me, many of these drugs are manufactured in the U.S. We are the largest market in the world for most of these prescription drugs. One would think in the largest market in the world, and when the drugs, many of them are made in the United States, we would not be paying a premium, we would be paying the lowest price. That is not the case?

Mr. GUTKNECHT. Mr. Speaker, as they used to say on The Tonight Show, you would be wrong, oh, great one. That is the irony. We are the world's best customers by any measure, and some people have challenged some of the sources, but nobody challenges the numbers. The numbers speak for themselves. Even now the pharmaceutical industry acknowledges that the world's best customers, the Americans, pay the world's highest prices for their drugs.

□ 2030

We are not just talking about a little bit more.

Mr. HOEKSTRA. We pay the highest prices. We do the development, the testing, we do all the market research and all of that here in the United States. We are the largest market. These drugs are made here, and we pay the highest prices.

Mr. GUTKNECHT. The gentleman is correct. It is one of the mysteries that we as public policymakers have been wrestling with for several years trying to figure out why is it the world's best customers pay the world's highest prices. It seems to me that we have an obligation as policymakers not only to try and get answers to those questions but, more importantly, to try and do something about it. I think the reason is, if I can just say this, if you go to Tokyo, Japan, and this is starting to change in Japan because Japan is starting to open up its markets, but for many years, if you went to Tokyo and you wanted to have a good steak——

Mr. HOEKSTRA. You would never want a good steak in Tokyo. It is too expensive.

Mr. GUTKNECHT. It would be over $100. The same steak that you could get in Grand Rapids, Michigan, for $15 or the same steak that I could get in Rochester, Minnesota, for $15, you would pay over $100 in Tokyo. Another example is blue jeans in the former Soviet Union. The Soviets decided that people did not need blue jeans, did not want blue jeans, and therefore they were not going to produce blue jeans in the former Soviet Union. So a black market started to develop for blue jeans. The price reached over $100 a pair for blue jeans. The example is analogous because any time you have a captive market, as they have in Japan with beef or they had in the Soviet Union with blue jeans, you will find that market forces will just go amuck because you are a captive market. Americans are being held captive not so much by the big pharmaceutical companies, but by our own FDA.

Mr. HOEKSTRA. I am assuming that the differences in price between the U.S. and Canada or the U.S. and Europe are not that significant. You would think that with the trade agreements and those types of things that we have that there would be some leveling out of prices. You might be able to explain some of the differences because of currency fluctuations and maybe some government regulations from one country to another, but I would not expect that you would find major differences in prices for products that many times were made in the same factory and just distributed from one point and distributed around the world. I am wrong again?

Mr. GUTKNECHT. Wrong again. Let me give you an example. This is a drug that my 85-year-old father takes. It is called Coumadin. Coumadin is a wonderful drug. It actually was developed at the University of Wisconsin.

Mr. HOEKSTRA. It was probably funded with some government research dollars.

Mr. GUTKNECHT. It was paid for by the taxpayers. Originally, as it was developed, the drug was called Warfarin. They are basically identical drugs, but Warfarin is used as a rat poison. It is a blood thinner. What they do is they give it to rats, rats will eat it, they go back to their little dens, they bleed to death internally, no mess, no fuss. It kills rats. They found that this made a great blood thinner for human beings as well.

Let me give you the differences in what Americans pay. The average price for this package of Coumadin in the United States is about $84.

Mr. HOEKSTRA. I think you have just given me more information on Coumadin than I would like to have. I really did not want to know all of that. Let us just talk about the price.

Mr. GUTKNECHT. Warfarin, Coumadin, developed at the University of Wisconsin. The price here in the United States, about $84 for this package. The price in Canada, only $25. But here is the real kicker. Over in Europe they buy this same drug, as a matter of fact we bought this drug in Munich, Germany, for about $16. About $85 in the United States; $16 in Germany. Here is the other interesting thing. People say, well, they have price controls in Canada. To a certain degree that is true. I am not one that supports price controls and neither, I think, do you.

Mr. HOEKSTRA. Not at all.

Mr. GUTKNECHT. Here is the interesting thing. They do not have price

controls in Germany. What they do in Germany is what we ought to do here, and that is they allow the pharmacists to shop for the best price.

Mr. HOEKSTRA. Whether it is from the Swiss or Spain or Canada or the U.S. Again, I am assuming many times that that product is going to be built in a factory perhaps even in the United States; or a single or a couple of factories are going to supply the world market for this product.

Mr. GUTKNECHT. There are only 600 FDA-approved facilities that make prescription drugs in the world. They have to be made in an FDA-approved facility. So, yes, these drugs essentially, this probably came out of a plant in the United States. Or it may have come out of a plant in Puerto Rico, which is part of the United States. Or it may have been made over in Europe somewhere, but they supply essentially the entire world from that plant. It is much more efficient.

I also have in my hand something, and it bothers me, some of these prices because we bought 10 and if anybody doubts my research, we have the receipt for the 10 largest-selling drugs. We bought these at the airport pharmacy in Munich, Germany. The total for this worked out to about $373 American. Those same drugs, we checked the prices here in the United States of America, and again cash prices, walking in off the street, we are not talking about going to an HMO or any of these other things, the cash price was almost $1,100 in the United States, more than double, almost triple the price for the same 10 most popular drugs.

Let me give you this example. This is the one that really chaps my hide. This is a drug called Tamoxifen. It is a very effective breast cancer drug. But it was developed essentially with Federal taxpayer dollars at the National Institutes of Health. They paid for almost all the research. This drug in the United States, this package of drugs sells for $360. We bought it at the Munich airport pharmacy about a month ago for $59.05 American. $360 here, $60 there. Worse than that, the American taxpayers paid for almost all the research costs on this drug.

Mr. HOEKSTRA. And you do not have to go to Germany. I met, I think, one of your constituents today or at least a woman from Minnesota today who I thought was dynamic. What was her name, Kate?

Mr. GUTKNECHT. Kate. Kate Stahl.

Mr. HOEKSTRA. Kate Stahl. She wants to get arrested. Why would she get arrested?

Mr. GUTKNECHT. Kate Stahl is a true American patriot. Once in a while you meet some people like this; and you just say again, as Ronald Reagan said, people who say there are no more American heroes, they do not know where to look. We met an American hero today. Her name is Kate Stahl. I want every Member of Congress to get a copy of last week's edition of the U.S. News and World Report, and there is a special report by Susan Brink, the title of which is ''Health on the Border, Elderly Americans head north and south to find drugs they can afford.'' It features Kate Stahl who works with the Senior Federation in the State of Minnesota. The caption above her little picture here says, ''I'd like nothing better than to be thrown in jail.'' She stands on the shoulders of the Sons of Liberty who threw tea in Boston Harbor and said, enough is enough. She calls herself a drug runner. She goes to Canada to buy drugs for her friends.

Mr. HOEKSTRA. What does she do that would get her thrown into jail? Going to Canada or going to Mexico or going to Europe is not illegal to buy these drugs, is it?

Mr. GUTKNECHT. The FDA says it is.

Mr. HOEKSTRA. All right. Wrong again?

Mr. GUTKNECHT. Wrong again. They treat Kate Stahl and literally almost a million, or more than a million, Americans just like her, they treat her like a common criminal. This is an 84-year-old grandmother who is only doing this to try and save her friends and neighbors some dollars on the cost of prescription drugs. If one of them is suffering from breast cancer, $360 is a lot of money. They can afford $60, but $360 is a lot of money. And it repeats itself, with all the drugs. Zoloft, Zocor, we have got all the drugs. Glucophage. This is outrageous what they charge for Glucophage here in the United States. This drug has been around a long time. It is a miracle, marvelous drug. It really helps people with diabetes. But the bottom line is Americans are required to pay way too much because they are a captive market.

Mr. HOEKSTRA. The interesting thing, reclaiming my time, why is it so critical that we are talking about this tonight? The reason that my colleague from Minnesota and I are talking about this, and how many years has the gentleman been working on this?

Mr. GUTKNECHT. Longer than I want to remember. Actually I got started with this about 5 years ago. I always tell people that I have moved from fan to fanatic. Winston Churchill said a fanatic is one that cannot change his mind and will not change the subject.

Mr. HOEKSTRA. Which is kind of where I am with Federal Prison Industries. I have never been a fan of them, but I have been fanatical about it just because of the sheer injustice. But this is absolutely critical right now, just like the Federal Prison Industries because we are in a manufacturing slump right now and we need every manufacturing job we can get. But this is critical because we are looking at creating a Federal benefit, expanding the Medicare program to include prescription drugs. Actually, we could probably take care of much of the problem with prescription drugs if we would just deal with the pricing.

That is the scary thing. You cannot create a Federal entitlement for prescription drugs and just promise folks that you are going to, and help folks that probably genuinely need it. We are going to do that and we are going to feel good about doing that; but at the same time as we provide them with that benefit, you cannot ignore the price side. Because if you ignore the price side, we are just going to explode the cost. And if we get at the price side, we can offer more benefits to more individuals, or we can offer the same benefits at a much lower cost to the American taxpayer. That is why we need to work on the benefit side at the same time that we are working on the price side, or we are going to find ourselves with a program that we just cannot afford.

Mr. GUTKNECHT. Absolutely. Let me just talk about this Glucophage. This package of Glucophage in the United States sells for over $100. We bought it in Munich, Germany for $5. $5.

Mr. HOEKSTRA. Let us run this by again. $100 in the U.S. and $5 in Germany. This may be one of the bigger differentials of the drugs that you bought.

Mr. GUTKNECHT. I must admit I am using it as an example because it is probably the most egregious example, with the possible exception of Tamoxifen, which the taxpayers paid for.

Mr. HOEKSTRA. But just the sheer difference between these, for $5 in Germany to $100. The thing is, for anybody who has traveled, you typically do not go to an airport and expect best prices. It would be interesting what would happen if you went to a pharmacy in Germany and see whether you would be paying more or less. But the bottom line is an American could be in Munich and could buy that, the same package that when they left the U.S. it would cost them $100; if they needed a refill, they would be paying $5 in Germany.

Mr. GUTKNECHT. That is the point. If we are going to have a prescription drug benefit for seniors, which I think virtually everyone agrees we should, we ought to first of all deal with the issue of affordability. Because just shifting the responsibility of buying $100 Glucophage onto the shoulders of the taxpayers really makes no sense, because ultimately we are going to bankrupt our children if we make a stupid mistake and do not deal with this issue of affordability in price. Listen, we are Republicans. I am a Republican. I do not think the word ''profit'' is a dirty word, but I do think the word ''profiteer'' is. I think it is time if we are going to get in this business, we ought to demand some accountability from the pharmaceutical industry.

Mr. HOEKSTRA. The other thing that happens on this, there is a ripple effect, because when you go to Canada, and we are competing against Canada for automotive manufacturing, furniture manufacturing, when a Canadian worker needs to pay for health care and if prescription drugs are a

part of their benefit, all of a sudden providing that benefit to a Canadian worker is a whole lot cheaper than it is providing that same benefit to a UAW employee or retiree in Detroit, Michigan, or to an active worker. That just says we are making it more expensive.

If you talk to your manufacturing people today, what are they complaining about? They are complaining about the escalating cost of health care which many and most people say is being driven primarily by the escalating cost of prescription drugs. The cost of prescription drugs is one thing. The cost of health care is another. But that has a ripple effect into other parts of our economy, which makes it more difficult for our workers to be competitive against other workers around the world. Again, Germany, they are buying that stuff for $5. So for a German company or the German Government to provide that benefit to a factory worker is $5. Here it is $100. Where do you think it is going to be more expensive to manufacture a car or anything else? It is going to be more expensive here in the United States. So it has a ripple effect. It is not just prescription drugs. It is a ripple effect throughout. It is kind of like a cancer that starts eating at all these unintended consequences. That is why we have got to deal with it, and we have got to deal with it as we go through this prescription drug plan and this prescription drug debate.

Mr. GUTKNECHT. Absolutely. The time is now. You mentioned in coming from Michigan, General Motors has been a fabulous employer. Not only in the State of Michigan but for suppliers all over the world. The interesting thing is General Motors, I met with a General Motors lobbyist last week. Do you know how much they are going to spend this year on prescription drugs, the company? This is just for their employees and their retirees. $1.3 billion. GM will spend $1.3 billion. What is worse, that number is going up 16, 17, 18 percent per year. That is a cost before they sell the first automobile, before they sell any cars. Those are costs they have to pay for.

Mr. HOEKSTRA. Just think, the numbers and the examples you are using, a conservative estimate says rather than the U.S. price being 20 times what they might be able to get it somewhere else, let us say U.S. companies could save, 25, 30 percent. For a company like General Motors, for any employer, that gets to be real money. Think about it. For General Motors if they are spending $1.3 billion, that would be $300 million, either in lower prices, increased competitiveness, or better services and more benefits to their employees.

Mr. GUTKNECHT. Right.

□ 2045

We are absorbing that cost, and I think when we talked about this at a conference today, what somebody said is we are subsidizing the rest of the world in health care and prescription drugs, and we are subsidizing, I think your term is, the ''starving French,'' or the ''starving Swedes,'' or the ''starving Swiss.''

Mr. GUTKNECHT. You can use whichever. I would say Americans are willing to pay their fair share. We understand there is a cost for research. We understand we have to pay that $3.9 billion that one of the big pharmaceutical companies will spend this year on advertising and marketing. We understand that has to be paid. We are willing to pay our fair share. We are willing to subsidize the people in Sub-Saharan Africa. But we should not be willing to subsidize the starving Swiss.

Mr. HOEKSTRA. This affects the ability of GM to sell cars in Europe. This affects the ability of GM to sell cars in the United States against cars that are made in Europe by companies who are providing benefits to their workers. And we are subsidizing their health care. We are subsidizing health care in Canada, we are subsidizing it in Mexico, we are subsidizing it in Japan and in Europe, because we are paying prices that the rest of the world is unwilling to pay which means these companies can go to other places in the world and sell the prescription drugs for prices significantly lower than ours.

Mr. GUTKNECHT. Well, the real bottom line is virtually every other company has to compete in a world marketplace. What we are saying is let markets work. Open up the markets.

Finally, we are all concerned about safety. But this is a counterfeit-proof package. It is a blister pack, one of the first versions. It is getting better.

There is a great little company out in California that is helping to develop the technology for the new $20 bills to make them counterfeit-proof. It is good enough for the U.S. Treasury, but, so far, not good enough for the FDA.

We are going to demonstrate in the coming weeks how we can have safety-sealed counterfeit-proof packaging which will guarantee the safety of drugs wherever they happen to come from. If the drug companies have to compete in a world marketplace, the way General Motors does, the way Eastman Kodak does, the way IBM does, the way Microsoft does, or the way every other company in America has to compete, you will see prices in the United States drop dramatically; and that amounts to billions and billions of dollars of savings, not just for retirees, but for all Americans.

Mr. HOEKSTRA. There is no reason drugs cannot cross borders safely. We have food that crosses borders safely, and there is no reason we cannot develop a system to maintain the integrity of prescription drugs as they go from Canada into the U.S. and those types of things. We can put the measure in place to ensure the safety and security of our prescription drug supply.

Mr. GUTKNECHT. We just have a few more minutes, and I will close by saying this. The gentleman is exactly right. We import in the United States thousands and thousands of tons of fruits and vegetables and meats. As a matter of fact, this year we will import 318,000 tons of plantains. If we can safely import 318,000 tons of plantains, we can surely figure out a way to import Prilosec and Glucophage.

There is no way people will argue we cannot do this safely. We have the technology today. The time has come to open up markets, let our people go and stop this captive market. We will see prices drop in the United States by at least 30 percent.

Mr. HOEKSTRA. I thank my colleague for joining me talking about prescription drugs and talking about Prison Industries.

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. PALLONE) to revise and extend their remarks and include extraneous material:)

Mr. DEFAZIO, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mr. STENHOLM, for 5 minutes, today.

Mr. MCDERMOTT, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

(The following Members (at the request of Mr. GUTKNECHT) to revise and extend their remarks and include extraneous material:)

Mr. BURTON of Indiana, for 5 minutes, June 19.

Mrs. BLACKBURN, for 5 minutes, June 19.

Mr. GOSS, for 5 minutes, today.

Mr. SMITH of Michigan, for 5 minutes, June 16 and 17.

Mr. HENSARLING, for 5 minutes, today.

Mr. NUSSLE, for 5 minutes, today.

Mr. BURGESS, for 5 minutes, today.

ENROLLED BILL SIGNED

Mr. Trandahl, Clerk of the House, reported and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker.

H.R. 1625. An act to designate the facility of the United States Postal Service located at 1114 Main Avenue in Clifton, New Jersey, as the ''Robert P. Hammer Post Office Building.''.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 763. An act to designate the Federal building and United States courthouse located at 46 East Ohio Street in Indianapolis, Indiana, as the ''Birch Bayh Federal Building and United States Courthouse.''

S.J. Res. 8. Joint resolution expressing the sense of Congress with respect to raising awareness and encouraging prevention of sexual assault in the United States and supporting the goals and ideals of National Sexual Assault Awareness and Prevention Month.

ADJOURNMENT

Mr. HOEKSTRA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 48 minutes p.m.), under its previous order, the House adjourned until Monday, June 16, 2003, at 12:30 p.m., for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

2645. A letter from the Under Secretary, Department of Defense, transmitting a letter on the approved retirement Vice Admiral Joseph W. Dyer, United States Navy, and his advancement to the grade of vice admiral on the retired list; to the Committee on Armed Services.

2646. A letter from the Director of Congressional Affairs, Consumer Product Safety Commission, transmitting the Commission's final rule — Requirements for Low-Speed Electric Bicycles — received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2647. A letter from the Senior Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations (Minot, North Dakota) [MB Docket No. 02-282, RM-10523] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2648. A letter from the Senior Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations (Derby, Kansas) [MM Docket No. 01-44, RM-10022] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2649. A letter from the Senior Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations (Jackson, Wyoming) [MB Docket No. 02-375, RM-10605] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2650. A letter from the Senior Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Junction, Texas) [MM Docket No. 01-132, RM-10149] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2651. A letter from the Senior Legal Advisor to the Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Buffalo, Oklahoma) [MB Docket No. 02-383, RM-10614] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2652. A letter from the Senior Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Comanche, Mullin and Mason, Texas) [MM Docket No. 01-159, RM-10164; RM-10395] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2653. A letter from the Senior Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Alamo and Milan, Georgia) [MM Docket No. 01-111, RM-10124; RM-10341] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2654. A letter from the Senior Legal Advisor to the Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Reydon, Oklahoma) [MM Docket No. 01-227, RM-10255] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2655. A letter from the Senior Legal Advisor to the Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Opelousas, Louisiana) [MB Docket No. 02-322, RM-10584] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2656. A letter from the Senior Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), FM Table of Allotments, FM Broadcast Stations (O'brien, Texas) [MB Docket No. 02-296, RM-10571]; (Stamford, Texas) [MB Docket No.02-297]; (Panhandle, Texas) [MB Docket No. 02-298, RM-10574]; (Shamrock, Texas) [MB Docket No.02-299, RM-1 0575]; (Colorado City, Texas) [MB Docket No. 02-300, RM-10576]; (Taloga, Oklahoma) [MB Docket No. 02-302, RM-10579] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2657. A letter from the Special Assistant to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations (Hartford, Connecticut) [MB Docket No. 01-306, RM-10152] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2658. A letter from the Director, Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting the Commission's ''Major'' final rule — Revision of Fee Schedules; Fee Recovery for FY 2003 (RIN: 3150-AH14) received June 12, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2659. 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.

2660. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the third annual ''Traffiking in Persons Report,'' pursuant to Public Law 106—386, section 110; to the Committee on International Relations.

2661. A letter from the Secretary, Department of Agriculture, transmitting the semiannual report of the Inspector General for the 6-month period ending March 31, 2003, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

2662. A letter from the Chairman, Broadcasting Board of Governors, transmitting the semiannual report on the activities of the Office of Inspector General for the period October 1, 2002 to March 31, 2003, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

2663. A letter from the Secretary, Department of Transportation, transmitting the Department's Strategic Plan for Fiscal Years 2003 through 2008; to the Committee on Government Reform.

2664. A letter from the Administrator, General Services Administration, transmitting a semiannual report on Office of Inspector General auditing activity, together with a report providing management's perspective on the implementation status of audit recommendations, pursuant to 5 app.; to the Committee on Government Reform.

2665. A letter from the Chairman and General Counsel, National Labor Relations Board, transmitting the semiannual report on the activities of the Office of Inspector General of the National Labor Relations Board for the period October 1, 2002 through March 31, 2003, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 8G(h)(2); to the Committee on Government Reform.

2666. A letter from the Chairman, National Science Board, transmitting the semiannual report on the activities of the Office of Inspector General for the period October 1, 2002 through March 31, 2003, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

2667. A letter from the Director, Office of Personnel Management, transmitting the Office's report entitled, ''Federal Student Loan Repayment Program FY 2002,'' pursuant to 5 U.S.C. 5379(a)(1)(B) Public Law 106—398, section 1122; to the Committee on Government Reform.

2668. A letter from the Attorney for National Council on Radiation Protection and Measurements, National Council on Radiation Protection and Measurements, transmitting the 2002 Annual Report of independent auditors who have audited the records of the National Council on Radiation Protection and Measurements, a federally chartered corporation, pursuant to 36 U.S.C. 4514; to the Committee on the Judiciary.

2669. A letter from the Chairman, United States International Trade Commission, transmitting the Commission's report entitled, ''U.S. Chile Free Trade Agreement: Potential Economywide and Selected Sectoral Effects''; to the Committee on Ways and Means.

2670. A letter from the Chairman, United States International Trade Commission, transmitting the Commission's report entitled, ''U.S. Singapore Free Trade Agreement: Potential Economywide and Selected Sectoral Effects''; to the Committee on Ways and Means.

2671. A letter from the Board Members, Railroad Retirement Board, transmitting the 2003 annual report on the financial status of the railroad unemployment insurance system, pursuant to 45 U.S.C. 369; jointly to the Committees on Ways and Means 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. HYDE: Committee on International Relations. Supplemental report on H.R. 1950. A bill to authorize appropriations for the Department of State for the fiscal years 2004 and 2005, to authorize appropriations under the Arms Export Control Act and the Foreign Assistance Act of 1961 for security assistance for fiscal years 2004 and 2005, and for other purposes (Rept. 108–105 Pt. 2).

Mr. TOM DAVIS of Virginia: Committee on Government Reform. H.R. 2122. A bill to enhance research, development, procurement, and use of biomedical countermeasures to respond to public health threats affecting national security, and for other purposes; with an amendment (Rept. 108–147 Pt. 2). Ordered to be printed.

Mr. BOEHNER: Committee of Conference. Conference report on S. 342. An act to amend the Child Abuse Prevention and Treatment Act to make improvements to and reauthorize programs under that Act, and for other purposes (Rept. 108–150). Ordered to be printed.

Mr. OXLEY: Committee on Financial Services. H.R. 23. A bill to amend the Housing and Community Development Act of 1974 to authorize communities to use community development block grant funds for construction of tornado-safe shelters in manufactured home parks; with an amendment (Rept. 108–151). Referred to the Committee of the Whole House on the State of the Union.

DISCHARGE OF COMMITTEE

[Omitted from the Record of June 11, 2003]

Pursuant to clause 2 of rule XII the Committee on Armed Services discharged from further consideration of H.R. 2122.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 2 of rule XII, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. OXLEY: Committee on Financial Services. H.R. 1375. A bill to provide regulatory relief and improve productivity for insured depository institutions, and for other purposes, with an amendment; Rept. 108–152, Part I referred to the Committee on Judiciary for a period ending not later than July 14, 2003, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(k), rule X.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Ms. DUNN (for herself, Mr. CRAMER, Mr. BURNS, Mr. COX, Mr. SHUSTER, Mr. DEMINT, Mr. NETHERCUTT, Mr. KOLBE, Mr. HERGER, Mr. HASTINGS of Washington, Mr. CAMP, Mr. FOLEY, Mr. WILSON of South Carolina, Mr. WELLER, Mr. PUTNAM, Mr. TOOMEY, Mr. MCKEON, Mr. MICA, Mr. WICKER, Mr. BOEHNER, Mr. PLATTS, Mr. GOODE, Mr. TOM DAVIS of Virginia, Mr. NORWOOD, Mr. WELDON of Florida, Mr. GIBBONS, Mr. BASS, Mr. CUNNINGHAM, Mr. SHIMKUS, Mr. WAMP, Mrs. MYRICK, Mr. PICKERING, Mr. RYAN of Wisconsin, Mr. ROGERS of Michigan, Mr. KIRK, Mr. JONES of North Carolina, Mr. WOLF, Mr. BOUCHER, Mr. REYNOLDS, Mr. ENGLISH, Mr. HALL, Mrs. NORTHUP, Mr. KNOLLENBERG, Mr. HAYWORTH, Mr. DREIER, Mr. MCINNIS, Mr. CRANE, Mr. SHAW, Mr. SOUDER, Mrs. WILSON of New Mexico, Mr. ROGERS of Kentucky, Mr. SAM JOHNSON of Texas, Mr. REHBERG, Mr. CALVERT, Mrs. JO ANN DAVIS of Virginia, Mr. BACHUS, Mr. SIMPSON, Mr. BAKER, Mrs. EMERSON, Mr. OXLEY, Mr. SIMMONS, Mr. GRAVES, Mr. PENCE, Mr. JOHNSON of Illinois, Mr. SESSIONS, Mr. GOSS, Mr. MCHUGH, Mr. TANCREDO, Mr. CANNON, Mr. COBLE, Mr. BONILLA, Mr. WHITFIELD, Mr. SAXTON, Mr. BURTON of Indiana, Mr. DUNCAN, Mr. SCHROCK, Mr. OTTER, Mr. DOOLITTLE, Mr. PAUL, Mr. ROHRABACHER, Mr. JENKINS, Mr. LUCAS of Kentucky, Ms. GRANGER, Mr. HAYES, Mr. EVERETT, Mr. FERGUSON, Mr. LEWIS of Kentucky, Mr. BARTLETT of Maryland, Mr. SWEENEY, Mr. KELLER, Mr. SHADEGG, Mr. BARRETT of South Carolina, Mr. WALDEN of Oregon, Mr. WALSH, Mr. MARIO DIAZ-BALART of Florida, Ms. PRYCE of Ohio, Mr. ISTOOK, Mr. ISSA, Ms. BERKLEY, Ms. ROS-LEHTINEN, Mr. SENSENBRENNER, Mrs. CUBIN, Mr. MILLER of Florida, Mr. LATHAM, Mrs. CAPITO, Mr. RADANOVICH, Mr. GARY G. MILLER of California, Mr. LOBIONDO, Mr. JANKLOW, Mr. HEFLEY, Mr. ISAKSON, Mr. LARSEN of Washington, Mr. BOEHLERT, Mr. TIAHRT, Mr. CRENSHAW, Mr. LATOURETTE, Mr. FEENEY, Mr. PETERSON of Pennsylvania, Mr. WELDON of Pennsylvania, Mr. POMBO, Mr. OSBORNE, Mr. PEARCE, Mr. KLINE, Mr. BEAUPREZ, Mr. KING of Iowa, Mr. ROGERS of Alabama, Mr. MATHESON, Mr. FLETCHER, Mr. HOEKSTRA, Mr. RENZI, Ms. HARRIS, Mr. CULBERSON, Mr. MANZULLO, Mr. CHOCOLA, Mr. SMITH of Texas, Mr. GERLACH, Mr. TAUZIN, Ms. GINNY BROWN-WAITE of Florida, Mr. GUTKNECHT, Mrs. MUSGRAVE, Mr. FORBES, Mr. BISHOP of Utah, Mr. ADERHOLT, Mr. BROWN of South Carolina, Mr. SCOTT of Georgia, Mr. PORTER, Mr. BLUNT, Mr. AKIN, Mr. SULLIVAN, Mr. GARRETT of New Jersey, Mr. HOSTETTLER, Mr. SHERWOOD, Mr. LUCAS of Oklahoma, Mr. THORNBERRY, Mr. VITTER, Mr. CANTOR, Mr. TERRY, Mr. KENNEDY of Minnesota, Mr. BRADLEY of New Hampshire, Mr. GILLMOR, Mr. PITTS, Mr. CARTER, Mr. NEY, Ms. HART, Mr. FRELINGHUYSEN, Mrs. BONO, Mr. HENSARLING, Mr. BRADY of Texas, Mr. MURPHY, Mr. HASTERT, Mr. BONNER, Mr. BURR, Mr. DEAL of Georgia, Mr. FOSSELLA, Mr. LAHOOD, Mr. SANDLIN, Mr. COLLINS, Mr. RYUN of Kansas, Mr. RAMSTAD, Mr. GILCHREST, Mr. LAMPSON, Mrs. BLACKBURN, Mr. NUNES, Mr. HYDE, Mr. OSE, Mr. GOODLATTE, Mrs. BIGGERT, Mr. CHABOT, Mr. DELAY, Mr. HULSHOF, Mr. BURGESS, Mr. CARDOZA, Mr. MCCOTTER, Mrs. MILLER of Michigan, Mr. BISHOP of Georgia, Mrs. KELLY, Mr. FRANKS of Arizona, Mr. ROYCE, Mr. NUSSLE, Mr. PORTMAN, Mr. GINGREY, Mr. TURNER of Ohio, Mr. NEUGEBAUER, Mr. LINDER, Mr. YOUNG of Alaska, Mr. RAHALL, Mr. COLE, and Mr. GALLEGLY):

H.R. 8. A bill to make the repeal of the estate tax permanent.

By Mr. HYDE (for himself, Mr. LANTOS, Mr. GREEN of Wisconsin, Ms. HARRIS, Ms. LEE, Mr. CROWLEY, Mr. LAHOOD, and Mr. JANKLOW):

H.R. 2441. A bill to establish the Millennium Challenge Account to provide increased support for developing countries that have fostered democracy and the rule of law, invested in their citizens, and promoted economic freedom; to assess the impact and effectiveness of United States economic assistance; to authorize the expansion of the Peace Corps, and for other purposes; to the Committee on International Relations.

By Mr. FILNER (for himself and Mr. MCHUGH):

H.R. 2442. A bill to amend the definition of a law enforcement officer under subchapter III of chapter 83 and chapter 84 of title 5, United States Code, respectively, to ensure the inclusion of certain positions; to the Committee on Government Reform.

By Mr. YOUNG of Alaska (for himself, Mr. LOBIONDO, Mr. OBERSTAR, and Mr. FILNER):

H.R. 2443. A bill to authorize appropriations for the Coast Guard for fiscal year 2004, to amend various laws administered by the Coast Guard, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. AKIN (for himself, Mr. LUCAS of Kentucky, Mr. TIAHRT, Mrs. MYRICK, Mr. TERRY, Mr. MANZULLO, Mr. RYUN of Kansas, Mr. PAUL, Mr. WAMP, Mr. ISTOOK, Mr. SCHROCK, Mr. SULLIVAN, Mr. LIPINSKI, Mr. ADERHOLT, Mr. SMITH of New Jersey, Mr. CRANE, Mr. TAYLOR of Mississippi, Mr. PITTS, Mrs. MUSGRAVE, Mr. DOOLITTLE, Mr. HOSTETTLER, Mr. JONES of North Carolina, Mr. MCINTYRE, Mr. BURGESS, Mr. VITTER, Mr. SAM JOHNSON of Texas, Mr. KLINE, Mr. WELDON of Florida, Mr. SOUDER, Mr. KING of Iowa, Mr. WILSON of South Carolina, Mr. DEMINT, Mr. GUTKNECHT, Mr. TOOMEY, Mr. NORWOOD, Mr. HOEKSTRA, Mr. SHADEGG, Mr. PEARCE, Mr. CHABOT, Mr. PENCE, Mr. PICKERING, Mr. BACHUS, Mr. BLUNT, Mr. LEWIS of Kentucky, Mrs. CUBIN, Mr. BARTON of Texas, Mr. BURR, Mr. FERGUSON, Mr. ROGERS of Michigan, Mr. FLETCHER, Mr. WHITFIELD, Ms. HART, Mrs. BLACKBURN, Mr. DUNCAN, Mr. KENNEDY of Minnesota, Mr. BARTLETT of Maryland, Mr. FRANKS of Arizona, Mr. GARRETT of New Jersey, Mr. BARRETT of South Carolina, Mr. ROGERS of Alabama, Mrs. JO ANN DAVIS of Virginia, Mr. TANCREDO, Mr. JANKLOW, Mr. GOODE, Mr. CRENSHAW, Mr. CHOCOLA, Mr. RENZI, Mr. BISHOP of Utah, Mr. GRAVES, Mr. BEAUPREZ, Mr. WICKER, Mr. HAYES, Mr. SHIMKUS, Mr. FORBES, Mr. STEARNS, Mr. RYAN of Wisconsin, Mr. COLE, Mr. SESSIONS, Mr. CULBERSON, Mr. BRADY of Texas, Mr. HUNTER, Mr. NEUGEBAUER, Mr. FEENEY, Mr. MURPHY, Mr. LAHOOD, and Mr. CANTOR):

H.R. 2444. A bill to establish certain requirements relating to the provision of services to minors by family planning projects under title X of the Public Health Service Act; to the Committee on Energy and Commerce.

By Mr. EVANS:

H.R. 2445. A bill to amend title 38, United States Code, to make permanent the requirement for the Secretary of Veterans Affairs to provide nursing home care to certain veterans with service-connected disabilities and to expand eligibility for such care to all veterans with compensable service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. WELLER (for himself, Mr. YOUNG of Alaska, Mr. CRANE, Mr.

HAYWORTH, Mr. HAYES, Mr. NEY, Mr. GARRETT of New Jersey, Mr. WAMP, Mr. BARRETT of South Carolina, Mr. REHBERG, Mr. TERRY, Mrs. MYRICK, and Mr. LAHOOD):

H.R. 2446. A bill to amend the Internal Revenue Code of 1986 to permanently extend the marriage penalty tax relief enacted by the Jobs and Growth Tax Relief Reconciliation Act of 2003; to the Committee on Ways and Means.

By Mr. SMITH of Michigan (for himself, Mr. PAUL, Mr. BALLENGER, Mr. ROYCE, Mrs. JO ANN DAVIS of Virginia, Mr. CHABOT, Mr. ROHRABACHER, Mr. PETERSON of Minnesota, Mr. WELLER, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. LARSON of Connecticut, Mr. BACHUS, Mrs. EMERSON, Mr. HYDE, Mr. BEREUTER, Ms. LOFGREN, and Mr. HALL):

H.R. 2447. A bill to establish a Federal interagency task force to promote the benefits, safety, and potential uses of agricultural biotechnology to improve human and animal nutrition, increase crop productivity, and improve agricultural sustainability while ensuring the safety of food and the environment; to the Committee on International Relations, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WELLER (for himself and Mr. CAMP):

H.R. 2448. A bill to amend the Internal Revenue Code of 1986 to extend the special 5-year carryback of certain net operating losses to losses for 2003, 2004, and 2005; to the Committee on Ways and Means.

By Mr. BAKER (for himself, Mr. ALEXANDER, Mr. JOHN, Mr. VITTER, Mr. MCCRERY, Mr. GOODE, and Mr. PLATTS):

H.R. 2449. A bill to establish a commission to commemorate the sesquicentennial of the American Civil War; to the Committee on Government Reform.

By Mr. GORDON (for himself, Mr. SENSENBRENNER, Ms. JACKSON-LEE of Texas, Mr. UDALL of Colorado, Mr. COOPER, Mr. FRANK of Massachusetts, Mr. LAMPSON, Mr. HALL, Mr. SHERMAN, Mr. LARSON of Connecticut, Mr. WEINER, Ms. LOFGREN, Mr. HONDA, Mr. FROST, Mr. COSTELLO, Mr. DAVIS of Tennessee, Mr. WYNN, Mr. BAIRD, and Ms. EDDIE BERNICE JOHNSON of Texas):

H.R. 2450. A bill to provide for the establishment of an independent, Presidentially-appointed investigative Commission in the event of incidents in the Nation's human space flight program that result in loss of crew, passengers, or the spacecraft, and for other purposes; to the Committee on Science.

By Mr. KING of Iowa:

H.R. 2451. A bill to amend title XVIII of the Social Security Act to improve geographic equity in the provision of items and services provided to Medicare beneficiaries; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KING of New York:

H.R. 2452. A bill to designate the facility of the United States Postal Service located at 339 Hicksville Road in Bethpage, New York, as the ''Brian C. Hickey Post Office Building''; to the Committee on Government Reform.

By Mr. KLECZKA (for himself and Mr. STARK):

H.R. 2453. A bill to amend title XVIII of the Social Security Act to provide for coverage under the Medicare Program of substitute adult day care services; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LATOURETTE (for himself, Mr. YOUNG of Alaska, Mr. OBERSTAR, and Ms. NORTON) (all by request):

H.R. 2454. A bill to reauthorize and improve the program authorized by the Public Works and Economic Development Act of 1965; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MARKEY (for himself, Mr. SHAYS, Mr. LANGEVIN, Mr. THOMPSON of Mississippi, Mr. FRANK of Massachusetts, Mr. ANDREWS, Mrs. LOWEY, and Mr. ETHERIDGE):

H.R. 2455. A bill to improve air cargo security; to the Committee on Transportation and Infrastructure.

By Mrs. MCCARTHY of New York (for herself and Mr. QUINN):

H.R. 2456. A bill to require increased activities by the National Institutes of Health and the Centers for Disease Control and Prevention regarding Diamond-Blackfan anemia, and for other purposes; to the Committee on Energy and Commerce.

By Mr. MICA:

H.R. 2457. A bill to authorize funds for an educational center for the Castillo de San Marcos National Monument, and for other purposes; to the Committee on Resources.

By Mr. POMEROY (for himself, Mr. ISAKSON, Mr. ENGLISH, and Mr. ANDREWS):

H.R. 2458. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income a percentage of lifetime annuity payments, and for other purposes; to the Committee on Ways and Means.

By Mr. REHBERG (for himself, Mr. EDWARDS, Mrs. EMERSON, Mr. WALSH, Mr. PLATTS, Mr. TOWNS, and Mr. STENHOLM):

H.R. 2459. A bill to establish the United States Consensus Council to provide for a consensus building process in addressing national public policy issues, and for other purposes; to the Committee on Government Reform.

By Mr. REYES:

H.R. 2460. A bill to provide for the conveyance of the reversionary interest of the United States in certain lands to the Clint Independent School District, El Paso County, Texas; to the Committee on International Relations.

By Ms. LORETTA SANCHEZ of California:

H.R. 2461. A bill to amend title XVIII of the Social Security Act to provide for establishment of a Medicare prescription drug benefit covering costs that exceed a percentage of a beneficiary's income; 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. SANDERS (for himself, Mr. ABERCROMBIE, Ms. BALDWIN, Mr. BROWN of Ohio, Ms. CARSON of Indiana, Mr. CASE, Ms. DELAURO, Mr. FATTAH, Mr. JACKSON of Illinois, Mr. DEFAZIO, Mr. GRIJALVA, Mr. HASTINGS of Florida, Mr. HINCHEY, Mr. INSLEE, Mr. KUCINICH, Ms. LEE, Mr. MCDERMOTT, Mrs. MALONEY, Mr. GEORGE MILLER of California, Mr. NADLER, Mr. OLVER, Mr. OWENS, Ms. SCHAKOWSKY, Ms. SLAUGHTER, Ms. SOLIS, Ms. VELAZQUEZ, and Ms. WATSON):

H.R. 2462. A bill to invalidate the actions of the Federal Communications Commission in abrogating the media ownership limitations under the Communications Act of 1934; to the Committee on Energy and Commerce.

By Mr. SAXTON (for himself, Mr. SMITH of New Jersey, Mr. ANDREWS, and Mr. LOBIONDO):

H.R. 2463. A bill to amend title 10, United States Code, to require certain contractors with the Department of Defense to perform background investigations, psychological assessments, and behavioral observations, and provide fingerprint cards, with respect to individuals who perform work on military installations or facilities; to the Committee on Armed Services.

By Mr. SAXTON (for himself and Mr. ANDREWS):

H.R. 2464. A bill to direct the Secretary of Education to provide grants to promote Holocaust education and awareness; to the Committee on Education and the Workforce.

By Mr. SENSENBRENNER:

H.R. 2465. A bill to extend for six months the period for which chapter 12 of title 11 of the United States Code is reenacted; to the Committee on the Judiciary.

By Mr. SHERMAN (for himself, Mr. SMITH of New Jersey, Mr. WAXMAN, Mr. SOUDER, Ms. BERKLEY, Mr. KING of New York, Mr. ISRAEL, Mr. WEINER, Mr. CROWLEY, Mr. HOLDEN, Mr. NADLER, Mr. DEUTSCH, and Mr. ENGEL):

H.R. 2466. A bill to encourage democratic reform in Iran and to strengthen United States policy toward the current Government of Iran; to the Committee on International Relations, 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. SMITH of Washington (for himself and Mr. DOOLEY of California):

H.R. 2467. A bill to extend certain trade benefits to countries of the greater Middle East; to the Committee on Ways and Means.

By Mr. STUPAK:

H.R. 2468. A bill to amend the Transportation Equity Act for the 21st Century to modify a high priority project in the State of Michigan; to the Committee on Transportation and Infrastructure.

By Mr. TERRY (for himself, Mr. TANCREDO, Mrs. MUSGRAVE, Mr. SESSIONS, Mr. MANZULLO, and Mr. JENKINS):

H.R. 2469. A bill to amend the Social Security Act to modify the Medicare Program; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. WATERS (for herself, Mr. KUCINICH, Ms. LEE, and Mr. STARK):

H.R. 2470. A bill to require certain actions with respect to the availability of medicines for HIV/AIDS and other diseases in developing countries; to the Committee on International Relations, 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. DELAHUNT (for himself, Mr. GILCHREST, Mr. GEORGE MILLER of California, Mr. SMITH of New Jersey, Mr. FARR, Mr. GREENWOOD, Mr. ALLEN, and Mr. ABERCROMBIE):

H. Con. Res. 216. Concurrent resolution expressing the sense of the Congress regarding the policy of the United States at the 55th Annual Meeting of the International Whaling Commission; to the Committee on International Relations.

By Mr. HASTINGS of Florida:

H. Con. Res. 217. Concurrent resolution condemning the Islamic Republic of Iran (also known as Iran) for constructing a facility to enrich uranium with potential for developing a program for the proliferation of weapons of mass destruction, and for its support of global terrorism; to the Committee on International Relations.

By Mr. PASCRELL (for himself, Mr. FRELINGHUYSEN, Mr. HOLDEN, Ms. DELAURO, Mr. DAVIS of Illinois, Mr. RANGEL, Mr. UDALL of Colorado, Mr. DOYLE, and Mr. FOSSELLA):

H. Con. Res. 218. Concurrent resolution expressing the sense of the Congress that a commemorative postage stamp should be issued honoring Gunnery Sergeant John Basilone, a great American hero; to the Committee on Government Reform.

By Mr. SMITH of Texas (for himself and Mr. VITTER):

H. Con. Res. 219. Concurrent resolution expressing the sense of Congress with respect to raising awareness and encouraging education about safety on the Internet and supporting the goals and ideals of National Internet Safety Month; to the Committee on Energy and Commerce.

By Mr. THOMPSON of Mississippi (for himself and Mr. PICKERING):

H. Con. Res. 220. Concurrent resolution commending Medgar Wiley Evers and his widow, Myrlie Evers-Williams, for their lives and accomplishments; to the Committee on Government Reform.

By Mr. CALVERT (for himself and Mrs. BONO):

H. Res. 271. A resolution expressing the sense of the House of Representatives that the flag of the United States should be displayed in each classroom or other similar educational setting in the United States; to the Committee on Education and the Workforce.

By Mr. CARDOZA (for himself, Ms. ESHOO, Mr. EMANUEL, Mr. LIPINSKI, Mr. PAYNE, Ms. WATSON, Mr. MCGOVERN, Mr. RADANOVICH, Ms. LOFGREN, and Mr. HONDA):

H. Res. 272. A resolution expressing concern for the status of the Assyrian people in post-war Iraq; to the Committee on International Relations.

By Mr. ISRAEL (for himself, Mr. WOLF, Ms. WATSON, Mr. WEINER, Mrs. MALONEY, Mr. MCDERMOTT, Mr. EVANS, Mr. CASE, Mr. FROST, Mr. BERMAN, Mr. MCNULTY, Mr. FALEOMAVAEGA, Mr. WEXLER, Ms. GINNY BROWN-WAITE of Florida, Mr. SNYDER, and Mr. BELL):

H. Res. 273. A resolution expressing the sense of the House of Representatives that the United States Postal Service should issue a postage stamp commemorating Anne Frank; to the Committee on Government Reform.

By Mr. MATHESON (for himself and Mr. NETHERCUTT):

H. Res. 274. A resolution honoring John Stockton for an outstanding career, congratulating him on his retirement, and thanking him for his contributions to basketball, to the State of Utah, and to the Nation; to the Committee on Government Reform.

By Mr. TAYLOR of Mississippi:

H. Res. 275. A resolution providing for consideration of the joint resolution (H. J. Res. 22) proposing a balanced budget amendment to the Constitution of the United States; to the Committee on Rules.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 20: Mr. SAXTON.

H.R. 22: Mr. TERRY.

H.R. 23: Mr. MORAN of Kansas.

H.R. 33: Mr. BELL and Mr. JOHNSON of Illinois.

H.R. 49: Ms. HARMAN.

H.R. 141: Mr. BARRETT of South Carolina, Mr. DEMINT, Mr. NORWOOD, and Mr. ADERHOLT.

H.R. 198: Mrs. JO ANN DAVIS of Virginia and Mr. COX.

H.R. 235: Mr. OXLEY, Mr. CUNNINGHAM, Ms. GINNY BROWN-WAITE of Florida, Ms. DUNN, Mr. POMBO, Mr. BONILLA, and Ms. GRANGER.

H.R. 236: Mr. LANGEVIN, Mr. POMEROY, Mr. EMANUEL, Mr. STENHOLM, Mr. STUPAK, Mr. JOHN, Mr. ALEXANDER, and Mr. THOMPSON of California.

H.R. 261: Mr. FORD.

H.R. 262: Mr. VITTER.

H.R. 276: Mr. DOOLITTLE and Mr. RYUN of Kansas.

H.R. 284: Mr. PALLONE, Mr. CONYERS, and Mr. SAXTON.

H.R. 290: Mr. CRAMER, Mr. DEUTSCH, and Mr. SNYDER.

H.R. 296: Mr. ROSS and Mr. GREEN of Texas.

H.R. 303: Ms. GRANGER, Mr. ENGEL, Mr. GEORGE MILLER of California, and Ms. NORTON.

H.R. 308: Mr. LOBIONDO.

H.R. 315: Mr. GOODE.

H.R. 369: Mr. KUCINICH.

H.R. 371: Mr. BELL and Mr. DELAHUNT.

H.R. 391: Mr. KLINE.

H.R. 424: Mrs. JO ANN DAVIS of Virginia.

H.R. 488: Mrs. JO ANN DAVIS of Virginia.

H.R. 490: Mr. WU.

H.R. 528: Mr. GRIJALVA, Mr. MEEHAN, and Mr. ACKERMAN.

H.R. 580: Mr. MORAN of Virginia.

H.R. 589: Mr. WALSH, Mr. DELAHUNT, Mr. GILCHREST, Mr. DEMINT, Mr. CHOCOLA, Mr. Stenholm, Mr. BEAUPREZ, Mr. ISSA, Mr. YOUNG of Alaska, Mr. OSE, Mr. CALVERT, and Mr. MORAN of Kansas.

H.R. 660: Mr. BLUNT, Mr. BRADLEY of New Hampshire, Mr. TURNER of Ohio, and Ms. PRYCE of Ohio.

H.R. 664: Mr. CROWLEY.

H.R. 665: Mr. MORAN of Virginia.

H.R. 687: Mr. ISTOOK.

H.R. 713: Mr. BOUCHER.

H.R. 714: Mr. CRANE.

H.R. 737: Ms. HARMAN.

H.R. 742: Mr. GARY G. MILLER of California, Mr. BURNS, Mr. HINCHEY, Mr. TIBERI, Ms. BALDWIN, and Mr. STRICKLAND.

H.R. 792: Mr. LEWIS of Kentucky and Mr. STRICKLAND.

H.R. 806: Mr. BROWN of Ohio.

H.R. 828: Mr. BELL.

H.R. 834: Mr. EMANUEL, Mr. BACA, and Mr. AKIN.

H.R. 839: Mr. LARSEN of Washington, Mr. ROTHMAN, Mr. PALLONE, Mr. MCHUGH, Mr. DOOLITTLE, Mr. BOEHLERT, Mr. DAVIS of Illinois, Mr. LEWIS of Georgia, Mr. DOYLE, Mr. ALLEN, and Mr. HOEFFEL.

H.R. 872: Mr. RYUN of Kansas and Mr. BROWN of South Carolina.

H.R. 883: Mr. ENGEL.

H.R. 898: Mr. THOMPSON of Mississippi, Mr. LAMPSON, Mr. BRADY of Pennsylvania, and Mr. HOUGHTON.

H.R. 906: Mr. MARIO DIAZ-BALART of Florida, Mr. NEY, Mr. PLATTS, and Mr. BACHUS.

H.R. 919: Mr. FOSSELLA and Mr. JOHNSON of Illinois.

H.R. 934: Mr. FRANK of Massachusetts and Mr. CONYERS.

H.R. 941: Mr. LEWIS of Georgia.

H.R. 962: Mr. MORAN of Virginia, Mr. SHERMAN, Mrs. CAPPS, Mr. ANDREWS, and Mr. EHLERS.

H.R. 973: Mr. COLE and Mr. NEAL of Massachusetts.

H.R. 980: Mr. LOBIONDO, Mr. VITTER, Mr. TERRY, and Mr. POMEROY.

H.R. 996: Mr. GORDON, Mr. BARTON of Texas, Mr. SKELTON, Mr. HENSARLING, Mr. DUNCAN, and Mr. KINGSTON.

H.R. 997: Mrs. BLACKBURN, Mr. UPTON, Mr. COLLINS, Mr. BALLANCE, Mr. REHBERG, Mr. BURR, and Mr. BEREUTER.

H.R. 1006: Mr. ACEVEDO-VILA, Mr. ALLEN, Ms. MCCOLLUM, Mr. CRAMER, Mr. SCHIFF, Mr. BARTLETT of Maryland, Mrs. BONO, and Mr. PETERSON of Minnesota.

H.R. 1073: Mr. BOEHNER, Mr. KIRK, and Mr. HOUGHTON.

H.R. 1078: Mr. WALDEN of Oregon, Ms. JACKSON-LEE of Texas, Mr. BARTLETT of Maryland, Mr. YOUNG of Florida, Mr. CANTOR, and Mr. HENSARLING.

H.R. 1083: Mr. WEXLER and Mr. MICHAUD.

H.R. 1087: Mrs. GINNY BROWN-WAITE of Florida.

H.R. 1093: Mr. UPTON, Ms. MILLENDER-MCDONALD, and Ms. JACKSON-LEE of Texas.

H.R. 1110: Mr. NORWOOD, Mr. DAVIS of Illinois, and Mr. EMANUEL.

H.R. 1114: Mr. PITTS.

H.R. 1117: Mr. STEARNS.

H.R. 1120: Mrs. JO ANN DAVIS of Virginia.

H.R. 1125: Mr. TURNER of Ohio.

H.R. 1130: Mr. ACEVEDO-VILA and Mrs. CHRISTENSEN.

H.R. 1154: Mrs. JO ANN DAVIS of Virginia.

H.R. 1160: Mr. HOEKSTRA, Mr. GARY G. MILLER of California, and Ms. MCCARTHY of Missouri

H.R. 1167: Mr. GINGREY, Mr. PEARCE, Mr. SCHROCK, and Mr. WHITFIELD.

H.R. 1206: Mrs. JO ANN DAVIS of Virginia.

H.R. 1214: Mr. GORDON, Mr. ROSS, Mr. SABO, Mr. BERRY, Mr. BLUMENAUER, Mr. BURTON of Indiana, Mr. NETHERCUTT, and Mr. CONYERS.

H.R. 1220: Mr. CANNON.

H.R. 1231: Mr. CALVERT, Mr. TOOMEY, Mr. BROWN of South Carolina, Mr. BELL, Mr. SERRANO, Mr. SCOTT of Georgia, and Mr. SKELTON.

H.R. 1258: Mr. CUMMINGS and Mr. CLAY.

H.R. 1264: Ms. BORDALLO and Mr. ETHERIDGE.

H.R. 1267: Mr. INSLEE and Mr. SMITH of Washington.

H.R. 1268: Mr. LANTOS.

H.R. 1288: Mr. FORBES, Mr. OWENS, Mr. BRADLEY of New Hampshire, and Mr. SNYDER.

H.R. 1301: Mr. SANDLIN.

H.R. 1336: Mr. FERGUSON and Mr. COLE.

H.R. 1359: Mr. BELL.

H.R. 1367: Mr. JENKINS.

H.R. 1414: Mr. WAXMAN and Mr. GEORGE MILLER of California.

H.R. 1421: Mr. YOUNG of Alaska.

H.R. 1426: Mr. POMEROY.

H.R. 1428: Ms. BERKLEY.

H.R. 1470: Mr. PAYNE.

H.R. 1472: Ms. ROYBAL-ALLARD, Mr. UDALL of New Mexico, Mr. LIPINSKI, and Ms. ESHOO.

H.R. 1511: Mr. OTTER, Mr. MCKEON, Mr. CALVERT, Mr. JENKINS, Mr. ISTOOK, Mr. KNOLLENBERG, Mr. GREENWOOD, Mr. HASTINGS of Washington, Mr. FRELINGHUYSEN, and Mr. KOLBE.

H.R. 1554: Ms. CORRINE BROWN of Florida.

H.R. 1565: Mr. STRICKLAND and Mr. RYAN of Ohio.

H.R. 1580: Mr. NUSSLE.

H.R. 1592: Mr. RYAN of Ohio, Mr. OWENS, Ms. LOFGREN, and Ms. WOOLSEY.
H.R. 1599: Ms. CORRINE BROWN of Florida.
H.R. 1606: Mr. WILSON of South Carolina, Mr. BALLENGER, Mr. PAUL, Mr. BURR, Mr. MCINTYRE, and Mr. CALVERT.
H.R. 1608: Mr. RANGEL.
H.R. 1612: Mr. WICKER.
H.R. 1622: Mr. GALLEGLY, Mrs. CHRISTENSEN, Mr. MOORE, Mr. TIBERI, Mr. WILSON of South Carolina, Mr. LYNCH, Mr. ROGERS of Michigan, Mr. KLECZKA, Mr. BELL, Mr. ALLEN, Mr. DEUTSCH, Mr. STRICKLAND, Mr. LOBIONDO, Mr. LEWIS of Georgia, Mr. RUSH, Mr. GREEN of Texas, and Mr. SCHROCK.
H.R. 1627: Mr. WICKER.
H.R. 1628: Mr. RAHALL, Mr. GRIJALVA, Mr. ROHRABACHER, and Mr. TAYLOR of Mississippi.
H.R. 1653: Mr. MCGOVERN and Mr. BARRETT of South Carolina.
H.R. 1675: Mr. NEY.
H.R. 1717: Ms. LOFGREN and Mr. DELAHUNT.
H.R. 1735: Mr. GARRETT of New Jersey.
H.R. 1746: Mr. REYNOLDS, Mr. NUSSLE, Mr. FATTAH, and Ms. HARMAN.
H.R. 1749: Mr. WALDEN of Oregon, Mr. EVANS, and Mr. DEUTSCH.
H.R. 1754: Mr. DAVIS of Tennessee.
H.R. 1767: Mr. SIMPSON, Mr. HENSARLING, and Mr. SESSIONS.
H.R. 1769: Mr. SHERWOOD, Mr. WYNN, Mr. BROWN of Ohio, and Mr. ACKERMAN.
H.R. 1776: Mr. WILSON of South Carolina, Mr. REYNOLDS, and Mr. NUSSLE.
H.R. 1778: Mr. LUCAS of Oklahoma and Mr. MANZULLO.
H.R. 1785: Mr. GOODLATTE, Mr. GOODE, Mrs. JO ANN DAVIS of Virginia, Mr. HOLT, Mr. HASTINGS of Washington, and Mr. SCHROCK.
H.R. 1800: Ms. BALDWIN, Mr. SHERMAN, and Mr. LANGEVIN.
H.R. 1819: Mr. BARTON of Texas.
H.R. 1821: Ms. HARRIS, Mr. TERRY, Mr. WALSH, Mr. TAUZIN, Mr. WHITFIELD, Mr. ENGLISH, Mr. FLETCHER, Mr. GILLMOR, Ms. GRANGER, Mr. GREEN of Wisconsin, Mrs. MYRICK, Mr. NEY, Mr. OSE, Mr. OXLEY, Mr. SHERWOOD, Mr. BARTON of Texas, Mr. BURR, Mr. TOM DAVIS of Virginia, Mr. FRANKS of Arizona, Mr. NETHERCUTT, Mr. PUTNAM, Mr. STEARNS, and Mr. AKIN.
H.R. 1828: Ms. SLAUGHTER, Mr. REGULA, Mrs. TAUSCHER, Mr. BASS, Mr. SMITH of Texas, and Ms. DELAURO.
H.R. 1829: Mr. FEENEY, Mr. MICHAUD, Mr. NUSSLE, Mr. HOEFFEL, Mr. MCHUGH, Mr. LEVIN, Mr. BEAUPREZ, Ms. CARSON of Indiana, Mr. SHUSTER, Mr. STUPAK, and Mr. CARTER.
H.R. 1858: Ms. WATSON and Mr. ABERCROMBIE.
H.R. 1889: Ms. BALDWIN and Ms. CARSON of Indiana.
H.R. 1910: Mr. LARSEN of Washington, Mr. HOYER, Mr. POMEROY, Mr. RUSH, Mr. CLYBURN, Mr. CONYERS, and Mr. HONDA.
H.R. 1912: Mr. FOLEY.
H.R. 1913: Mr. KUCINICH.
H.R. 1914: Mr. RUPPERSBERGER.
H.R. 1916: Mr. PLATTS and Mr. BRADY of Pennsylvania.
H.R. 1917: Mr. FATTAH and Mr. OWENS.
H.R. 1918: Mr. FATTAH, Mr. OWENS, and Mr. PLATTS.
H.R. 1919: Mr. OLVER, Mr. OWENS, Mr. TANNER, and Mr. FATTAH.
H.R. 1923: Mr. KUCINICH.
H.R. 1930: Mr. FRANK of Massachusetts.
H.R. 1943: Mr. CAMP.
H.R. 1985: Ms. ESHOO.
H.R. 1989: Mr. TERRY.
H.R. 1997: Mr. BURNS.
H.R. 1999: Mr. LUCAS of Kentucky.
H.R. 2000: Ms. ROYBAL-ALLARD.
H.R. 2022: Mr. ABERCROMBIE.
H.R. 2037: Mr. FATTAH.
H.R. 2045: Ms. GINNY BROWN-WAITE of Florida.
H.R. 2047: Mr. PAYNE, Mr. RAMSTAD, and Mr. NEAL of Massachusetts.
H.R. 2052: Mr. LANTOS, Mrs. JO ANN DAVIS of Virginia, Mr. ISTOOK, Mr. MCDERMOTT, Mr. SANDERS, Mr. GREEN of Texas, Mr. CLAY, Mr. DEFAZIO, Mr. COSTELLO, Mr. KLECZKA, Mr. OLVER, Mr. TAYLOR of Mississippi, Mr. SIMMONS, Mrs. JONES of Ohio, Mr. BECERRA, Mr. BAIRD, Mrs. CAPPS, Mr. LEVIN, Mr. STENHOLM, Mr. BERRY, Mr. SABO, Ms. MILLENDER-MCDONALD, Mr. LEWIS of Georgia, Mr. MATSUI, Mr. ROTHMAN, Mr. LIPINSKI, Mr. MCGOVERN, Mr. OBERSTAR, Mr. TANNER, Ms. CORRINE BROWN of Florida, Mr. THOMPSON of Mississippi, Mr. OBEY, Mr. PASTOR, Mr. BLUMENAUER, Ms. KAPTUR, Mr. OWENS, Mr. GEORGE MILLER of California, Mr. KUCINICH, Mr. TIERNEY, Mr. HASTINGS, of Florida, Mr. KILDEE, and Mr. PETRI.
H.R. 2079: Mr. OSBORNE.
H.R. 2121: Mr. MCDERMOTT.
H.R. 2124: Mr. LANTOS, Mr. GREEN of Texas, and Mr. TERRY.
H.R. 2172: Mr. ENGLISH.
H.R. 2183: Mr. WELLER, Mr. VITTER, Mr. BAKER, and Mr. SCOTT of Virginia.
H.R. 2193: Mr. BAKER.
H.R. 2198: Mr. MARSHALL and Mr. LUCAS of Oklahoma.
H.R. 2214: Ms. GINNY BROWN-WAITE of Florida, Mr. TERRY, and Mr. WAMP.
H.R. 2237: Mr. MCDERMOTT, Mr. FROST, and Mr. PUTNAM.
H.R. 2242: Mr. INSLEE.
H.R. 2246: Mr. GUTIERREZ, Mr. BELL, Mr. TERRY, and Mr. LARSON of Connecticut.
H.R. 2249: Ms. GINNY BROWN-WAITE of Florida and Mr. TOOMEY.
H.R. 2250: Ms. CORRINE BROWN of Florida.
H.R. 2253: Mr. HERGER, Mr. ACEVEDO-VILA, Mr. MARKEY, Mr. GIBBONS, Mr. DOOLITTLE, Mr. LATOURETTE, Mr. CUNNINGHAM, and Mr. RADANOVICH.
H.R. 2256: Ms. MCCOLLUM, Mr. WAXMAN, Mr. CONYERS, Mr. KENNEDY of Rhode Island, Ms. KILPATRICK, Ms. BALDWIN, Mr. HINCHEY, Mr. MCNULTY, Mr. KLECZKA, Mr. SOUDER, and Mr. WAMP.
H.R. 2291: Mr. TIERNEY and Mr. EMANUEL.
H.R. 2318: Mr. TIERNEY, Mr. PORTER, and Mr. KUCINICH.
H.R. 2325: Ms. VELZQUEZ.
H.R. 2327: Ms. HART.
H.R. 2330: Mr. BAIRD, Mr. ALLEN, Ms. SCHAKOWSKY and Mr. KUCINICH.
H.R. 2333: Mrs. WILSON of New Mexico, Mr. STENHOLM, Mr. RYUN of Kansas, and Mr. STUPAK.
H.R. 2347: Mr. WILSON of South Carolina and Mr. RYUN of Kansas.
H.R. 2351: Mr. LUCAS of Kentucky.
H.R. 2360: Mr. FRANK of Massachusetts and Mr. FROST.
H.R. 2361: Mr. RAHALL and Mr. STUPAK.
H.R. 2372: Ms. LEE, Mr. JEFFERSON, and Mr. MARSHALL.
H.R. 2373: Mr. GEORGE MILLER of California.
H.R. 2379: Mr. GREEN of Wisconsin.
H.R. 2392: Mr. THOMPSON of California and Mr. QUINN.
H.R. 2404: Mr. REGULA.
H.R. 2406: Mr. JONES of North Carolina.
H.R. 2424: Mr. SCOTT of Virginia.
H.R. 2435: Mr. ISSA.
H.J. Res. 58: Mr. HAYWORTH, Mr. BARRETT of South Carolina, and Mr. KING of Iowa.
H. Con. Res. 60: Mr. TOOMEY, Mr. FRANKS of Arizona, Mr. CRANE, Mr. WYNN, Mr. CARDOZA, Mr. PICKERING, Mr. BACA, Mr. CALVERT, Mr. WAMP, Mr. STUPAK, Mr. WHITFIELD, and Mr. HERGER.
H. Con. Res. 98: Mr. ROHRABACHER and Mr. HASTINGS of Florida.
H. Con. Res. 194: Mr. WEXLER, Mr. MURTHA, Mr. HINCHEY, Mr. KILDEE, Mr. DAVIS of Tennessee, and Mr. PICKERING.
H. Con. Res. 209: Mr. KING of New York, Mr. GILLMOR, Mr. LAMPSON, Mr. EHLERS, Mr. TANNER, Mr. PRICE of North Carolina, and Mr. UDALL of Colorado.
H. Con. Res. 213: Mr. ANDREWS.
H. Res. 58: Ms. BERKLEY.
H. Res. 198: Mr. CALVERT and Mr. JANKLOW.
H. Res. 199: Mr. WYNN.
H. Res. 234: Mr. DAVIS of Florida and Mr. ROTHMAN.
H. Res. 242: Mr. ORTIZ.
H. Res. 260: Mr. KLECZKA.
H. Res. 264: Mr. BEREUTER.
H. Res. 267: Mr. MCINTYRE and Mr. MARSHALL.

DISCHARGE PETITIONS

Under clause 2 of rule XV, the following discharge petition was filed:

Petition 2. June 12, 2003, by Mr. JIM MARSHALL on House Resolution 251, was signed by the following Members: Jim Marshall, Chet Edwards, William D. Delahunt, Loretta Sanchez, Bill Pascrell, Jr., Tom Udall, Maurice D. Hinchey, Zoe Lofgren, Michael R. McNulty, Juanita Millender-McDonald, Robert Menendez, Betty McCollum, Joe Baca, Bob Filner, Artur Davis, Linda T. Sanchez, Lois Capps, James R. Langevin, Vic Snyder, Carolyn McCarthy, Dennis Moore, Steve Israel, Tammy Baldwin, Danny K. Davis, Raul M. Grijalva, Hilda L. Solis, Lane Evans, Charles B. Rangel, Timothy H. Bishop, Dale E. Kildee, Patrick J. Kennedy, Sanford D. Bishop, Jr., Mike McIntyre, Bobby L. Rush, Robert E. Andrews, Jay Inslee, Julia Carson, Diane E. Watson, Thomas H. Allen, David E. Price, Charles A. Gonzalez, Stephen F. Lynch, Wm. Lacy Clay, Eddie Bernice Johnson, Lincoln Davis, Sheila Jackson-Lee, Susan A. Davis, Lynn C. Woolsey, Michael F. Doyle, Charles W. Stenholm, Jim Cooper, Rodney Alexander, John Lewis, Christopher John, Joseph Crowley, Gene Taylor, Nick J. Rahall, II, Bob Etheridge, David Scott, Edolphus Towns, Tom Lantos, Michael H. Michaud, John B. Larson, Rick Larsen, Rosa L. DeLauro, Frank W. Ballance, Jr., Peter A. DeFazio, Ellen O. Tauscher, Bernard Sanders, Mike Ross, Barney Frank, Mark Udall, Mike Thompson, Timothy J. Ryan, Shelley Berkley, John W. Olver, Chris Bell, John S. Tanner, Rahm Emanuel, William J. Jefferson, Steny H. Hoyer, Nydia M. Velazquez, Darlene Hooley, Diana DeGette, Jim Matheson, Adam B. Schiff, Nancy Pelosi, Gregory W. Meeks, James P. McGovern, Elijah E. Cummings, Chris Van Hollen, Jim McDermott, Baron P. Hill, Thomas G. Tancredo, Karen McCarthy, Jose E. Serrano, Maxine Waters, Corrine Brown, Marcy Kaptur, Sander M. Levin, Brad Carson, Bart Gordon, Kendrick B. Meek, Ken Lucas, Bennie G. Thompson, Earl Pomeroy, James P. Moran, Martin Frost, Janice D. Schakowsky, Lucille Roybal-Allard, Xavier Becerra, Albert Russell Wynn, James E. Clyburn, Ciro D. Rodriguez, Stephanie Tubbs Jones, Barbara Lee, Allen Boyd, Leonard L. Boswell, and Robert Wexler.

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 108th CONGRESS, FIRST SESSION

Vol. 149 WASHINGTON, THURSDAY, JUNE 12, 2003 No. 86

Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable JOHN E. SUNUNU, a Senator from the State of New Hampshire.

The PRESIDING OFFICER. Today's prayer will be offered by our guest Chaplain, Dr. Virgil A. Wood of the Pond Street Baptist Church in Providence, RI.

PRAYER

The guest Chaplain offered the following prayer:

Dear God, we thank You for the remnants of love that remain within beloved America.

We confess that far too often, we have embraced the anti-love, in thought, word, and deed; please forgive us and mend our every flaw.

In the conflicts of life itself may we find the courage to meditate, to ponder, and to wrestle with the principalities and the powers.

When the conscious light of Your love breaks through our common journey, may we take off our shoes and worship, for that indeed will have become holy ground.

Grant us grace, dear God, to go forward and match deeds of love to our sacred words, that the love which is in the community of all humanity may perfect itself in us.

Having come now to understand how we of all faiths, races, and nationalities, as one people under God, could go forward, may we forever trust and abide in love.

And in the name of the one God of love, we offer this prayer. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JOHN E. SUNUNU led the Pledge of Allegiance, as follows:

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

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. STEVENS).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 12, 2003.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOHN E. SUNUNU, a Senator from the State of New Hampshire, to perform the duties of the Chair.

TED STEVENS,
President pro tempore.

Mr. SUNUNU thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The acting majority leader is recognized.

SCHEDULE

Mr. CHAFEE. Mr. President, for the information of all Senators, this morning the Senate will resume consideration of S. 14, the Energy bill. The Graham amendment relating to the Outer Continental Shelf is currently pending. Under a previous agreement, there will be up to 90 minutes of debate prior to the vote on or in relation to the amendment. Therefore, the first vote will occur at approximately 11 a.m.

In addition to the Graham amendment, the Senate will consider other amendments to the Energy bill, and Members should expect rollcall votes throughout the day.

It is also possible that the Senate will be able to consider the FAA reauthorization later today. We will notify Members if that becomes available. Also, the Senate may consider additional nominations on the Executive Calendar. We will be working to schedule votes on the nominations that can be cleared.

Mr. REID. Mr. President, we recognize there are efforts being made to go to the FAA bill. We are attempting to clear that on this side. We have a couple of hurdles. I think we have completed one, and we still have one other problem to eliminate. We will certainly know that in the next hour or so.

If that is the case, it is my understanding, having spoken to the two leaders, after we dispose of the amendments pending, the leader would want to go off of the Energy bill and go to the FAA bill. We are trying to allow that to happen if we can clear that.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

ENERGY POLICY ACT OF 2003

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of S. 14, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 14) to enhance the energy security of the United States, and for other purposes.

Pending:

Graham (FL) Amendment No. 884, to strike the provision requiring the Secretary of the Interior to conduct an inventory and analysis of oil and natural gas resources beneath all of the waters of the Outer Continental Shelf.

Mr. CHAFEE. Mr. President, I suggest the absence of a quorum.

Mr. REID. Mr. President, before we do that, I ask unanimous consent that the time on this matter, which is divided an hour on that side and 30 minutes on this side, be divided equally.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. Mr. President, I suggest the absence of a quorum, and I ask that the time be charged equally to both sides.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, we have two Senators who wish to speak on the pending amendment. The junior Senator from Texas wishes to speak for 5 minutes. I understand the Senator from California wishes to speak for 15 minutes immediately following the Senator from Texas.

Mrs. BOXER. Mr. President, I will not object at all. I want to understand, I thought I already had 15 minutes from yesterday. I am just clarifying that point.

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

Mr. REID. Mr. President, some of the time has been used on quorum calls. That time was charged equally against both sides this morning. The Senator still has 15 minutes.

Mrs. BOXER. Mr. President, I thank the Senator.

Mr. REID. We may not have 15 minutes for somebody else, but there are 15 minutes for the Senator from California, Mrs. BOXER.

The ACTING PRESIDENT pro tempore. Quorum calls have been charged proportionately to both sides. At this time, the Senator from Texas is recognized for 5 minutes.

AMENDMENT NO. 884

Mr. CORNYN. Mr. President, I rise to say a few words in opposition to the Graham-Feinstein amendment. I am opposed to this amendment for several significant reasons.

This amendment would restrict our ability to conduct an inventory and analysis of our own energy resources. Section 105 of this bill will commission a comprehensive scientific study by the Department of the Interior concerning the energy resources of the U.S. Outer Continental Shelf. It will provide the groundwork for an informed debate on the offshore drilling issue.

This amendment will only decrease our knowledge of these issues. That is why I call it a know-nothing amendment. The American public has a right and a need to know the status of its national resources. We survey, catalog, and inventory our forests, our fisheries, our coal reserves, and other valuable living and non-living natural resources. We should also allow for the study of our domestic offshore energy resources.

The information that we currently have concerning our oil and natural gas resources is limited, dated, and lacks the specificity required for this important debate. This legislation will allow the Department of the Interior to use the latest technology, except drilling, to update its resource estimates using all the available scientific data.

As we reexamine our growing energy needs for the future, the geopolitical reality of our Nation's dependence on foreign oil becomes all the more disturbing. The demand for natural gas in this country continues to increase, while domestic production continues to decrease. Decreased production will result in American increased prices for natural gas, fertilizers, agricultural chemicals and electricity.

The OCS survey is vital to our energy future, and to our ability in the Senate to make energy decisions based on the best available information.

The energy industry in my home State of Texas and all throughout the Nation has established a strong record on safety and environmental issues, and they are the most critical part of our continuing work to find alternative sources for energy.

While we are debating this matter on the floor, Cuba has already launched well projects north of the island in the Gulf of Mexico. Just last month, the Castro regime invited oil companies from other nations to drill, just miles away from our own international borders. We should not restrict our Nation's knowledge and ability to make responsible decisions regarding energy policy, while other nations plow ahead, with no U.S. oversight, no U.S. safety regulations, and no U.S. environmental standards.

With the prospect of energy challenges looming on the horizon, now is not the time to ransom our sovereignty over our energy resources for the sake of short term political gain.

These natural resources belong to the American people, and they deserve an accounting of them. The debate over offshore drilling is a critical one, and it deserves our full attention.

I oppose this amendment as imprudent and inappropriate. That is why it was defeated by a strong bipartisan vote in the Senate Energy Committee. That is why it deserves to be defeated again.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from California.

Mrs. BOXER. Mr. President, I thank my colleague from Texas for being brief and to the point. I am also glad he went first because I could not disagree more with what he said. It gives me a really good jumping-off place for my comments this morning.

I am pleased to cosponsor Senator GRAHAM's amendment to strike section 105 from the Senate Energy Bill, and I thank him and Senators FEINSTEIN, WYDEN, and CANTWELL for their heroic efforts in the committee itself to remove this section so we would not have to have this fight on the Senate floor.

The Senator from Texas called this amendment a know-nothing amendment. I call it an amendment that stands up for American values. What could be more of an American value than protecting and honoring the environmental legacy given to us by God, a legacy we must protect. It is our duty to protect. Section 105, which I wish to strike, would require the Secretary of the Interior to conduct an inventory and analysis of oil and gas reserves beneath the waters of the Outer Continental Shelf, including the moratorium areas. Let me repeat that. This is such a radical proposal that it would allow harmful analysis to go on, and I will explain why, beneath the waters of an area or areas in our country where they are so precious, they are so beautiful, they are so respected by the people we represent, that they have been subjected to moratoria by this Congress for 20 years now.

By the way, that tracks how long I have been in Congress actually, just about. I have supported that all the time, and this provision undermines the premise behind these moratoria, which is to protect these magnificent areas from activities such as the ones authorized in this bill.

It may sound very simple to say, oh, we are going to analyze what resources lie off our coasts and in our ocean, but when we realize the kind of work that will go on—seismic surveys, sediment samplings, other destructive exploration technologies that harm ocean habitat and marine life—it is worth getting upset about.

To this point, this bill is really an abomination. I do not know how else to put it. I am known to be very direct. It brings back nuclear energy, and I compliment the Presiding Officer today for his work to try and strip the subsidies to the nuclear power industry from this bill. We do not even know what to do with the nuclear waste we have. It is dangerous. It lasts for thousands of years. We do not even know what to do with it, and now this Senate has decided to turn away from the Wyden-Sununu amendment and say to nuclear power companies, before we know what to do with this waste, we are going to back you up, we are going to give you a loan guarantee so if you want to build a nuclear powerplant, you can go get a $3 billion loan guarantee from the Federal Government. So if there is a crisis, if there is a problem, if the plant does not work, you are going to be bailed out by the taxpayers.

Well, on behalf of the taxpayers of California, we are a State that has turned away from a couple of our nuclear powerplants because we have had problems—and now we are encouraging it. That is what this bill does. This bill has a safe harbor provision for ethanol.

Maybe ethanol will be fine, but we are not sure. A blue ribbon panel in EPA said they are not sure. If there are problems, if people get sick, if children are harmed, there is a safe harbor for the companies making ethanol. What a corporate give-away is this bill. And now we are turning our back on 20 years of bipartisanship and 20 years of leadership from Republican and Democratic Presidents and saying, go into those precious areas in the ocean, drill your heart away and we are going to tell you, as the Senator from Texas said, oh, that is a good thing for the country.

Wrong. It is a bad thing for our country. It is a bad thing for our children. It is a bad thing for their children because we would be undermining the protections for these valued, sensitive coastal areas and ignoring again this bipartisan moratoria we have had for years on the Outer Continental Shelf.

By the way, we beat this back 2 years ago. I cannot wait to tell the people of California what is happening. I am saddened by it, but I cannot wait to tell them because they need to hear it. This is another environmental rollback that is deadly serious. It was tried 2 years ago and it did not succeed, but I am not sanguine this time because we have had changes in this particular body.

Two years ago, Senator JOHN KERRY and I offered an amendment, which was included in the manager's amendment, to strip this deadly language out and to preserve the moratorium, and it passed.

Now, I will tell my colleagues why my people in California are so adamantly opposed to drilling off our coast. A very long time ago, 34 years ago, there was an incident that was so horrific that Californians who were around then will never forget it, and their children are told stories. In 1969, disaster struck when a major oil spill occurred from a platform 6 miles offshore from Santa Barbara, CA. Over 4 million gallons of oil poured into the ocean, contaminating the waters, killing thousands of animals and ruining over 200 square miles of Santa Barbara's coastline. Prior to that event, Santa Barbara's beaches were considered a recreational paradise with some of the most beautiful coastline in our country. After the spill, these same beaches smothered with a slick coating of oil, resulting in a loss of millions of dollars in tourism and recreation and broken hearts all over my State. Local governmental officials, community leaders, grassroots organizations, conservation groups, and citizens rallied for justice after the destruction of their coast. They decided then that absolutely no more drilling should be permitted off the coast.

Due to the Santa Barbara spill in California, there is strong and enduring support for the protection of our oceans and our coastlines, and any candidate for any office coming into my State saying we ought to go back to the days of drilling off that coast is not going to get the support of Democrats, is not going to get the support of Republicans, is not going to get the support of independents, and everybody else in between. They can sugar-coat it any way they want. We know the truth. We saw it in Santa Barbara. We made a decision that any potential benefits that might be derived from future oil and gas development were not worth the risk of destroying our priceless coastal treasures. I will show a picture of my coastline because it is worth looking at.

My friends on both sides of the aisle who support this underlying amendment, if they think they are helping the economy, they are not. The economy of mine and other coastal States relies on a beautiful and clean environment. The economic benefits of our California beaches are very clear. Two-thirds of California residents visit one of the State beaches at least once a year. In 2001, there were at least 132 million visits to California beaches by people from outside the State. These are your constituents. Maybe it is even you. Maybe you even came with your family to our beaches. These visits generated $61 billion in total spending in my State. That is an economic boom.

There are some in this Senate who think the only economic boom to their States is drilling on precious areas. That is a good debate. But the people of California have made this decision. They have decided they do not want it. They understand the commercial fishing industry relies on a beautiful unspoiled coast and ocean. It is a $554 million industry with 17,000 jobs, and they say no to this bill; the shipping industry, 8.6 billion and 179,000 jobs. We are talking tourism, we are talking fishing, we are talking shipping, and we are saying no to this bill.

This Graham amendment will help us preserve that economy. These are hard economic times in our State. The last thing we need is to go back. Tourism, beautiful beaches, a clean ocean, that is what my State is about. We saw what happened in Santa Barbara. We made that decision. We have permanently banned new oil and gas development in State waters. How can we go out adjacent to State waters to the Outer Continental Shelf and run the risk of destroying this value of our State? It is about California's economy. It is also about a beautiful environment.

I will show a couple of other pictures of this breathtaking environment. This is our southern California coast. The picture we show now is Malibu Beach.

We are talking about $61 billion in total spending each year because of our magnificent coast and our ocean. When it is added up, the underlying bill is destructive to our environment, which Republicans, Democrats, and Independents in my State agree must be preserved. It undermines our economy.

By allowing predrilling activities to occur, our coast is threatened, commercial fishing jobs are at risk, fishing jobs are at risk, tourism is at risk, California's economy is at risk, and the beauty of California's coastline is at risk. That goes for every State along my coast, be it Washington, Oregon, or California.

As I look back to the bipartisanship we have had with the President in the past, Republicans and Democrats, this is the first time we have seen this move.

What is the history of Federal moratoria? For two decades Federal waters off the coast of California have been protected from additional offshore oil and gas development through a series of temporary bans. President George H.W. Bush signed an executive memorandum in 1990 which placed the 10-year moratorium on new oil and gas leasing. He did not try to go in there with seismic testing and destructive methods. He did not get up and say, we better drill there and find out what is there. He understood it. President Clinton understood it. He extended this moratorium to 2012.

Section 105 of this Energy bill completely ignores this moratoria by promoting destructive exploratory drilling in the Outer Continental Shelf. In a letter to me, the California Coastal Commission states the provision ''would seriously undermine the long-standing bipartisan legislative moratoria . . . that has been included in every appropriations bill for more than 20 years.'' We must defeat efforts to undermine the protection of our coast and the rights of coastal States and local governments to make decisions to protect their coasts. Section 105 of the Energy bill is intended for one purpose, I say to my colleagues, and one purpose only. You can dress up a pig and you can put lipstick on a pig, but it is still a pig. In this case, it is to promote oil and gas development on our precious coast.

Republicans in my State don't want that. Democrats in my State don't want that. Independents in my State don't want that. By allowing the Secretary of the Interior to use invasive, exploratory technologies, including the seismic surveys—sections 105 permits activities that have detrimental impacts on the marine environment, including air pollution from machinery and disturbance to the sea flora. While these seismic surveys sound innocent, let me explain what we are talking about.

Huge boats with large acoustic equipment go out into the ocean, a high-pressure air gun sends out constant high-decibel explosive pulses through the water and deep into the sea floor. We know these sounds have been reported to cause significant damage to fish and their ability to locate prey and avoid predators. As a result, the survival of fish populations is threatened by this technology. That is why the commercial fishing business in my State opposes this bill. These explosive pulses are also within the auditory

range of many other marine species, including whales. In fact, when this technology was used in the Bahamas and off the coast of Mexico, it caused whales to become disoriented and as a result to be fatally stranded on beaches.

Seismic surveys are accompanied by extraction of numerous samples from the sea floor. These samples are collected by dropping large hollow metal tubes from ships to vertically puncture the sea floor. Reports from Environmental Defense show the collection of these samples damages the ocean floor and harms the habitat of numerous species.

The Graham amendment is supported by the California Coastal Commission, in addition to the Natural Resources Defense Council, Environmental Defense, U.S. Public Interest Research Group, Sierra Club, Coast Alliance, Ocean Conservancy, Oceana, and the League of Conservation Voters.

This is a serious issue for the most populous State in the Union and for the entire west coast. I urge my colleagues who say they care about what people believe, care about the values of the American people, to seriously look at the danger and the damage this is going to cause. We stripped it out of the appropriations bill a couple years ago, and it is back now. I hope my colleagues will strip it out again. If you do not, there are going to be a lot of outraged citizens in this country when they find out what could happen from the underlying bill. I again urge colleagues to support this Graham amendment.

Since my colleague from Washington is in the Chamber, Senator CANTWELL, let me say to her—I mentioned this in her absence—how much I appreciated the heroic effort she made in the committee to strip this out of the bill. I hope we will be successful today.

I thank my colleague. I yield the remainder of my time to the managers of the bill, and I yield the floor.

The PRESIDING OFFICER (Ms. MURKOWSKI). The Senator from Wyoming.

Mr. THOMAS. Madam President, I wish to comment on what I hope is the progress of our Energy Policy Act of 2003 that is before us. It is a policy that is essential to our Nation's energy security, to our economic security. I think it will play a vital role in where we go with energy.

This is comprehensive legislation that has to do with production, particularly in the West; let's say domestic production. It has to do with research, which is what this amendment is about. It has to do with understanding where we go in the future with alternative fuels. We take a total look at where we are.

One important provision calls for an inventory of the Outer Continental Shelf and the resources there for the United States. This requires the Secretary of the Interior to survey all the Outer Continental Shelf resources currently under production and under moratoria, and to develop an inventory of those reserves in the areas that are not in production. An analysis will utilize the latest available remote sensing technologies, but the legislation specifically states that drilling will not be permitted in conducting this inventory. The measure directs the Secretary of the Interior to submit a report to Congress on the inventory 6 months after enactment of the bill.

Offshore production, of course, has played an important part in our domestic picture. The western and central Gulf of Mexico have proven world class areas for natural gas and petroleum production, accounting for over 25 percent of domestic production.

It is believed substantial natural gas resources exist in the eastern gulf, Atlantic Ocean, and off the coast of California. However, exploration of these areas has been prohibited by previous Presidential moratoria. Senator GRAHAM's amendment now on the floor will strike that inventory from the Energy Policy Act of 2003.

Opponents contend the passage will violate the Presidential moratoria and open the door for development of coastal areas. This is completely untrue. The sole purpose of the offshore inventory in S. 14 is to collect data on domestic offshore oil and gas resources to fully understand the potential of these regions instead of making future policy judgments on information that is outdated and incomplete.

A number of people are very interested in this. I understand that. But I think we are being misled a little as to what it means. It is a comprehensive scientific inventory. I think the public has a right to know what the status of our national natural resources are for the future. We need to reexamine them because many of the assessments that were done some time ago are not up to par in terms of current technology.

We need to do this. A number of organizations are opposed to the amendment—the National Association of Manufacturers, the U.S. Chamber of Commerce, the American Farm Bureau Federation—simply because they are so dependent on energy in the future. This is something that really affects lots of people.

I have to say once again, it is an inventory of the resources that are available, not a license to produce.

I yield the floor.

Mr. DOMENICI. May I ask the Senator a question?

Mr. THOMAS. Absolutely.

Mr. DOMENICI. You mentioned various organizations that support this. I wonder if it might be fair to say that, regarding future jobs for America, we might have some interest in knowing what our resources are. Those concerned about jobs for the future, might they also be interested?

Mr. THOMAS. The Senator raises, of course, a basic question. As we talk about energy, what we are talking about is the future of our economy, in terms of jobs, in terms of doing the things we will want to do economically and environmentally.

I have the same kind of feelings about my place in Wyoming. We have mountains and we have areas we are going to protect. But that does not mean we ought to avoid the idea of having a notion of where those resources are, and to be able to use some of them where they work together, preserving the environment.

Certainly the U.S. Chamber, certainly the National Association of Manufacturers, are concerned about the future and the availability of energy so we can create jobs and continue to build the future economy.

Mr. DOMENICI. I thank the Senator for his remarks this morning.

The Senator from Oklahoma, Mr. INHOFE, is here. He asked if he might have time. How much time do we have?

The PRESIDING OFFICER. There are 17 and a half minutes remaining.

Mr. DOMENICI. I yield 7 minutes to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Madam President, I think it appropriate I make a few comments. My committee does have jurisdiction over any environmental aspects of the OCS. I consider this to be significant. I think it is very important for us. We hear all the stuff about the environment and we hear some extremist groups who are saying they don't want this to take place. There are some out there, maybe even some Senators, who might believe this somehow is going to authorize exploration or authorize drilling.

Section 105 of the bill directs the Secretary of the Interior to conduct an inventory and analysis of oil and natural gas resources in the Outer Continental Shelf. It does not in any way authorize any type of exploration; it doesn't authorize any kind of drilling. It will provide the American people, for the first time, using new technology—and we have new technology—a comprehensive overview of the country's offshore oil and natural gas resources.

This 3–D seismic technology—I have heard the chairman of the Energy Committee talk about this modern technology. It was developed in the 1990s and has allowed us to identify 100 trillion cubic feet more natural gas in the Gulf of Mexico than was previously found.

We have surveys for the rest of the country's natural resources. We have surveys of how many forests we have, how many trees we have, how many fish we have, how much coal we have. Why is there so much resistance to knowing how many oil and gas resources or reserves are out there? How can we have a comprehensive national energy policy without knowing how much oil and gas the country has? That is really the key to this.

I have criticized Republican and Democrat administrations alike for not having a comprehensive energy policy. I remember, during the Reagan administration, trying to get a comprehensive energy policy. We were not able to

do it. During the first Bush administration, we were not able to do it.

Consequently, back when I was so concerned about our dependence upon foreign oil for our ability to fight a war, during the Reagan administration, our dependence was only 36 percent. Now it is 57 percent. So it has just gotten worse and worse.

Finally, I applaud the President for saying we are going to have a comprehensive energy policy, and I applaud the Senator, the chairman of the Energy Committee, for coming up with a well-thought-out plan. But, again, how can we have a comprehensive policy if we don't even know what resources the Nation has?

Many colleagues are concerned that section 105 undermines the State's right to determine what happens in Federal waters off its shores.

How can that happen? It is just a study. In fact, not knowing what oil and gas is off States' shores infringes upon a State's right to make an informed decision. Indeed. The liberal mantra here is the right to know. Given that, how can they oppose knowledge? No State has the right to infringe upon interstate commerce. That would be unconstitutional. If legislators are successful in prohibiting the access to the people's resources, then no amount of information about America's oil and natural gas reserves is going to change that protection.

Secretary of the Interior Norton, in a recent letter to my colleagues, Senators GRAHAM and NELSON, states:

> The language does not affect the moratoria.

You have to understand that. I just hope the people of America are watching this because we are really just saying we don't want the knowledge. We are facing a natural gas crisis. I don't think anyone is going to stand up here and say that we are not. This crisis is universally acknowledged through widespread awareness. This crisis has really just begun in the past year or so.

In a wonderfully bipartisan way, Congress has come together to try to reduce America's reliance on foreign sources of energy, including oil and natural gas.

Limiting the American people's access to knowledge about the American people's resources, let alone the resources themselves, is a guaranteed way to increase dependence on foreign sources of energy. It is sort of an ''ignorance-is-bliss'' strategy.

Also, many States are facing budget shortfalls. They turn to us for options for addressing these shortfalls. The ones I have talked with are appreciative of the fact that we need to know what resources are off our shores.

Again, this amendment authorizes only a study and will allow us to make good and informed decisions about resources. I can't imagine anyone being against something which is merely shedding light on what we have and informing the people of America what the resources are so we can intelligently address those resources in the future.

I certainly encourage my colleagues to oppose this amendment which would strike the people's right to know what kinds of resources are out there.

Again, I repeat that it has nothing to do with exploration. It has nothing to do with drilling oil. All it deals with is finding out what our resources are.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Ms. CANTWELL. Madam President, I rise to support the Graham amendment. I thank my colleague from California for speaking so eloquently about how important it is for the entire west coast of the United States. I know Senator GRAHAM is articulating those same concerns in Florida. I am sure we will hear from Members of other parts of the country. I find this debate almost amazing—amazing in the sense that Congress has enacted moratoria on drilling since 1982. In every instance since 1982, Congress has responded and said we don't want to explore for natural gas or oil off of our pristine coasts. So we go over this time and time again. Yes. We are going to go over it again today. People have raised these economic arguments. I can tell you what the people in Washington State think.

We have a 7.4-percent unemployment rate. We want jobs. But I guarantee this is not where we think we are going to get jobs. In fact, we want protection from our high energy costs. My ratepayers have had a 50-percent rate increase. Why? Because we were gouged by Enron contracts.

To say to the people of the Northwest that somehow your economy and your future are going be taken care of because we are going to let you drill off the coast of Washington is ludicrous. We want economic relief. We want statutory relief from the Federal Energy Regulatory Commission to do their job. We want them to basically say that the fat boys and these Enron schemes have been illegal and we are going to help you get out of your high energy prices.

The fact that we are out here talking about this isn't really going to lead to drilling. Then why spend the taxpayers' dollars trying to study something we don't want to do. I don't want to drill off the coast of Washington. I don't want to spend the taxpayers' money assessing that situation. I don't think we ought to spend the taxpayers' money looking in the Great Lakes for oil. I don't know that we want to go and say let us valuate putting a nuclear powerplant in North Dakota because it might be close to the Missouri River and a water source.

There are a lot of issues we can explore. The question is, do we want to follow through on those policies? I believe the answer is absolutely no, as to our pristine coastline. That coastline has already been a key part of our economy on the west coast. We have many fishing industries, shellfishing industries, and tourism dollars that all rely on that pristine coastline.

The Federal Government has entered into treaties with the tribes on shellfish and harvesting rights. Are we going to abrogate those Federal obligations that we have signed onto?

We also, as the Federal Government, implemented the Olympic Coast National Marine Sanctuary which encompasses most of the waters off the Northwest coast. It is a sanctuary for hundreds of species, including marine mammals. These mammals include the majestic orca whale, whose 20 percent population decline over the past decade recently triggered a ''depleted'' listing under the Marine Mammal Protection Act. Now are going to say to the country that we think we should look at putting oil rigs and transportation of oil in an area that we, as a country, have already designated as a pristine national monument?

If you want to know whether the people of my State are watching, they are watching. Guess what. They have a memory. They do remember. They remember thick carpets of oil, hundreds of dead birds and great shards of oil-blackened timber that followed the 1989 oil spill off of Grays Harbor. That disaster stained over 300 miles of coastline. An oil well blowout could be many times worse.

While some argue that simply studying this just gives us information, my response is that we should not spend millions of taxpayer dollars that could be put towards something else. My constituents won't accept drilling rigs off the vibrant coastline of Willapa Bay, Neah Bay, or the mouth of the Columbia River. Rigs are unsightly and the risk of an ecologically disastrous oil spill is just too high.

Instead of looking for oil and gas on the Outer Continental Shelf, my State is willing to do a variety of things.

We are still the home to the Hanford Nuclear Reservation, and we are spending billions of taxpayer dollars to clean up the nuclear waste. We are progressing on that in an aggressive fashion.

We have one of the largest wind farms in the West. We are trying to be a leader in new energy technology. We are even willing to look at wave energy technology off the coast of Washington and in other areas where it might be more appropriate.

I am a big advocate of moving forward on natural gas in Alaska to make sure we get a natural gas pipeline to give more natural gas resources to the lower 48 States. That is something which I think is critically important. The Pew Ocean Commission has recently highlighted the fragile nature of our oceans and coastal resources and recommended we look at our oceans in a holistic manner.

I think that report, which came out less than 10 days ago, basically says that we don't have our act together as it relates to our oceans and the health of our oceans.

I find it very frustrating being from a State that has high unemployment and a State that has high energy costs. Those energy costs have been costing us and no one is trying to help give us relief from those contracts.

Public documents say there has been market manipulation. Now somebody thinks they are proposing to us some panacea of studying drilling off the coast of Washington and you are going to have a great economy. It is a bunch of bunk.

What we need to do is what Congress has done since 1982, enact a moratorium on drilling. Stand up and say it is not appropriate. Follow the Bush administration, follow the Clinton administration, and follow the previous Bush administration. I am not sure where this Bush administration is, but basically say we don't want drilling off of our pristine coastline.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Ms. LANDRIEU addressed the Chair.

The PRESIDING OFFICER. Who yields to the Senator?

Ms. LANDRIEU. Madam President, I understand the Senator from New Mexico has 11 minutes remaining. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Ms. LANDRIEU. Thank you, Madam President. I would like 5 of those minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Louisiana.

Ms. LANDRIEU. Madam President, today I rise in opposition to Senate Amendment No. 884, offered by the Senator from Florida. Everywhere you turn these days you hear talk of a natural gas crisis facing this country. On May 21, the Chairman of the Federal Reserve testified before Congress that he was ''quite surprised at how little attention the natural gas problem has been getting,'' he said, ''because it is a very serious problem.'' Yesterday, while testifying before the House Energy and Commerce Committee, he went on to add that the increase in gas prices—more than double what they were last year—have put significant segments of the North America gas-using industry—chemical, fertilizer, steel and aluminum—in a weakened competitive position against industries overseas.

What Mr. GREENspan is referring to is the looming gap between natural gas demand and supply in this country. Currently, we produce about 84 percent of the natural gas we consume. By 2025, the Energy Information Administration, EIA, projects that imports of natural gas will provide 22 percent of demand. Quite simply, we are facing the prospect of our natural gas market following in the footsteps of our oil market where imports continue to account for a growing percentage of supply.

For years we have pursued a policy that is in conflict with itself. On the one hand, we encourage the use of natural gas in this country to meet our energy needs and environmental goals. It is viewed as a clean fuel to improve air quality and a low carbon-dioxide fuel to meet climate change targets.

However, we have ignored the supply side of the equation. National output has remained stagnant since 1995 but one of out of every two homes in the United States is now heated by natural gas. The amount of natural gas used to generate electricity has increased 33 percent in the past 5 years and will likely grow an additional 60 percent by 2015.

So, we now find ourselves living in a state of denial when demand outstrips supply and volatile prices occur.

In my State of Louisiana, chemical plants, which use natural gas as both a fuel and a feedstock, face record-high prices. Because of tight supplies, the average natural gas price—NYMEX—for the first quarter of 2003 was $5.91 per million Btus. This represents a staggering 129 percent increase over the average natural gas price for the first quarters of the previous 10 years, which was $2.58.

For ammonia plants in particular, the cost of natural gas can represent 70 to 90 percent of the total cost of manufacturing its products. Since 1998, the number of Louisiana Ammonia Producers, who account for approximately 40 percent of the U.S. production of ammonia, has gone from 9 companies employing more than 3,500 employees to 3 companies employing less than 1,000.

Thanks to the good work of the Energy Committee, led by Chairman DOMENICI, I believe there are some provisions in this Bill, that if enacted, would stimulate natural gas production in the short term. For example, I offered an amendment at committee that was accepted and would encourage deep gas production from wells in shallow waters on existing leases. Provisions such as this one can bring gas to market quickly.

While there are some conservation and efficiency measures we can take to try and slow high prices in the short term, we cannot continue to pretend that the supply imbalance does not exist. Believe it or not, the fight today is not over whether to produce more natural gas but instead focuses on a mere study, albeit a critical one.

The proponents of the amendment before us would have you believe that enacting the inventory called for under section 105 of the bill would open Pandora's Box and lead to oil and gas production everywhere on the Outer Continental Shelf, regardless of whether an area is currently under moratoria.

The fact is the inventory will do nothing of the sort. Section 105 will in no way affect existing moratoria on oil and gas activity in the OCS, nor will it diminish the rights of those states that oppose drilling off their coasts. Section 105 does not provide for the use of exploratory wells. The real truth behind section 105 is simply to inform the American public about how much potential oil and natural gas there is within these areas of the United States.

I believe that the American people should have the most up-to-date and accurate projections of these public assets. An amendment such as the one pending before the Senate sends a signal to America's consumers, homeowners and manufacturing industries that Congress is out of touch and not committed to addressing a problem that only continues to get worse.

The question might arise, why do we need to re-examine our offshore resources when many assessments of oil and natural gas resources off our coasts have been done? The answer is most, if not all, of these assessments relied solely on the geophysical and geological data yielded by company exploration and production efforts. In some areas, where moratoria have been in place for some time, the data is very old—10 years or more—and the estimates may no longer be accurate.

Since this frontier was officially opened to significant oil and gas exploration in 1953, no single region has contributed as much to the nation's energy production as the OCS. The OCS accounts for more than 25 percent of our Nation's natural gas and oil production.

With annual returns to the federal government averaging between $4 to $5 billion annually, no single area has contributed as much to the federal treasury as the OCS. In fact, since 1953 the OCS has contributed $140 billion to the U.S. Treasury.

In light of these tremendous contributions, it is particularly interesting to realize that almost all of our OCS production comes from a very concentrated area of the OCS, the western half, which really means offshore Louisiana and Texas. Ninety-eight percent of the nation's offshore production comes from this half of the Gulf of Mexico. In fiscal year 2001, offshore Louisiana accounted for almost 80 percent of total OCS gas production.

By taking this inventory, maybe we discover there are more resources on the OCS than we originally thought or maybe we actually learn less is out there. Regardless, we owe it to ourselves to find out.

Madam President, I yield the remainder of my time to the Senator from New Mexico.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Madam President, I want to reserve the remainder of our time. However, I thank the distinguished Senator from Louisiana for her excellent remarks. The real issue is knowledge: What should the American people know about their future in terms of our own resources?

I reserve the remainder of my time and yield the floor.

Ms. COLLINS. Mr. President, I rise to express my concern over provisions

included in the Senate Energy bill that threaten the existing moratoria on leasing and preleasing activities related to oil drilling on Georges Bank, off the coast of Maine, and other areas of the outer continental shelf.

Section 105 of the Energy bill requires the Department of the Interior to inventory all potential oil and natural gas resources in the entire outer continental shelf. This provision would allow potentially damaging seismic technology in the vital fishing grounds of Georges Bank.

Georges Bank is a magnificent American resource. The unusual underwater topography and tidal activity of Georges Bank create an almost self-contained ecosystem, unique within the ocean that surrounds it. It is one of the most productive fisheries in the world, where Mainers and many others harvest cod, haddock, yellowtail flounder, scallops, lobsters, swordfish, and herring.

Mainers have fished Georges Bank for hundreds of years. Hundreds of small communities in New England depend on fish from Georges Bank for economic support and their maritime-based way of life. In recent years, Maine's fishermen have made significant economic sacrifices to work toward sustainable and healthy fish stocks. I am extremely worried that any drilling activities, even preleasing activities, could destroy their work.

An oil spill on Georges Bank would have catastrophic effects on the Georges Bank ecosystem and the economies of the coastal communities of New England. Georges Bank experiences some of the most severe weather in the world, and the frequent storms, strong currents, and high winds would cripple any post-spill cleanup effort. For this reason, and because of its great biological value, many scientists, fishermen, and other persons concerned with and knowledgeable about the unique ecosystem of Georges Bank have urged that no drilling activities occur in this region.

I have long worked to protect Georges Bank from the potentially devastating impacts of offshore oil and gas drilling. In 1999, when the Government of Canada was considering whether or not to drill on Georges Bank, I introduced a resolution in the Senate that asked the Government of Canada to impose a moratorium on drilling on the Canadian side of Georges Bank until 2012. I was very relieved when, several months later, Canada did indeed impose such a moratorium. The United States also has a moratorium on drilling Georges Bank until 2012.

This issue again arose in May of 2001, when the Outer Continental Shelf Policy Committee recommended to the Secretary of the Interior that she encourage congressional funding to assess the oil and gas potential of offshore areas covered by the moratorium. The recommendations also included a suggestion to explore lifting parts of the existing moratorium.

In response, I worked to include language in the fiscal year 2002 Interior Appropriations bill that would prohibit the use of funds for offshore preleasing, leasing, or related activity on Georges Bank. Along with Senators KERRY, KENNEDY, and SNOWE, I cosponsored an amendment that prohibits the Department of the Interior from spending any funds on leasing, preleasing, or related activities in Georges Bank and the entire North Atlantic, as well as the West Coast off California, Oregon, and Washington, and the eastern Gulf of Mexico. Our amendment was signed into law, and similar language has been included in subsequent Interior Appropriations bills.

I believe that Section 105 of the Energy bill is contradictory to the Interior Appropriations bill language and the expressed will of the Senate against the expenditure of funds for the use of preleasing activities in Georges Bank. I am pleased to join Senators GRAHAM, FEINSTEIN, DOLE, and many others in cosponsoring an amendment that will remove these provisions from the bill. I urge my colleagues to support our amendment.

Mr. REID. Madam President, would the Chair indicate how much time remains on each side?

The PRESIDING OFFICER. The Senator from New Mexico has 4 minutes 20 seconds; the Senator from Washington has 5 minutes, and the Senator from California, Mrs. FEINSTEIN, has 13 minutes.

Mr. REID. So a total of 18 minutes on this side, 4 on the other side.

The PRESIDING OFFICER. The Senator is correct.

Who yields time?

Mr. REID. Madam President, it is my understanding that the leader wants to vote at 11:15.

Mr. DOMENICI. My understanding is we would like to change the time to 11:15, assure the time at 11:15.

Mr. REID. Madam President, I ask unanimous consent that the time, after whatever time expires that has already been allocated, be divided equally between the two sides.

Mr. DOMENICI. Between now and 11:15?

Mr. REID. Not the time between now and 11:15. Whenever the time expires—we have 18 minutes and you have 4 minutes; so 22 minutes—so it would be about 13 minutes would be allocated evenly.

Mr. DOMENICI. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Madam President, I trust, with the time being so much more on their side, a Senator from that side will soon come to the floor and talk.

Mr. REID. Yes. I say to my friend, Senator FEINSTEIN is due here momentarily. Senator GRAHAM is expected. But I think, in fairness to Senator DOMENICI, that their time—they should be here, so I will suggest the absence of a quorum.

Mr. DOMENICI. I think that is fair, and I thank the Senator for suggesting it.

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.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. TALENT). Without objection, it is so ordered.

Mr. REID. Mr. President, if the Senator will yield, how much time does the Senator from California have remaining?

The PRESIDING OFFICER. There are 9 minutes remaining.

Mr. REID. Mr. President, I say to the Senator from California, if she needs more time, there is time available. Does the Senator know how much time she will need?

Mrs. FEINSTEIN. I may need another 5 minutes.

Mr. REID. I ask unanimous consent that the time remaining to the Senator from California be a total of 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. FEINSTEIN. Mr. President, I thank Senator REID.

I wish to speak as cosponsor of the Graham-Feinstein amendment to remove the inventory of Outer Continental Shelf oil and gas resources from the Energy bill. I deeply believe that this proposed inventory threatens our coasts and should not be part of this Energy bill. The House already stripped the studies out of the Energy bill. The Senate should do the same.

The Energy bill's current language requires a new inventory of all the Outer Continental Shelf resources and a study of impediments to production. We oppose these studies because the purpose of the studies is really meant to undermine the moratoria which is in place. Many of these moratoria have been in place with bipartisan support on both coasts for 20 years.

Proponents of the inventory argue that it is meant to provide information and nothing more. However, the real intent is clear: The Minerals Management Service is specifically directed to inventory moratorium areas that are not available for development. Inventorying these areas does not make sense unless you want to overturn the moratoria.

The provision's second study on impediments to production makes the intent of the studies even clearer. In section 105, the popular moratorium that now protects our States' coastal resources is disparaged as ''an impediment to production.'' An impediment is something to be removed. So this is a hint as to the intention of these studies.

Perspective is important in this debate. The moratorium is there to protect our coast, not just to impede production of oil and gas. Facts are that

we do not need the information these studies would provide to make an informed decision. We have inventoried the Outer Continental Shelf's resources before. In fact, the Minerals Management Service already publishes an update of this inventory every 5 years. We have a good idea what resources are out there, and we do not need additional studies.

Californians are also too familiar with the consequences of offshore drilling. An oilspill in 1969 off the coast of Santa Barbara killed thousands of birds, as well as dolphins, seals, and other animals. We know this could happen again, and how well I remember that cleanup effort on those beaches.

A healthy coast is also vital to California's economy and our quality of life. One of our major economic areas is the visitor industry—conventions, tourists. People do not want to see oil rigs off the coast of California, and they do not come there for that purpose. The ocean-dependent industry is estimated to contribute $17 billion to our State each year. So the economics of what the ocean produces in its pristine state are critical to our State.

In 1991, the California Department of Parks and Recreation found that almost 70 percent of Californians participated in beach activities and 25 percent of our population did some saltwater fishing. So Californians know what is at stake, and we made an informed decision: We do not want drilling off our coast.

As Mike Reilly, chairman of the California Coastal Commission, said to me in a letter:

> The energy bill's provision is directly contrary to California's strong interest in safeguarding its precious coastal resources from offshore oil and gas-drilling related activities, and for that reason we oppose this study.

The California Coastal Commission is the State governmental agency in charge of the coastline. I myself served on one of the regional boards of the Coastal Commission, so I know it well.

Even without the threat of future drilling, we would oppose conducting these studies in moratorium areas. We have moratoria to protect our coasts. The studies would harm resources we want to protect.

I wish to focus for a moment on the destructive studies required by this provision. The provision's original language would have allowed for exploratory drilling. I appreciate that the current version no longer allows for exploratory drilling. However, the bill still requires invasive study methods that will harm our coastal resources.

The provision specifically calls for 3–D seismic testing. One might ask, What is that? This technology requires a sparker or air gun and loud repeated pulses of underwater sound. These sounds can be heard for miles under water.

Seismic surveys harm marine mammals and have been linked to strandings of whales on beaches on multiple occasions. Seismic testing also hurts fish. Recent studies show these surveys damage the ears of at least some fish species, and that the damage may well be permanent. Fish rely on their hearing for survival. Additional seismic testing would threaten our fishery resources and our commercial fishing industries. This is a $17 billion industry in California, so we cannot afford threats to our fisheries and our fishing industry.

The inventory would also likely include something called dart core sampling. Dart cores are collected by dropping large metal tubes from ships. The tubes sink fast enough to penetrate the sea floor to a substantial depth, remove a column of rock, and then are retrieved to the ship. This is suspiciously similar to drilling. So that is what is going to go on. This is not just a benign study of people sitting at their desks on land studying something. They are sinking these tubes down to some depth, obviously to examine core samples to determine the presence of natural gas or oil.

Dart core sampling also damages organisms and habitat on the ocean floor. The dart cores also create silt plumes that smother nearby organisms.

Protecting our coastlines is not a partisan issue. The Governors of both Florida and California oppose these studies. Furthermore, the successful effort to defeat the studies in the House was a bipartisan effort. A broad coalition of Senators, including the distinguished Senators from Florida and North Carolina, opposes the studies in this provision. We should not override the wishes of the most affected States and people to protect their own coastlines.

So I ask my colleagues to vote for our amendment to strike the Outer Continental Shelf study from the Energy bill. Directly following my remarks, I ask unanimous consent that a letter from the League of Conservation Voters dated June 10 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LEAGUE OF CONSERVATION VOTERS,
Washington, DC, June 10, 2003.

U.S. SENATE,
Washington, DC.

RE: SUPPORT AN AMENDMENT TO S. 14 TO PROTECT SENSITIVE COASTAL AREAS FROM OIL AND GAS DRILLING

DEAR SENATOR: The League of Conservation Voters (LCV) is the political voice of the national environmental community. Each year, LCV publishes the National Environmental Scorecard, which details the voting records of members of Congress on environmental legislation. The Scorecard is distributed to LCV members, concerned voters nationwide, and the press.

LCV urges you to support an amendment that will be offered by Senators Graham (FL), Feinstein, Cantwell, Wyden, Nelson (FL), Lautenberg, Boxer, Edwards, Kerry, Murray, Lieberman, Leahy, Snowe, Dodd and Chafee to strike section 105 of S. 14. This provision would undermine the existing bipartisan Outer Continental Shelf (OCS) moratorium that currently protects some of the nation's most sensitive coastal and marine areas.

Section 105 requires the Interior Department to inventory potential oil and gas resources of the entire Outer Continental Shelf (OCS), including the moratorium areas, using seismic surveys, sediment sampling, and other exploration technologies that can damage sea life and ocean habitat. Section 105 also requires the Secretary to report to Congress on ''impediments'' to the development of OCS oil and gas, including the moratoria, and the role coastal states and localities have played in stopping environmentally harmful offshore oil-related activities. This lays the groundwork for an attack on the moratoria, as well as on the rights of coastal states and local governments to raise legitimate objections to offshore development and related onshore industrial development that affects their coasts.

Since 1982, Congress has included language in the Interior Appropriations bill that prevents the Department of the Interior from conducting leasing, pre-leasing and related activities in areas under moratoria. President George W. Bush included the traditional legislative moratorium language in his FY 04 budget request.

Section 105 is clearly inconsistent with more than 20 years of bipartisan legislative and administrative actions that protect sensitive coastal areas around the country from offshore oil and gas activity. Please support the Graham amendment to strike this damaging provision when the energy bill comes to the Senate floor, and please oppose this dirty, dangerous energy bill.

LCV's Political Advisory Committee will strongly consider including votes on this issue in compiling LCV's 2003 Scorecard. If you need more information, please call Betsy Loyless or Mary Minette in my office at (202) 785–8683.

Sincerely,

DEB CALLAHAN,
President.

Mrs. FEINSTEIN. That letter, of course, on behalf of the League, which has stood fast in defending and advocating important environmental issues solidly is in support of the Graham-Feinstein amendment.

I yield the floor, and 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. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, parliamentary inquiry: How much time remains now for debate?

The PRESIDING OFFICER. Fourteen minutes evenly divided.

Mr. DOMENICI. If there are any Senators who wish to speak who favor this amendment, we will give them some of our time if they want to get down here and take a few minutes. It is a very interesting and exciting issue.

I will take a few minutes now. I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. DOMENICI. Will the Chair inform me when I have used 5 minutes.

The PRESIDING OFFICER. The Chair will so inform the Senator.

Mr. DOMENICI. Mr. President, a lot has been said about this. A lot is not true. In a very few minutes, I will go through exactly what is true by reading specifically what the bill says and the interpretations that we have.

I do not believe there is any right-thinking American, knowing the dangerous nature of our reliance upon both oil and natural gas, who would not want to know tomorrow morning, if they could, how much in resources we have if we ever needed them. We only want to know about certain ones. We do not want to know about those who might want to drill out in the ocean. We just want to know about some of them. I think every American would say: Tell us how much we own, and then later on we will discuss whether it is worthwhile trying to use them.

The provisions in this bill do not lift the moratorium. It simply authorizes the Secretary to conduct a study. This language prohibits the use of drilling to obtain data, and it also directs the Secretary to use existing data. It is a prudent move to take an inventory of our domestic resources and where they are located. Technology has changed significantly over the years, and resource data that were developed in the 1970s are totally outdated. We did not have the advantage of 3–D seismic analysis, and MMS has never included 3–D data in its assessment of the Atlantic OCS resources.

Nearly 60 percent of our oil is imported today. Supply disruptions left the world oil markets in short supply. Not too many years ago, it also left lines in America where in New York they started waiting in lines at 4 in the morning. They got so mad at each other, they even shot each other because one was jumping ahead of the other in line. Just think of what would happen if that were the case and if then somebody stood up on the floor of the Senate and said, well, if 10 years ago that amendment would have passed and they would have taken an inventory, we could at least be taking a look to see whether we could use our own oil that is in the ocean that we already know how to get out without destroying anything.

Experts agree that the country faces a crisis. Over time, technological advances have allowed us to identify additional oil and gas in areas where they once were thought to be in limited supply. In 1995, the Federal Government estimated that the Gulf of Mexico contained 95 trillion cubic feet of undiscovered natural gas. Five years later, in 2000, which is not too long ago, that number was increased to 193 trillion of undiscovered gas, an increase of 100 percent.

Restrictions on preleasing activities do not preclude environmental, geological, physiological, economic engineering, or other scientific analysis studies and evaluations. Congress passed its own drilling moratoria. It included language in the conference report that specifically provided for new studies. The statute says what I just stated, that restrictions on preleasing activities do not preclude environmental, geological, physiological, economic, and engineering activities.

I am convinced that with the energy supply, a short supply in our country, the shortages in the 2000 and 2001 and the higher prices again this year, we are going to need to take prudent steps.

The PRESIDING OFFICER. The Senator has used 5 minutes.

Mr. DOMENICI. I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator is recognized.

Mr. DOMENICI. It is no surprise that informed people know what America's concern is, such as the American Chemistry Council, American Iron and Steel Institute, Council of Industrial Boiler Owners, National Association of Manufacturers, the Fertilizer Institute, the American Gas Association, the Farm Bureau, the U.S. Chamber of Commerce. Federal Reserve Chairman Alan Greenspan has also spoken out, not on this issue but on natural gas prices and the shortage. He said: I am quite surprised how little attention the natural gas problem has been getting because it is a very serious problem.

That is a true statement, and because of a committee that was asked to do work to plan a policy, we are doing something that Alan Greenspan said. He said he was surprised we are not doing more. We want to do more. This more is a simplistic more. It is a let-us-know-what-we-have more. That is all there is to it. Knowledge is better than no knowledge when it comes to problems. Knowledge of what you own is better than not knowing what you own, and that is the issue.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Florida.

Mr. NELSON of Florida. Mr. President, it is my understanding that the vote is scheduled for 11:15.

The PRESIDING OFFICER. Time will expire at 11:15; that is correct.

Mr. NELSON of Florida. Mr. President, I would like to close on the amendment that is sponsored by Senator GRAHAM, and a number of other Senators, including this junior Senator from the State of Florida.

The PRESIDING OFFICER. The Senator is recognized.

Mr. NELSON of Florida. Mr. President, there are a lot of States that are quite concerned about this so-called inventory, or so-called survey, to be done with regard to oil and gas drilling in the Outer Continental Shelf off our respective States. Why are we concerned? In a bipartisan way, we have heard Senators from each of these coastal States stand up in this debate that started last night and has continued through today tell the reasons, and they usually will boil down to two reasons. I will give a third today.

The two reasons are usually: No. 1, the harm to our environment if oil is spilled as a result of offshore drilling. In the experiences this country has had, we clearly understand what that does to the coastal environment.

There is a second reason that has been articulated in this debate, and it is that it will so devastatingly affect our State economies. In most of our coastal States, the travel and tourism industry is inextricably entwined with the viability and the beauty of our beaches. In the case of Florida, a coastline only exceeded by the coastline of a place such as Alaska in number of miles, we have a $50 billion annual tourism industry. A lot of that is reflective upon the desirability of people to enjoy our beautiful beaches.

So, too, in Georgia, South Carolina, North Carolina, and Virginia. And so, too, with the extraordinary environment in New England, especially in places such as Maine.

On the gulf coast of the United States, the Gulf of Mexico is generally divided into the eastern gulf, the central gulf, and the western gulf. There are 2,000 oil rigs in the Gulf of Mexico. All are in the central gulf off of Alabama, Mississippi, and Louisiana and in the western gulf off of Texas. Those particular States' populations support offshore oil drilling; on the eastern gulf, Floridians do not.

The Senate should listen to the coastal States. That is the first part of the argument. The second part of the argument is, where is the oil and gas? The geology shows it is not in the eastern Gulf of Mexico off the State of Florida; it is where the oil wells are now in the central and western gulf.

We did a survey in the year 2000 and we are scheduled to do another survey in the year 2005, 2½ years from now. What is the rush? That is why we are suspicious. We think it is the inevitable push by the oil interests playing out here, wanting to start drilling for oil and gas.

The debate articulated thus far is the environment and our economies. I mentioned a third reason. The third reason is the defense of this country, in the preparation of the defense of this country and the training that takes place off the coast of the United States. The military cannot train with a carrier if there are oil rigs out there. Since the naval training facility at Vieques, Puerto Rico, is being shut down, a lot of that training is now off the east coast of the United States and the gulf coast. Specifically, a lot of that training will occur off the coast of Eglin Air Force Base at Fort Walton Beach, the Pensacola Naval Air Station at Pensacola, and Tyndall Air Force Base at Panama City. We are able to do this because of the advance of technology. You can virtually create the target area desired, although it is in unrestricted airspace over the waters—in this case, the Gulf of Mexico. Can we have that kind of training if there are oil and gas wells out there? The answer is no.

The environment, the economy, and the preparation of our military to engage in the defense of this country are three obvious reasons.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. NELSON of Florida. I yield the floor and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to amendment No. 884.

The clerk will call the roll.

The bill clerk called the roll.

Mr. REID. I announce that the Senator from North Carolina (Mr. EDWARDS) and the Senator from Connecticut (Mr. LIBERMAN) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 44, nays 54, as follows:

[Rollcall Vote No. 221 Leg.]

YEAS—44

Akaka	Feinstein	Mikulski
Biden	Fitzgerald	Murray
Boxer	Graham (FL)	Nelson (FL)
Cantwell	Gregg	Pryor
Chafee	Harkin	Reed
Clinton	Hollings	Reid
Coleman	Jeffords	Rockefeller
Collins	Johnson	Sarbanes
Corzine	Kennedy	Schumer
Daschle	Kerry	Smith
Dayton	Kohl	Snowe
Dodd	Lautenberg	Stabenow
Dole	Leahy	Sununu
Durbin	Levin	Wyden
Feingold	McCain	

NAYS—54

Alexander	Cornyn	Lincoln
Allard	Craig	Lott
Allen	Crapo	Lugar
Baucus	DeWine	McConnell
Bayh	Domenici	Miller
Bennett	Dorgan	Murkowski
Bingaman	Ensign	Nelson (NE)
Bond	Enzi	Nickles
Breaux	Frist	Roberts
Brownback	Graham (SC)	Santorum
Bunning	Grassley	Sessions
Burns	Hagel	Shelby
Byrd	Hatch	Specter
Campbell	Hutchison	Stevens
Carper	Inhofe	Talent
Chambliss	Inouye	Thomas
Cochran	Kyl	Voinovich
Conrad	Landrieu	Warner

NOT VOTING—2

Edwards	Lieberman

The amendment (No. 884) was rejected.

Mr. DOMENICI. I move to reconsider the vote.

Mr. BROWNBACK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. 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.

UNANIMOUS CONSENT AGREEMENT—S. 824

Mr. FRIST. Mr. President, I ask unanimous consent that at 12:15 p.m. today the Senate proceed to the consideration of calendar item No. 83, S. 824, FAA reauthorization.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. FRIST. Mr. President, I ask unanimous consent that the list of amendments that I will send to the desk be the only remaining first-degree amendments in order to S. 14 other than any amendments which may be pending at the time this agreement is entered; that any listed first-degree amendment be subject to second-degree amendments which must be relevant to the first degree to which offered; and that if any first-degree amendment on the list is described as ''relevant,'' that the definition of ''relevant'' be ''related to the subject matter of the bill'' and/or ''energy related''; provided, further, that following the disposition of the amendments which may be offered from the list, the bill be read a third time; further, that the Senate then proceed to the consideration of calendar No. 85, H.R. 6, the House Energy bill, and that all after the enacting clause be stricken and the text of S. 14, as amended, be inserted in lieu thereof; I further ask that H.R. 6 then be read a third time and the Senate proceed to a vote on passage.

The PRESIDING OFFICER. Is there objection?

Mrs. BOXER. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The majority leader has the floor.

Mr. FRIST. I will suggest the absence of the quorum shortly, and we will have a discussion in a few minutes among ourselves.

Mr. President, in terms of the course of the day, we would like to work out the unanimous consent request just objected to, which had to do with getting the amendments on both sides of the aisle, which we have finally done after about a week and a half of discussion. That is real progress. It allows us to focus and give some order to the range of issues that must be discussed on the Energy bill. They are all very important amendments.

It is absolutely critical that we come to an agreement on what those amendments are so we can further that discussion.

Mr. DORGAN. Will the majority leader yield for a question?

Mr. FRIST. Yes.

Mr. DORGAN. Mr. President, I wanted to ask a question about the issue of relevancy. That piqued my interest because we have had experience here with respect to the definition of relevancy on amendments.

Could the majority leader explain it to me so that I understand the unanimous consent request that he had propounded dealing with relevancy? I think there is some merit in the discussions going on to try to get a list. I am not wanting to be destructive to that effort, but I would like to understand the discussion about relevancy. That has become an increasingly important issue for many of us.

Mr. FRIST. Indeed, Mr. President. In response to my distinguished colleague, the issue of relevance has become an issue. Therefore, in the unanimous consent request I said, ''relevant be related to the subject matter of the bill' and/or energy related.'' That is really to add what I think the Senator's concern is—is this relevancy going to be so tight that something having to do with energy will be excluded? By adding this clause, ''energy related,'' it is the understanding that we will consider other amendments on the list.

Mr. DORGAN. Mr. President, if the majority leader will yield further, that would satisfy my concerns, if I understand exactly what is intended by the leader. As I indicated, we have some concerns about the relevancy issues and the determination of what is relevant. If the wording is as the majority leader suggested, that would satisfy my concerns.

Mr. DURBIN. Mr. President, reserving the right to object, do I understand correctly that there are 350 amendments pending?

Mr. FRIST. Yes.

Mr. DURBIN. Has anybody looked at those and decided which ones are relevant?

Mr. DOMENICI. Mr. President, normally, we look at them when we get them—both sides—and we make decisions and talk with the proponents and we winnow down the list. The answer is, not yet.

Mr. DURBIN. That is my concern then, Mr. President. In all fairness to the Parliamentarian, the definition of relevancy, even as we define it may turn out to be a lot different when individual amendments are actually offered. I would object to the UC if it includes reference to relevancy until we have had a chance to look and determine whether my amendments or any others are irrelevant. Amendments have been written and a decision can be made.

The PRESIDING OFFICER. Objection was already heard on the proffered unanimous consent.

Mr. DORGAN. If the Senator will yield, my understanding from the majority leader is that it is not the relevancy determined by the Parliamentarian, but they must be related to the subject of energy, which is infinitely a broader definition. That is my understanding.

Mr. DASCHLE. If the majority leader will yield, there is one other clarification I think is important, and that is we have had a lot to do with putting the list together. There is no relevancy requirement for first-degree amendments. If it is stated as an amendment to the Energy bill, it can be on any subject matter. If it says relevant, then

we will use, as the distinguished majority leader has noted, the criteria he has laid out, subject generally to the energy issue.

So the relevancy requirement is only a requirement in those areas where relevancy is listed as a factor in the amendment itself. There is no relevancy with regard to first-degree amendments.

Mr. DURBIN. Mr. President——

The PRESIDING OFFICER. The majority leader has the yield.

Mr. FRIST. I am happy to yield to the Senator for a question.

Mr. DURBIN. I ask the leader, in reference to second-degree amendments, is there a relevancy requirement?

Mr. DOMENICI. Mr. President, there always has been on the first degree to which they are offered.

Mr. FRIST. Once again, I renew the unanimous consent request that I propounded and the proposal as spelled out before.

The PRESIDING OFFICER. Is there objection to the request?

Without objection, it is so ordered.

Mr. FRIST. Mr. President, first of all, I'll comment on this relevancy issue. I believe there is an understanding among the managers and the leadership. So I am confident we will be able to take care of the concerns just expressed.

With regard to the schedule, we will be turning to one more amendment on energy, which Senator CAMPBELL will be putting forward in a few minutes.

After that, at 12:15 today, we will be turning to consideration of the FAA reauthorization. My intent is to complete this FAA reauthorization before we leave for the weekend.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I briefly want to thank the leaders, particularly the majority leader, for helping to get the last Senators to sign up. This means we will get an Energy bill that contains plenty of what people want. It has ethanol and, before we are finished, it will have all of the what people want with reference to the continuation of wind and related energies.

This just means people will have every opportunity to look at amendments, and they have listed everything under the sun. There will be a chance to work on them. We thank everyone for cooperating. It looks to me that, with the majority leader and minority leader helping us, after we return from the recess, we can complete this bill in a week, based upon us finally having this list. I thank everybody.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from Colorado is recognized.

AMENDMENT NO. 886

(Purpose: To replace ''tribal consortia'' with ''tribal energy resource development organizations,'' and for other purposes)

Mr. CAMPBELL. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Colorado [Mr. CAMPBELL] proposes an amendment numbered 886.

Mr. CAMPBELL. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under ''Text of Amendments.'')

Mr. CAMPBELL. Mr. President, I will try to explain the amendment. Indian lands comprise approximately 5 percent of the land area in the United States but contain an estimated 10 percent of all energy reserves in the United States, including 30 percent of the known coal deposits located in the western portion of the U.S.; 5 percent of the known onshore oil deposits of the U.S.; and 10 percent of the known onshore natural gas deposits in the United States.

Coal, oil, natural gas, and other energy minerals produced from Indian land represent more than 10 percent of the total nationwide onshore production of energy minerals.

Even though in 1 year alone over 9.3 million barrels of oil, 299 billion cubic feet of natural gas, and 21 million tons of coal were produced from Indian land, representing $700 million in Indian energy revenue, the Department of the Interior estimates that only 25 percent of the oil and less than 20 percent of all natural gas reserves on Indian land have been fully developed.

I have put up a pie chart to show the relationship of realized revenue and potential or unrealized revenue.

Despite what we may read once in a while in the Washington Post or New York Times about the so-called ''rich Indians'' and Indian gambling, it is also indisputable that Indians are the most economically deprived group in the United States, with unemployment levels far above the national average—in some cases well over 70 percent—and per capita incomes well below the national average.

The Labor Department just released the latest unemployment figures for the United States, which were about 6.1 percent, and they say that is the highest in 10 years. If you think 6.1 percent is bad, try 70 percent. For every tribe that is doing pretty well, there are 10 that are just barely making it through their daily lives.

Indian country suffers from the highest substandard housing, poor health, alcohol and drug abuse, diabetes and amputations, and a general malaise and hopelessness, even a high suicide rate among teenagers. Given the vast potential wealth residing in energy resources which could change this deprivation, it has long been a puzzle why these resources have not been more fully developed.

The answer lies partly in the fact that the energy research development is, by its very nature, capital intensive. Most tribes simply do not have the financial wherewithal to fund extensive energy projects on their own and so they must lease out their energy resources in return for royalty payments.

History also plays a big part in the evolution of this problem. Toward the end of the 19th century, Indian tribes were forcibly relocated to isolated areas and reservations where it was believed they would not hinder the westward expansion of the U.S. Government.

The natural resources on those lands were taken into trust by the Federal Government, to be administered for the benefit of Indian tribes. The ostensible reason for the trust was the belief that Indians were incapable of administering their own resources and would be susceptible to land and resource predators.

A legal and bureaucratic apparatus was formed to administer this trust, and over a century later this apparatus remains in place.

In her capacity as trustee of Indian resources, the Secretary of the Interior must review each and every lease of Indian trust resources to ensure the terms of the lease benefit the tribe and that the trust asset is not wasted.

However, this review and approval process is often so lengthy that potential lessees or investors that otherwise would like to partner with Indian tribes to develop their energy resources are reluctant to become entangled in the bureaucratic redtape that inevitably accompanies the leasing of tribal resources.

Hence, the framework that was originally designed to protect tribes has also become a disincentive to the development of tribal resources.

This is a case now, of course, of what fit the 19th century does not fit the modern day, and the Indians have the ability and right to make their own decision.

To help remedy these problems, earlier this year I, along with Senator DOMENICI, introduced the Indian Tribal Energy Development and Self-Determination Act of 2003 to provide assistance and encouragement to Indian tribes to develop their energy resources. This not only would help the tribal economy but it would help make us less dependent on foreign energy.

The assistance included the establishment of an Indian Energy Office; grants, loans, and technical assistance; capacity building; and regulatory changes to the rules governing the leasing of Indian lands for energy purposes.

At the same time, the other Senator from New Mexico, Mr. BINGAMAN, introduced his own Indian Energy bill, S. 424, that mirrored my bill. After several hearings and much debate, I merged the best of these two bills into a composite bill that came to be title III of the bill before us.

There are two major differences between the Bingaman bill, which was offered as a second-degree amendment yesterday, and our bill. That second-degree amendment was defeated, by the

way, as my colleagues know. If I had not withdrawn my amendment we would not need to proceed any further than we did yesterday.

One of the most important features of title III of S. 14 is section 2604 which deals with leases, business arrangements, and rights-of-way involving energy development and transmission.

Section 2604 establishes a voluntary process for those tribes that choose it to help develop their energy resources. No tribe is required to participate. They do not have to if they do not wish to, but if they do participate, under the process, an Indian tribe must first demonstrate to the Secretary of the Interior that it has the technical and financial capacity to develop and manage its own resources. Once it meets this burden, the tribe can negotiate energy resource development leases, agreements, and rights-of-way with third parties without first obtaining the Secretary's approval. That will not, however, circumvent the NEPA process. It will simply transfer the responsibility of NEPA compliance to the Secretary of the Interior.

By the way, this second chart points out very clearly under existing law that Indian tribes do not have to come under the jurisdiction of NEPA. If they use their own money on their own land, they are treated as State land, private land, or non-Federal land. They do not have to comply with NEPA. Only if they go to outside investors to get investment money do they have to comply with NEPA.

This bill will provide streamlining to the leasing process that is now burdened with this disparity in Federal regulation. Under current law, in order to be valid, all leases, business agreements, and the rights-of-way involving tribal trust or restricted lands must be submitted to and approved by the Secretary of the Interior.

Section 2604 provides tribes with the option of submitting to the Secretary a proposed government-to-government agreement, a ''tribal energy resource agreement,'' called TERA, that will set forth mandatory provisions for future leases, business agreements, and rights-of-way involving energy development on tribal lands.

If approved by the Secretary, the TERA will govern the future development of that tribe's energy resources. The TERA, by virtue of this section, will require tribal leases and agreements to have certain business terms, require compliance with all applicable environmental laws, notice to the public, and consultation with the States as to the potential off-reservation impact.

That was one of Senator BINGAMAN's concerns yesterday, consultation with off-reservation groups. That is covered in this amendment.

Remember, current law does not require tribes to comply with NEPA if they use their own land. However, neither the TERA nor any provision of title III would operate to subject the tribe's decision to enter into a particular energy lease or agreement to the provisions of the National Environmental Policy Act of 1969. The Secretary, in deciding whether to approve the TERA, would be required to examine the potential direct impacts of her decision under NEPA. The tribe would have to develop an environmental review process. It would have to follow it thereafter. The tribe itself would not be subject to NEPA but, as I said, that responsibility would be transferred to the Secretary.

There have been disincentives for poor tribes because they simply cannot afford to develop energy on their own land and thereby not comply with NEPA. It does not diminish the NEPA process at all. Under current law, if an Indian tribe chooses to develop its own energy resources using its own funds and, as I mentioned, there is no lease or Secretary approval, NEPA is not necessary.

It is not mineral development per se that triggers NEPA; it is the Federal action, the approval of the Secretary is what triggers NEPA.

I wish to mention there was also a concern that section 2604 would somehow diminish tribal sovereignty. I know that was Senator INOUYE's concern. It dealt really with trust responsibility. But the amendment I am offering today does not weaken the Government's obligations to Indian tribes to absolve it of its duties.

I point out on page 14, line 18 to page 15, line 3. If my colleagues cannot clearly read this, I will read it for them:

(6)(A) Nothing in this section shall absolve the United States of any responsibility to Indians or Indian tribes, including those which derive from the trust relationship or from any treaties, Executive Orders, or agreements between the United States and any Indian tribe.

(B) The Secretary shall continue to have a trust obligation to ensure that the rights of an Indian tribe are protected in the event of a violation of federal law or the terms of any lease, business agreement, or right-of-way under this section by any other party to any such lease, business agreement, or right-of-way.

(C) Notwithstanding subparagraph (A), the United States shall not be liable to any party (including any Indian tribe) for any of the terms of, or any losses resulting from the terms of, a lease, business agreement, or a right-of-way executed pursuant to and in accordance with a tribal energy resources agreement approved by the subsection (e)(2).

Subparagraph (C) is basically new. If the Secretary has no input at all in developing the agreement, then we are concerned that the Federal Government should have a liability component if they did not have anything to do with helping decide the issue.

In any event, I remind my colleagues that Native Americans are the only group in the United States who believe that the Earth is their mother, and they certainly do not need to be told how to take care of the Earth because it is in their religion. It is in their nature and has been for thousands of years. It is in their culture. It is a cultural thing with which youngsters grow up. For that matter, they do not need the Senate to tell them how to take care of the Earth either. An Indian mandate to take care of the Earth comes from a higher order than the Senate, and it is sometimes found insulting to be told that they need the Government to oversee what their own religion and culture teach them from childhood.

That is why so many tribes do support the Campbell-Domenici amendment, and I will list them, as I did the other day. A few more have come in: The National Congress of American Indians, which represents over 300 tribes; the Council of Energy Resource Tribes, which represents 50 energy-producing tribes. We have a number of individual letters from the Cherokee Nation, which is the largest Indian tribe in the United States; from the Chickasaw Nation, another very progressive and highly respected tribe in Oklahoma; from the Mohegan Tribe; from the Five Sandoval Indian Pueblos, which is in New Mexico; the Jicarilla Apache Tribe; the Oneida Indian Nation; the Eastern Shoshone Tribe of the Wind River Reservation in Wyoming, which receives a very large share of its governmental revenues from oil and gas production on its tribal lands; also from the National Tribal Environmental Council, an organization in Albuquerque, whose membership includes over 180 tribal governments; the Southern Ute Indian Tribal Council; the Native American Energy Group; the United South and Eastern Tribes, an organization consisting of 22 tribes located on the eastern seaboard from Maine to Florida. Also, support continues to come in. One non-Indian group that has submitted support is the U.S. National Chamber of Commerce.

I ask unanimous consent that those letters of support be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL CONGRESS OF AMERICAN INDIANS,
June 2, 2003.

Senator BEN NIGHTHORSE CAMPBELL,
Chairman, U.S. Senate, Committee on Indian Affairs, Hart Office Building, Washington, DC.

DEAR SENATOR CAMPBELL: This letter is to offer general support for the Indian Tribal Energy Development and Self-Determination Act of 2003 (Title III). Sine the release of your mark in April, NCAI has been working feverishly to offer a solution to the concerns expressed by tribal representatives. NCAI engaged in this effort so that we could provide general support for this significant piece of legislation once these concerns were addressed. Through this collaborative process, we believe this legislation has the potential to enhance economic development initiatives and will be of great benefit to economic development in Indian country.

As you may be aware, concerns were raised by a number of tribes and tribal advocates regarding some provisions of the Chairman's mark for this measure. We shared in their concern regarding provisions that significantly limit the United State's liability and

release the Secretary of Interior from any accountability to Indian tribes for actions that she is required to undertake pursuant to the legislation. Additionally, we were concerned about the definition of ''tribal consortium'' which differed greatly from the definition that is traditionally employed in legislation affecting Indian tribes and offers federal money to non-tribal entities that should be going to Indian tribes. In addition to these two central concerns, we were not satisfied with provisions pertaining to environmental review and we had some general drafting-related issues.

Given these concerns, NCAI has convened several conference calls with tribal representatives including the Navajo Nation, Council of Energy Resources Tribes, and the Intertribal Council on Utility Policy, and developed a series of tribal recommendations for modifying Title III. We also convened with your staff and Senate Energy and Natural Resources Committee staff to discuss the tribal recommendations. Thereafter your staff held a conference call for those same representatives and staffers from the Senate Energy and Natural Resource Committee. Although we are pleased that we were able to craft better language for the trust responsibility provisions, we are still concerned with some of the limitations.

Nonetheless, we realize that in this political climate, the language as currently revised is likely the best compromise that can be reached. We appreciate the effort of your staff and other committee staffers to negotiate language that attempts to address the tribal concerns in light of the current political environment. Again, I want to underscore that the tribal support comes from working with a group of tribal representatives and organizations from diverse perspectives, but not all perspectives. Because of this, our revised version of your mark may not reflect the needs and desires of all tribes who wish to utilize this legislation to develop their energy resources.

We would like to thank you and your staff for all of their hard work on this very important issue. I cannot stress enough how grateful we are to your commitment to developing legislative solutions to age-old problems in Indian country. Title III is just one more example of how Indian tribes benefit from your championship.

Sincerely,

JACQUELINE JOHNSON
Executive Director.

COUNCIL OF ENERGY RESOURCE TRIBES,
Denver, CO, June 3, 2003.

Hon. PETE V. DOMENICI,
U.S. Senate,
Washington, DC.

DEAR SENATOR DOMENICI: On behalf of the 53 CERT member Tribes, I am writing to express CERT's support for the Title III Indian Energy provisions of S. 14.

As you know, there are some provisions in section 2604 of the Title III of the bill as reported that has caused concern among CERT member Tribes. Fortunately, we believe those concerns have largely been addressed by language agreed to between Committee staff and representatives of CERT and several member Tribes. At this time, we believe we have reached agreement that addresses the concerns of CERT and the Southern Ute Indian Tribe, the Navajo Nation and the Jicarilla Apache Nation. We expect you will hear from each of those Tribes as well.

CERT has agreed to language that insures that the Tribal Energy Resource Agreements (TERA) process is a voluntary, opt-in program for development of Tribal energy resources. We have also agreed to language to be certain that the public comment opportunities go to the environmental and other impacts of the development and not to the terms of the business agreements themselves. CERT accepts the revised language that better describes the Secretary's trust duties under this section. Finally, the scope of the Secretary's NEPA review of the TERA is settled.

While drafting final language for this section has been somewhat difficult, we compliment the staff of both the Senate Energy Committee and the Senate Indian Affairs Committee for their dedication to resolving the remaining differences between us on language relating to trust protections and environmental issues.

Again, we are pleased to support Title III with these changes to section 2604 and appreciate your steadfast support of the right of Indian Tribes to gain a better measure of control over the development of energy resources on their own lands.

Sincerely,

A. DAVID LESTER,
Executive Director.

CHEROKEE NATION,
Tahlequah, OK, June 2, 2003.

Hon. BEN NIGHTHORSE CAMPBELL,
Chairman, Senate Committee on Indian Affairs, Hart Senate Office Building, Washington, DC.

Hon. DANIEL K. INOUYE,
Vice, Chairman, Senate Committee on Indian Affairs, Hart Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN AND MR. VICE CHAIRMAN: It has come to my attention that several changes have been made to Title III of the Senate Energy bill. I understand that these changes will reduce any risk to Tribes, and wish to offer the Cherokee Nation's continued support of S. 14, the Energy Policy Act of 2003.

I thank the Committee for its hard work on this issue and for incorporating tribal recommendations into the bill. Your leadership is greatly appreciated.

Please feel free to contact my office if you have any questions or comments, I may be reached at (918) 456–0671.

Sincerely,

CHAD SMITH,
Principal Chief.

OFFICE OF THE GOVERNOR,
THE CHICKASAW NATION,
Ada, OK, June 5, 2003.

Hon. BEN NIGHTHORSE CAMPBELL,
Senate Committee on Indian Affairs, Hart Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: We support the inclusion of Title III, as it is, in Senate Bill 14. Thoughtful development of our tribal natural resources serves all Americans.

We are grateful for the opportunities and support Title III provides to the Chickasaw Nation, and for all of Indian Country, as we explore and develop our natural resources. The language allows us to exercise our own progressive style in development and regulation; yet, it provides for those tribe which prefer the more traditional approach.

Having a voice in the U.S. Department of Energy will highlight and expedite tribal energy issues. This is an opportunity for every tribe to enter into the nation's economic mainstream with the support of the federal government.

Your help, and that of Senators Bingaman and Domenici, is appreciated.

Sincerely,

BILL ANOATUBBY,
Governor.

THE MOHEGAN TRIBE,
Uncasville, CT, June 5, 2003.

Hon. BEN NIGHTHORSE CAMPBELL,
U.S. Senate, Senate Committee on Indian Affairs, Hart Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: The Mohegan Tribe supports the inclusion of Title III in S. 14, the Energy Policy Act of 2003. Offering flexibility and support in developing natural resources throughout Indian Country, Title III creates opportunities in which all Indian nations can benefit. We also appreciate the hard work of Senators Domenici and Bingaman in this matter.

Sincerely,

MARK F. BROWN,
Chairman.

FIVE SANDOVAL INDIAN PUEBLOS, INC.,
Bernalillo, NM, June 5, 2003.

Hon. BEN NIGHTHORSE CAMPBELL,
U.S. Senate, Senate Committee on Indian Affairs, Hart Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: The Five Sandoval Indian Pueblos, Inc. supports the inclusion of Title III in S. 14, the Energy Policy Act of 2003. We appreciate all aspects of the language and the flexibility it creates with obvious regard for the individual strengths and needs of each tribe.

We are grateful to Senator Domenici and to Senator Bingaman for their thoughtful hard work and leadership on our behalf.

Having Title III in the Energy bill provides every tribal nation in this country an opportunity to enter into the nation's economic mainstream through development of their natural resources.

Thank you.

Sincerely,

JAMES ROGER MADALENA,
Executive Director,
Five Sandoval Indian Pueblos, Inc.

THE JICARILLA APACHE NATION,
Dulce, NM, June 9, 2003.

Hon. PETE V. DOMENICI,
U.S. Senate,
Senate Hart Building, Washington, DC

DEAR SENATOR DOMENICI: I am writing on behalf of the Jicarilla Apache Nation (''Nation'') to express our general support for the Indian Energy Title in S. 14. This legislation will provide a strong policy directive for the Department of Energy to formalize and institutionalize its support of tribal energy development needs, and the legislation will provide critical resources and tools for Tribes to access for these purposes. We applaud your focus on Indian energy and commitment to addressing the energy needs of Indian Tribes in New Mexico and across the country.

Oil and gas development on the Jicarilla Apache Reservation is critical to our tribal governmental operations. Our Reservation is located on the eastern edge of the Sam Juan Basin, the second largest gas field in the lower 48 states. The Nation relies on revenue generated from the development and production of our oil and gas to provide essential government services to our members and other residents; revenue from royalties and taxes accounts for over 90% of the Nation's operating budget. Clearly, the legislation at hand is extremely important to the Nation.

During the Senate Energy and Natural Resources Committee markup of the Indian Energy Title in late April, the Nation expressed concerns with some of those provisions. In the past month, the Nation joined a tribal workgroup which included the National Congress of American Indian (NCAI), the Council of Energy Resource Tribes (CERT), the Navajo Nation, the Southern Ute Tribe and other tribal representatives in developing language to address some of our mutual concerns. The tribal workgroup presented and

discussed our proposed language in several key discussions with staff from both the Senate Indian Affairs and Energy & Natural Resources Committee. We appreciate your efforts and that of your committee staff to work with the Tribes and be responsive to our concerns.

We arrived at a compromise that was deemed to be the most political viable approach given that the energy bill is currently being debated on the Senate floor and the fact that the House has already passed its energy bill which does not include a comprehensive Indian energy title. The Nation believes that this collaborative effort addressed most of the central concerns that we raised.

Specifically, the Nation's primary concern relate to section 2406, the provisions on leases, business agreements, and rights-of-way involving energy development or transmissions. The policy goals of this measure, as stated in Section 2602(a), would be ''to assist Indian tribes in the development of energy resources and further the goal of Indian self-determination.'' Section 2604 would establish a voluntary program, through a Tribal Energy Resource Agreement (TERA) submitted by a Tribe for approval by the Secretary of the Interior. The TERA approach provides a mechanism for participating Tribes to streamline the approval process for energy development on Indian Reservations. While the Nation does not take issue with these important objectives, we have concerns about Section 2604's impact on the United States' Indian trust responsibility.

For instance, Section 2604(7)(A) would absolve the Secretary of any liability ''for any loss or injury sustained by any party (including an Indian tribe or any member of an Indian tribe) to a lease, business agreement, or right-of-way executed in accordance with tribal energy resource agreements approved under this subsection.'' Section 2604(7)(B) would further bar an Indian Tribe ''from asserting a claim against the United States on the grounds that the Secretary should not have approved the Tribal energy resource agreement.'' The Nation, along with NCAI, CERT, the Navajo Nation and others strongly objected to these provisions because they would significantly limit the United States' liability and release the Secretary from any accountability to Indian tribes for actions that she is required to undertake pursuant to the legislation.

To address these concerns, the tribal workgroup first proposed to delete the language that would bar an Indian Tribe from asserting a claim against the Secretary for her failure to abide by the statutory directive in the legislation itself. Second, we proposed a more concrete recognition of the general Indian trust responsibility and language reaffirming the Secretary's specific trust obligation ''to ensure that the rights of an Indian tribe are protected in the event of a violation of federal law or the terms of any lease, business agreement or right-of-way under this section by any other party to any such lease, business agreement or right-of-way.'' With regard to the release of the Secretary's lability, we limited such release of liability to ''any of the terms of, or any losses resulting from the terms of, a lease, business agreement, or right-of-way executed pursuant to and in accordance with tribal energy resource agreements'' approved under section 2604(e)(2). Our proposed language would limit the liability question to the specific terms agreed to by a Tribe in the TERA itself, and would not affect existing statutory and regulatory duties and obligations of the Secretary in the management of trust minerals and other assets. We understand that these changes were deemed to be acceptable by Committee staff.

These changes are vitally important to the Nation's on-going activities in auditing and overseeing royalty collections of our oil and gas leases. The Nation has a cooperative agreement with the Secretary pursuant to Section 202 of the Federal Oil and Gas Royalty Management Act of 1982 (FOGRMA), to carry out inspection, auditing, investigation, enforcement and other oil and gas royalty management functions. Under this statutory scheme, the Nation has taken a lead role in performing these functions, and even has an office set up in the Mineral Management Service (MMS) in Dallas, Texas. The MMS provides operational costs to the Nation under the 202 Agreement, and works closely with us to ensure compliance with leases and the various statutory royalty payment requirements. FOGRMA does not release the Secretary from liability for the functions taken over by the Nation, but rather embraces an approach that provides an avenue for tribal self-determination while keeping the federal Indian trust responsibility fully intact. If the Nation were to consider entering into a TERA at some point in the future, we would likely do so without releasing the Secretary of her responsibility under the 202 Agreement. Therefore, the language crafted by the tribal workgroup is extremely important to ensure the vitality of these specific FOGRMA provisions as well as relevant judicial decisions that delineate the Secretary's obligations in the leasing of oil and gas on our Reservation.

The Nation also endorses other revisions negotiated by the tribal workgroup regarding the definition of ''tribal consortium'' and the provisions pertaining to the environmental review process. We believe our central concerns have been satisfied to ensure that federal money authorized by the legislation be directed to Indian Tribes and not to non-tribal entities that may use Tribes as a front for these purposes. We also worked to ensure that Tribes not be overly burdened in the environmental review process and that public notification and commenting requirements be limited to the environmental document while ensuring that a Tribe's proprietary and business dealings be protected from public disclosure. With regard to our concerns about the legislation's lack of capacity building assurance, the Nation will continue to raise such concerns in the context of the appropriations process to implement the legislation.

While not a part of the Indian Energy Title, the Nation continues to pursue and support the enactment of a federal tax credit for Indian oil and gas production to stimulate additional domestic production. We supported your bill (S. 1106) in the 107th Congress to establish a federal tax credit based on the volume of production of oil and gas from Indian lands. This type of a credit would make our reserves more competitive and increase the return on our nonrenewable trust resources. Generating significant new revenue to tribal mineral owners, in the form of tax credits, royalties, and tribal taxes, tax incentives would stimulate tribal economies and increase the overall domestic oil and gas supplies, thereby reducing the United States dependency on foreign sources of energy. We urge your continued support for this measure during the floor consideration of the energy tax provisions.

Thank you for your consideration of our views. As always, we appreciate your strong leadership and understanding of our needs. Please contact me in Dulce at (505) 759–3242 if you have any questions or need additional information.

Sincerely,

CLAUDIA VIGIL-MUNIZ,
President.

ONEIDA INDIAN NATION,
ONEIDA NATION HOMELANDS,
Veruna, NY, June 10, 2003.

Hon. BEN NIGHTHORSE CAMPBELL,
Chairman, U.S. Senate, Committee on Indian Affairs, Hart Building, Washington, DC.

Dear Chairman Campbell: On behalf of the Oneida Indian Nation of New York, I am writing in support of S. 14, specifically Title III, the Indian Tribal Energy Development and Self-Determination Act of 2003. This bill will significantly strengthen the ability of Indian tribes to develop the energy resources that are currently going underutilized on their land.

Your legislation will create a mechanism to allow Indian nations access to grants and low-interest loans from a newly established Office of Indian Energy Policy and Programs. The legislation would allow certain tribes to cut through the red tape that has discouraged third parties from investing in Native American energy in the past.

In addition, under the legislation, federal agencies may provide preference in Indian firms when purchasing energy; this will help the new industry get started while also promoting national energy self-sufficiency. Energy production is a capital-intensive industry, and without the assistance of your bill, too many tribes will remain mired in dismal economic limbo.

The bill will help to bring electricity to the 14.2 percent of Indian homes that now have none. And by encouraging the vertical integration of tribal energy resources, the bill will help to bring jobs to reservation communities, where unemployment levels have reached as high as 70 percent.

The Oneida Indian Nation of New York appreciates your leadership in tackling the myriad challenges facing Indian Country. The Indian Tribal Energy Development and Self-Determination Act of 2003 is a positive step that not only makes sound national energy policy but would provide Indian nations with additional tools in their efforts to become self-sufficient and self-determining.

Naki'wa,

RAY HALBRITTER,
Nation Representative.

JUNE 9, 2003.

Re supporting Campbell-Domenici amendment to Title III—Indian Energy Title to S. 14, The Energy Policy Act of 2003.

Hon. PETE V. DOMENICI,
Chairman, Senate Energy and Natural Resources Committee, U.S. Senate, Senate Dirksen Building, Washington, DC.

DEAR CHAIRMAN DOMENICI: On behalf of the Eastern Shoshone Tribe of the Wind River Reservation in Wyoming, I am writing in support of the Campbell-Domenici amendment to the Indian Energy Title in S. 14. Our Tribe participated in the tribal workgroup effort which resulted in the amended language embodies in this amendment. We appreciate your efforts and that of the Senate Energy and Natural Resources and Indian Affairs Committee staff to work with our tribal workgroup to resolve some of the earlier controversial provisions.

The Eastern Shoshone Tribe and the Northern Arapaho Tribe share the Wind River Reservation, which encompasses over 2.2 million acres with significant quantities of oil and gas reserves. The production of oil and gas reserves on the Wind River Reservation is the primary source of revenue for the Tribes accounting for over 90% of the Tribes' governmental revenue. Accordingly, the Wind River Reservation Tribes have a keen interest in supporting the enactment of comprehensive energy legislation for Indian reservation development.

In summary, we believe that the Campbell-Domenici amendment addresses our primary

concerns regarding the United States trust relationship owed to Indian Tribes in the context of mineral production, protection of sensitive tribal business dealing, and a sound environmental review process. Specifically, the amendment eliminates language that would have barred an Indian Tribe from asserting a claim against the Secretary for her failure to abide by the statutory directive in the legislation itself. The amendment also provides a specific affirmation of the United States' trust responsibility and duty to ensure that the rights of an Indian tribe are protected against statutory or lease violations of leases executed pursuant to secretarial approved Tribal Energy Resource Agreements (TERA). Moreover, the Campbell-Domenici amendment appropriately limits the release of the Secretary's liability to the specific terms agreed to by a Tribe in the TERA itself. Accordingly, this language would not affect existing statutory and regulatory duties and obligations of the Secretary in the management of trust minerals and other assets. Finally, the Campbell-Domenici amendment addresses our concerns that a Tribe's sensitive commercial business dealing are protected from public disclosure and that Tribes not be subject to overly burdensome environmental review requirements.

The Eastern Shoshone Tribe remains concerned with capacity building for Tribes interested in pursuing a TERA. Given the immediate movement of the legislation, however, we do not believe these concerns should prevent Congress from acting favorably on the entire Indian Energy Title. We will urge full support for tribal capacity during the appropriations process.

I would also like to take this opportunity to apprise you of our efforts with Senator Thomas to secure an amendment in the energy tax title for a federal tax credit for oil and gas produced on Indian lands. This provision is similar to the bill, S. 1106, you introduced in the 107th Congress which would structure the credit based on the volume of production of oil and gas from Indian lands. This type of a credit would make our reserves more competitive and increase the return on our nonrenewable trust resources. The proposal would not only generate new revenue to tribal mineral owners, it would also stimulate tribal economies and contribute to the Nation's domestic oil and gas supply. We are awaiting the revenue estimate from the Joint Taxation Committee, and we urge your continued support for this proposal during the floor debate on energy tax provisions.

In closing, I want to again express our appreciate to you, and recognize the efforts of Senator Thomas, in moving forward with the historic piece of legislation.

Sincerely,

VERNON HILL,
Chairman, Eastern Shoshone Tribe.

NATIONAL TRIBAL ENVIRONMENTAL COUNCIL,
Albuquerque, NM, June 5, 2003.

Hon. Senator BEN NIGHTHORSE-CAMPBELL,
U.S. Senate,
Washington, DC.

DEAR SENATOR NIGHTHORSE-CAMPBELL: On behalf of the National Tribal Environmental Council, we are writing in support of the Title III Indian Energy Provisions in S. 14.

The National Tribal Environmental Council is a not-for-profit organization with a membership comprised of over 180 tribal governments. As such, we strongly support the principle embodied in the authorizing language of the amendment that Tribes can develop their energy resources in a manner that respects the ecological integrity of their reservation environments as well as their sacred sites, cultural resources, historical, archeological resources and other cultural patrimony.

We condition our support of Title III to acknowledge that we are aware of the serious concerns of the Navajo Nation that this legislation has the potential to legislate the recent Supreme Court decision against their interests. We respectfully request you consider clarifying the legislative history to reflect the fact that the Secretary must continue to act in the best interests of the Indian tribe, as was similarly included in the Indian Minerals Development Act of 1982.

Another concern we have with the provisions of Sec 2604 of the Title III is not the delegation of federal authority based on the voluntary opt-in program but the potential for the federal responsibility to transfer to the tribes without the commensurate resources to ensure an adequate the tribal regulatory infrastructure.

As you know, tribal governments have been struggling but succeeding in their efforts to develop complex and tribal-specific environmental programs with very limited resources. Maintaining the trend of increasingly sophisticated and consistent implementation of tribal environmental processes and standards on a national scale is dependent on increased funding. Adding additional needs to the tribal governments at this time—without adequate funding—is cause for concern. This is a concern, however, that we will voice as part of the appropriations process and it should not be viewed as undermining our support for the Senate amendments to S. 14.

Thank you for this opportunity to support this important initiative for Indian Country and for your on-going efforts to recognize and include Indian Country in these important national policy debates.

Sincerely,

DAVID F. CONRAD,
Executive Director.

SOUTHERN UTE INDIAN TRIBAL COUNCIL,
Ignacio, CO, May 27, 2003.

Re Indian Tribal Energy Development and Self-Determination Act of 2003; S. 14, Title III.

Chairman PETE V. DOMENICI,
Committee on Energy and Natural Resources, U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR CHAIRMAN DOMENICI: Approximately one month ago, the Southern Ute Indian Tribe submitted a statement of conceptual, but qualified, support for the Indian Tribal Energy Development and Self-Determination Act of 2003. Our Tribe's activities have shown that tribal energy development can provide tremendous economic development opportunities for tribes while simultaneously assisting the Nation in meeting its energy demands. For tribes that have demonstrated the capacity to represent themselves effectively in energy development activities, we have long-advocated legislation that would provide the option of bypassing the stifling effects of the Bureau of Indian Affairs approval requirements applicable to tribal leases, business agreements and rights-of-way. The reference legislation addressed this very matter, however, as Section 2604 of Title III emerged from the Senate Committee of Indian Affairs and the Senate Committee on Energy and Natural Resources, it contained a number of provisions that were objectionable to the Indian community.

Over the last month, committee staff members and representatives of tribes and Indian organizations have engaged in an intense dialogue about the problems in the draft legislation, and, as a result of their tireless efforts, proposed amendments have been developed that would eliminate the problems previously identified. A list of those proposed amendments is attached for reference purposes. Among the different matters resolved to our satisfaction have been the following: (i) confirmation that Section 2604 is a voluntary program available to Tribes on an opt-in/opt-out basis; (ii) inclusion of pre-approval public notice and comment opportunities regarding the environmental impacts of a proposed tribal mineral lease, business agreement or right-of-way, but preservation of the confidentiality of the business terms of such documents; (iii) acceptable balancing of the limitations on and ongoing responsibility of the Secretary to perform trust duties associated with a participating tribe's activities undertaken pursuant to this legislation; and (iv) confirmation of the appropriate scope of NEPA review that would be associated with the Secretary's decision to approve a Tribal Energy Resource Agreement (''TERA''), which is the enabling document permitting a tribe to proceed with independent development of mineral leases, business agreements, or rights-of-way. Again, we helped develop and wholly support these amendments.

During the course of debate on this legislation, some have suggested that Section 2604 will eliminate effective environmental protection on affected tribal lands. We want to assure the members of the Senate that this is not the case. Energy resource development by a tribe generally carries with it a deep commitment to preserving one's backyard. Tribal leaders are directly accountable to their members for preserving environmental resources. In the Four Corners Region, it is not unusual for private landowners or BLM lessees to comment enviously on the environmental diligence employed by our Tribe in the development of our energy resources. We renew our invitation to members of the Senate to visit our Reservation and see firsthand our energy resource projects.

In conclusion, with the referenced amendments, we strongly support S. 14, Title III. We urge other members of the Senate to also support this legislation, and we commend those who have worked toward its development and passage.

Sincerely,

HOWARD D. RICHARDS, SR.,
Chairman, Southern Ute Indian Tribal Council.

NATIVE AMERICAN ENERGY GROUP, LLC,
Ft. Washakie, WY, May 7, 2003.

Senator PETE V. DOMENICI,
U.S. Senate,
Washington, DC.

DEAR SENATOR DOMENICI: Native American Energy Group (NAEG) is an Indian owned company working with tribes and allottees throughout the country to determine how best to develop oil and gas reserves and help provide for the energy security of this country while also protecting the interests of mineral owners. The recent Indian provisions of the Energy Bill are a big step in the right direction to accomplish positive results for the Indian people of this country.

One of the areas of contention is the environmental area with many people stating that these provisions will gut the NEPA process. While this is a legitimate concern, nowhere have I read or heard that this is the intent of these provisions. In fact recent language in the Bill clearly denotes compliance with all applicable tribal and federal environmental laws. Even without this new language though my understanding was always that the intent was not to gut environmental laws. Tribal governments with energy resources are pro-development but by the same

token they are also pro-environment. This may seem a dichotomy of sorts but my read on this bill is that the language will strengthen tribal sovereignty, develop tribal capacities and make tribal and allotted oil and gas operations more accountable with less impacts. In addition, the federal trust oversight will not be diminished which is always a concern of tribal governments.

NAEG appreciates the work and coordination that goes into an effort of this magnitude and you and your staff are to be commended for the recent provisions as presented in the bill. The history and discussions surrounding this bill recognize the importance of bringing tribes into the mainstream of the energy picture of this country and providing the mechanisms for the technical, administrative and legislative efforts to occur.

The research your staff has undertaken in support of this bill very well explains the amounts of energy resources situated on tribal and allotted lands. This largely untapped resource can be a boost for this country as we seek to provide jobs and diversify our economy, while helping America meet its energy needs. Please share with the rest of the Senate Indian Committee our support for these endeavors and if there is any information we can provide to assist you in your work please do not hesitate to call me.

Sincerely,

WES MARTEL,
President.

UNITED SOUTH AND EASTERN TRIBES, INC.,
Nashville, TN, June 9, 2003.

Hon. BEN NIGHTHORSE CAMPBELL,
Chairman, Senate Committee on Indian Affairs, Hart Senate Office Building, Washington, DC.

Hon. DANIEL K. INOUYE,
Vice Chairman, Senate Committee on Indian Affairs, Hart Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN AND MR. VICE CHAIRMAN: I am writing on behalf of the United South and Eastern Tribes, Inc. (USET), an intertribal organization comprised of twenty-four federally recognized tribes from twelve states. I am writing in support of the Indian Tribal Energy Development and Self-Determination Act of 2003, Title III and its inclusion in S. 14, the Energy Policy Act of 2003.

We understand that tribal energy development can provide tremendous economic development opportunities for our member tribes while simultaneously assisting tribes in meeting energy demands. Our tribes are aware that other tribes have concerns regarding the provision of Title III to which tribal input has been solicited and received to address the issues.

Our tribes support the compromises reached by the parties and we call upon the leadership of the committee to further engage and respond to tribal concerns. We hope that compromises on the remaining outstanding points may be reached whereby all of Indian Country can support inclusion of Title III in S. 14.

Sincerely,

JAMES T. MARTIN,
Executive Director.

CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA,
Washington, DC, June 6, 2003.

To the Members of the United States Senate:

The U.S. Chamber of Commerce, the world's largest business federation, representing more than three million businesses of every size, sector, and region, supports an amendment to S. 14, the Energy Policy Act of 2003, offered by Senators Domenici and Campbell. This amendment would add an Indian Energy title to the bill that facilitates energy exploration on Indian lands while ensuring the same level of environmental protection as is provided in the state in which the lands are located.

The Domenici-Campbell amendment is a sensible component of a comprehensive national energy policy. While Indian land accounts for five percent of the land area of the U.S., it contains 30 percent of the nation's identified coal deposits, five percent of its oil deposits, and 10 percent of its natural gas reserves. However, the Department of the Interior estimates that less than one quarter of these assets have been developed. This amendment will spur domestic energy development by removing bureaucratic obstacles on Indian lands and by providing grants and loan guarantees for building the necessary energy infrastructure.

An amendment to the Domenici-Campbell amendment is anticipated that would require a tribe to comply with the National Environmental Policy Act each time it enters into an energy project with a private sector company. Such an amendment is simply an attempt to force a tribe into undertaking an environmental impact statement as if it was a federal government agency. If such an amendment passes, it will subject tribes to years of bureaucratic study followed by years of litigation, notwithstanding the fact that the project has complied with all federal and state environmental permitting laws.

Our nation will need 43 percent more energy in the next twenty years and will need it from all sources, including coal, oil, gas, nuclear, and alternative fuels. These tribal territories are sovereign and the federal government must allow them the means for adequate economic development so they can participate in the many benefits of our nation, including the right to economic self-determination.

The U.S. Chamber of Commerce urges you to support the Domenici-Campbell amendment that would increase domestic energy supplies in an environmentally compatible manner and reject all weakening amendments.

Sincerely,

R. BRUCE JOSTEN,
Executive Vice President.

Mr. CAMPBELL. I thank the Chair, and I yield the floor.

The PRESIDING OFFICER (Mr. GRAHAM of South Carolina). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I know we will be back on this bill. I note that the Indian tribes and organizations listed are not in full. We have additional ones since this was prepared, and they will be added in due course.

I compliment the distinguished Senator, Mr. CAMPBELL. I am pleased to be his cosponsor, and I say for those who are going to now look at this bill, I hope our Indian leaders also are aware that there will be those who look at it from the standpoint of how can they make it more difficult for the Indian people to be able to develop their resources. That is what some of the time and effort will be spent on during the intervention between this bill and its final vote. How can organizations that do not want the Indian people to produce their raw materials into energy and resources, thus jobs and opportunity for the Indian people, get their hands on this bill and try to offer amendments to try to harm this bill? I am certain some will do that.

We will be vigilant, we will be aware, and we are asking the Indian leaders who support this to inform their Senators that this is the bill they want as part of America's policy on energy. We are asking every Indian leader to advise those Senators who have been with them in the past to support this bill. This bill is their bill. It is for their future. It is for jobs and money and resources for them. We need them telling their Senators that this is the bill they want. If they do that, come July we will have a real Fourth of July celebration for the Indian people, for in a sense they will be free, free to develop their resources, where heretofore their hands have been tied.

There will be those during the intervening time who will look for ways to put more ties and strings back into the Campbell bill. We want to tell our Indian leaders to tell their friends in the Senate they do not want that; they do not want changes to this bill that will make it harder for them to develop their resources in partnership, singularly or otherwise, with other Americans.

This amendment is the product of many hours of negotiation and cooperation among the interested tribes, the Indian Affairs Committee and the Energy and Natural Resources Committee.

I am also pleased that this amendment enjoys the support of numerous tribes including the Jicarilla Apache Nation, the Cherokee Nation, the Southern Utes, the Chickasaw Nation, the Native American Energy Group, the National Congress of American Indians, Dine Power—a Navajo Corporation, the Council of Energy Resource Tribes, which represents nearly 50 energy producing tribes and The National Tribal Environmental Council, which represent 180 tribe,

I am pleased that Indian tribes across the country will play an important role in our national energy plan. By passing this legislation, we will streamline the tribal leasing process that outside parties have more incentive to partner with tribes in developing energy resources and provide investment in critical energy infrastructure on Indian land.

Indian lands contain some of the richest energy reserves in the Nation. Although Indian land accounts for only 5 percent of the land area of the U.S. it contains: 30 percent of identified coal deposits; 5 percent of our nation's oil; and 10 percent of our natural gas, which is in very tight supply.

Despite the fact that reserves are present, the Department of the Interior estimates that only 20 to 25 percent of these assets have been developed.

Energy projects are capital intensive and most tribes do not have the financial capability to develop the resources.

Tribes face an additional burden in attracting partners and that is a result

of the paternalistic lease approval system that requires the Secretary of the Interior to approve all tribal leases. This delays action and creates investment uncertainty.

In an attempt to resolve this out-of-date process, the Indian Affairs Committee and the Senate Energy Committee have taken key elements of both Senator CAMPBELL's legislation S. 522 and Senator BINGAMAN proposal, S. 424.

The title adopts Senator BINGAMAN's proposal to create the Office of Indian Energy Policy and Programs within the Department of Energy. This office will provide grants and loan guarantees to tribes to facilitate the development of their energy resources and infrastructure.

Section 303, of this title will change the existing lease agreements between the Secretary of the Interior and tribes to allow tribes to enter into a lease or agreement without the approval of the Secretary so long as those leases or business agreements conform to regulations promulgated by the Secretary.

The section establishes a process by which a tribe may submit a plan governing leases and rights-of-way to the Secretary for approval. It also requires the tribe to demonstrate to the Secretary that the plan includes provisions regarding lease and contract terms, environmental regulation, and public notification and comment.

I think that is very important to note that this entire proposal is voluntary. Let me repeat that. This proposal is completely voluntary. Tribes will not be forced to adopt this proposal if they feel it would not benefit the tribe as a whole.

We have numerous letters from tribes who support the proposal and I am confident they will benefit. However, any tribe that opposes this proposal probably will not participate and can continue to operate under the status quo.

This amendment also protects the environment. I think the statement of President Joe Shirley of the Navajo Nation before the Senate Indian Affairs Committee accurately captures the environmental responsibilities all tribes must comply with. President Shirley stated,

> Tribes may already promulgate regulations that are more, but not less, stringent than Federal regulations governing the same subject matters (environment). The following is a list of some of the federal statutes that already control regulations for land use, both State and tribal: National Environmental Policy Act, Clean Air Act, Clean Water Act, Endangered Species Act, Federal Land Management and Policy Act, National Historic Preservation Act, Native American Graves Protection and Repatriation Act, Surface Mining Control and Reclamation Act and the Indian Mineral Leasing Act.

Clearly, the tribes must fully comply with our environmental statutes.

Following markup of S. 14, the Indian Affairs and Energy Committees have worked to address concerns regarding the trust responsibilities between tribes and the Secretary of the Interior. These agreed-upon changes make up the amendment Senator CAMPBELL has offered.

This amendment deserves the strong support of the Senate.

I ask unanimous consent for 1 additional minute for Senator CAMPBELL to speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Colorado.

Mr. CAMPBELL. Mr. President, I thank the Senator from New Mexico, who is a stalwart supporter of this movement.

There is no question, if we do not take this back up between now and July, if there is a second degree offered at that time, we will be giving the opponents of this bill—instead of giving Indians an opportunity to get up off their knees and get some jobs—an opportunity to gin up some opposition. I think that is what the delay is for. I appreciate the support of the Senator from New Mexico.

AVIATION INVESTMENT AND REVITALIZATION VISION ACT

The PRESIDING OFFICER. Under the previous order, the time of 12:15 having arrived, the Senate will proceed to consideration of S. 824, which the clerk will report by title.

The bill clerk read as follows:

A bill (S. 824) to reauthorize the Federal Aviation Administration, and for other purposes.

The Senate proceeded to consider the bill (S. 824) to reauthorize the Federal Aviation Administration, and for other purposes, which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

[Strike the part shown in black brackets and insert the part shown in italic.]

S. 824

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

[SECTION 1. SHORT TITLE; AMENDMENT OF TITLE 49.

[(a) SHORT TITLE.—This Act may be cited as the ''Aviation Investment and Revitalization Vision Act''.

[(b) AMENDMENT OF TITLE 49.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 49, United States Code.

[SEC. 2. TABLE OF CONTENTS.

[The table of contents for this Act is as follows:

[Sec. 1. Short title; amendment of title 49.
[Sec. 2. Table of contents.
[TITLE I—REAUTHORIZATIONS; FAA MANAGEMENT
[Sec. 101. Airport improvement program.
[Sec. 102. Airway facilities improvement program.
[Sec. 103. FAA operations.
[Sec. 104. Research, engineering, and development.
[Sec. 105. Other programs.
[Sec. 106. Reorganization of the Air Traffic Services Subcommittee.
[Sec. 107. Clarification of responsibilities of chief operating officer.
[TITLE II—AIRPORT DEVELOPMENT
[Sec. 201. National capacity projects.
[Sec. 202. Categorical exclusions.
[Sec. 203. Alternatives analysis.
[Sec. 204. Increase in apportionment for, and flexibility of, noise compatibility planning programs.
[Sec. 205. Secretary of Transportation to identify airport congestion-relief projects and forecast airport operations annually.
[Sec. 206. Design-build contracting.
[Sec. 207. Special rule for airport in Illinois.
[Sec. 208. Elimination of duplicative requirements.
[Sec. 209. Streamlining the passenger facility fee program.
[Sec. 210. Quarterly status reports.
[Sec. 211. Noise disclosure requirements.
[Sec. 212. Prohibition on requiring airports to provide rent-free space for FAA or TSA.
[Sec. 213. Special rules for fiscal year 2004.
[TITLE III—AIRLINE SERVICE DEVELOPMENT
[Sec. 301. Delay reduction meetings.
[Sec. 302. Reauthorization of essential air service program.
[Sec. 303. Small community air service development pilot program.
[Sec. 304. DOT study of competition and access problems at large and medium hub airports.
[Sec. 305. Competition disclosure requirement for large and medium hub airports.
[Title IV—Aviation Security
[Sec. 401. Study of effectiveness of transportation security system.
[Sec. 402. Aviation security capital fund.
[Sec. 403. Technical amendments related to security-related airport development.
[Title V—Miscellaneous
[Sec. 501. Extension of war risk insurance authority.
[Sec. 502. Cost-sharing of air traffic modernization projects.
[Sec. 503. Counterfeit or fraudulently represented parts violations.
[Sec. 504. Clarifications to procurement authority.

[TITLE I—REAUTHORIZATIONS; FAA MANAGEMENT

[SEC. 101. AIRPORT IMPROVEMENT PROGRAM.

[(a) AUTHORIZATION OF APPROPRIATIONS.—Section 48103 is amended—

[(1) by inserting ''(a) IN GENERAL.—'' before ''The'';

[(2) by striking ''and'' in paragraph (4);

[(3) by striking ''2003.'' in paragraph (5) and inserting ''2003;'';

[(4) by inserting after paragraph (5) the following:

[''(6) $3,400,000,000 for fiscal year 2004;

[''(7) $3,500,000,000 for fiscal year 2005; and

[''(8) $3,600,000,000 for fiscal year 2006.''; and

[(5) by adding at the end the following:

[''(b) ADMINISTRATIVE EXPENSES.—From the amounts authorized by paragraphs (6) through (8) of subsection (a), there shall be available for administrative expenses relating to the airport improvement program, passenger facility fee approval and oversight, national airport system planning, airport standards development and enforcement, airport certification, airport-related environmental activities (including legal service), to remain available until expended—

[''(1) for fiscal year 2004, $69,737,000;

[''(2) for fiscal year 2005, $71,816,000; and

[''(3) for fiscal year 2006, $74,048,000.''.

[(b) OBLIGATIONAL AUTHORITY.—Section 47104(c) is amended by striking ''2003,'' and inserting ''2006,''.

[SEC. 102. AIRWAY FACILITIES IMPROVEMENT PROGRAM.

[Section 48101(a) is amended by adding at the end the following:

[''(6) $2,916,000,000 for fiscal year 2004.

[''(7) $2,971,000,000 for fiscal year 2005.

[''(8) $3,030,000,000 for fiscal year 2006.''.

[SEC. 103. FAA OPERATIONS.

[Section 106(k)(1) is amended—

[(1) by striking ''and'' in subparagraph (C);

[(2) by striking ''2003.'' in subparagraph (D) and inserting ''2003;''; and

[(3) by adding at the end the following:

[''(E) $7,591,000,000 for fiscal year 2004;

[''(F) $7,732,000,000 for fiscal year 2005; and

[''(G) $7,889,000,000 for fiscal year 2006.''.

[SEC. 104. RESEARCH, ENGINEERING AND DEVELOPMENT.

[Section 48102 is amended—

[(1) by striking paragraphs (1) through (8) of subsection (a) and inserting:

[''(1) For fiscal year 2004, $289,000,000.

[''(2) For fiscal year 2005, $204,000,000.

[''(3) For fiscal year 2006, $317,000,000.''; and

[(2) by redesignating subsection (h) as subsection (g).

[SEC. 105. OTHER PROGRAMS.

[Section 106 of the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century is amended—

[(1) by striking ''2003'' in subsection (a)(1)(A) and subsection (c)(2) and inserting ''2006''; and

[(2) by striking ''2003,'' in subsection (a)(2) and inserting ''2006,''.

[SEC. 106. REORGANIZATION OF THE AIR TRAFFIC SERVICES SUBCOMMITTEE.

[(a) IN GENERAL.—Section 106 is amended—

[(1) by redesignating subsections (q) and (r) as subsections (r) and (s), respectively; and

[(2) by inserting after subsection (p) the following:

[''(q) AIR TRAFFIC MANAGEMENT COMMITTEE.—

[''(1) ESTABLISHMENT.—The Secretary of Transportation shall establish an advisory committee which shall be known as the Air Traffic Services Committee (in this subsection referred to as the 'Committee').

[''(2) MEMBERSHIP.—

[''(A) COMPOSITION AND APPOINTMENT.—The Committee shall be composed of—

[''(i) the Administrator of the Federal Aviation Administration, who shall serve as chair; and

[''(ii) 4 members, to be appointed by the Secretary, after consultation with the Committee on Transportation and Infrastructure of the House of Representatives, and the Committee on Commerce, Science, and Transportation of the Senate.

[''(B) NO FEDERAL OFFICER OR EMPLOYEE.—No member appointed under subparagraph (A)(ii) may serve as an officer or employee of the United States Government while serving as a member of the Committee.

[''(C) ELIGIBILITY.—Members appointed under subparagraph (A)(ii) shall—

[''(i) have a fiduciary responsibility to represent the public interest;

[''(ii) be citizens of the United States; and

[''(iii) be appointed without regard to political affiliation and solely on the basis of their professional experience and expertise in one or more of the following areas:

[''(I) Management of large service organizations.

[''(II) Customer service.

[''(III) Management of large procurements.

[''(IV) Information and communications technology.

[''(V) Organizational development.

[''(VI) Labor relations.

At least one of such members should have a background in managing large organizations successfully. In the aggregate, such members should collectively bring to bear expertise in all of the areas described in subclauses (I) through (VI).

[''(D) PROHIBITIONS ON MEMBERS OF COMMITTEE.—No member appointed under subparagraph (A)(ii) may—

[''(i) have a pecuniary interest in, or own stock in or bonds of, an aviation or aeronautical enterprise, except an interest in a diversified mutual fund or an interest that is exempt from the application of section 208 of title 18;

[''(ii) engage in another business related to aviation or aeronautics; or

[''(iii) be a member of any organization that engages, as a substantial part of its activities, in activities to influence aviation-related legislation.

[''(E) CLAIMS AGAINST MEMBERS.—

[''(i) IN GENERAL.—A member appointed under subparagraph (A)(ii) shall have no personal liability under Federal law with respect to any claim arising out of or resulting from an act or omission by such member within the scope of service as a member of the Air Traffic Services Committee.

[''(ii) EFFECT ON OTHER LAW.—This subparagraph shall not be construed—

[''(I) to affect any other immunity or protection that may be available to a member of the Committee under applicable law with respect to such transactions;

[''(II) to affect any other right or remedy against the United States under applicable law; or

[''(III) to limit or alter in any way the immunities that are available under applicable law for Federal officers and employees.

[''(F) ETHICAL CONSIDERATIONS.—

[''(i) FINANCIAL DISCLOSURE.—During the entire period that an individual appointed under subparagraph (A)(ii) is a member of the Committee, such individual shall be treated as serving as an officer or employee referred to in section 101(f) of the Ethics in Government Act of 1978 for purposes of title I of such Act; except that section 101(d) of such Act shall apply without regard to the number of days of service in the position.

[''(ii) RESTRICTIONS ON POST-EMPLOYMENT.—For purposes of section 207(c) of title 18, an individual appointed under subparagraph (A)(ii) shall be treated as an employee referred to in section 207(c)(2)(A)(i) of such title during the entire period the individual is a member of the Committee; except that subsections (c)(2)(B) and (f) of section 207 of such title shall not apply.

[''(G) TERMS FOR AIR TRAFFIC SERVICES COMMITTEE MEMBERS.—A member appointed under subparagraph (A)(ii) shall be appointed for a term of 5 years.

[''(H) REAPPOINTMENT.—An individual may not be appointed under subparagraph (A)(ii) to more than two 5-year terms.

[''(I) VACANCY.—Any vacancy on the Committee shall be filled in the same manner as the original appointment. Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed for the remainder of that term.

[''(J) CONTINUATION IN OFFICE.—A member whose term expires shall continue to serve until the date on which the member's successor takes office.

[''(K) REMOVAL.—Any member appointed under subparagraph (A)(ii) may be removed for cause by the Secretary.

[''(3) GENERAL RESPONSIBILITIES.—

[''(A) OVERSIGHT.—The Committee shall oversee the administration, management, conduct, direction, and supervision of the air traffic control system.

[''(B) CONFIDENTIALITY.—The Committee shall ensure that appropriate confidentiality is maintained in the exercise of its duties.

[''(4) SPECIFIC RESPONSIBILITIES.—The Committee shall have the following specific responsibilities:

[''(A) STRATEGIC PLANS.—To review, approve, and monitor the strategic plan for the air traffic control system, including the establishment of—

[''(i) a mission and objectives;

[''(ii) standards of performance relative to such mission and objectives, including safety, efficiency, and productivity; and

[''(iii) annual and long-range strategic plans.

[''(B) MODERNIZATION AND IMPROVEMENT.—To review and approve—

[''(i) methods to accelerate air traffic control modernization and improvements in aviation safety related to air traffic control; and

[''(ii) procurements of air traffic control equipment in excess of $100,000,000.

[''(C) OPERATIONAL PLANS.—To review the operational functions of the air traffic control system, including—

[''(i) plans for modernization of the air traffic control system;

[''(ii) plans for increasing productivity or implementing cost-saving measures; and

[''(iii) plans for training and education.

[''(D) MANAGEMENT.—To—

[''(i) review and approve the Administrator's appointment of a Chief Operating Officer under section 106(s);

[''(ii) review the Administrator's selection, evaluation, and compensation of senior executives of the Administration who have program management responsibility over significant functions of the air traffic control system;

[''(iii) review and approve the Administrator's plans for any major reorganization of the Administration that would impact on the management of the air traffic control system;

[''(iv) review and approve the Administrator's cost accounting and financial management structure and technologies to help ensure efficient and cost-effective air traffic control operation; and

[''(v) review the performance and compensation of managers responsible for major acquisition projects, including the ability of the managers to meet schedule and budget targets.

[''(E) BUDGET.—To—

[''(i) review and approve the budget request of the Administration related to the air traffic control system prepared by the Administrator;

[''(ii) submit such budget request to the Secretary; and

[''(iii) ensure that the budget request supports the annual and long-range strategic plans.

[''(5) CONGRESSIONAL REVIEW OF PRE-OMB BUDGET REQUEST.—The Secretary shall submit the budget request referred to in paragraph (4)(E)(ii) for any fiscal year to the

President who shall transmit such request, without revision, to the Committees on Transportation and Infrastructure and Appropriations of the House of Representatives and the Committees on Commerce, Science, and Transportation and Appropriations of the Senate, together with the President's annual budget request for the Federal Aviation Administration for such fiscal year.

[''(6) COMMITTEE PERSONNEL MATTERS.—

[''(A) COMPENSATION OF MEMBERS.—Each member of the Committee, other than the chair and vice chair, shall be compensated at a rate of $25,000 per year.

[''(B) STAFF.—The chairperson of the Committee may appoint and terminate any personnel that may be necessary to enable the Committee to perform its duties.

[''(C) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The chairperson of the Committee may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

[''(7) ADMINISTRATIVE MATTERS.—

[''(A) POWERS OF CHAIR.—Except as otherwise provided by a majority vote of the Committee, the powers of the chairperson shall include—

[''(i) establishing subcommittees;

[''(ii) setting meeting places and times;

[''(iii) establishing meeting agendas; and

[''(iv) developing rules for the conduct of business.

[''(B) MEETINGS.—The Committee shall meet at least quarterly and at such other times as the chairperson determines appropriate.

[''(C) QUORUM.—Three members of the Committee shall constitute a quorum. A majority of members present and voting shall be required for the Committee to take action.

[''(D) APPLICATION OF SUBSECTION (p) PROVISIONS.—The following provisions of subsection (p) apply to the Committee to the same extent as they apply to the Management Advisory Council:

[''(i) Paragraph (4)(C) (relating to access to documents and staff).

[''(ii) Paragraph (5) (relating to non-application of Federal Advisory Committee Act).

[''(iii) Paragraph (6)(G) (relating to travel and per diem).

[''(iv) Paragraph (6)(H) (relating to detail of personnel).

[''(8) REPORTS.—

[''(A) ANNUAL.—The Committee shall each year report with respect to the conduct of its responsibilities under this title to the Administrator, the Management Advisory Council, the Committee on Transportation and Infrastructure of the House of Representatives, and the Committee on Commerce, Science, and Transportation of the Senate.

[''(B) COMPTROLLER GENERAL'S REPORT.—Not later than April 30, 2003, the Comptroller General of the United States shall transmit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report on the success of the Committee in improving the performance of the air traffic control system.''.

[(b) CONFORMING AMENDMENTS.—

[(1) Subsection (p) of section 106 is amended—

[(A) by striking ''18'' in paragraph (2) and inserting ''13'';

[(B) by inserting ''and'' after the semicolon in subparagraph (C) of paragraph (2);

[(C) by striking ''Transportation; and'' in subparagraph (D) of paragraph (2) and inserting ''Transportation.'';

[(D) by striking subparagraph (E) of paragraph (2);

[(E) by striking paragraph (3) and inserting the following:

[''(3) NO FEDERAL OFFICER OR EMPLOYEE.—No member appointed under paragraph (2)(C) may serve as an officer or employee of the United States Government while serving as a member of the Council.'';

[(F) by striking subparagraphs (C), (D), (H), and (I) of paragraph (6) and redesignating subparagraphs (E), (F), (G), (J), (K), and (L) as subparagraphs (C), (D), (E), (F), (G), and (H), respectively; and

[(G) by striking paragraphs (7) and (8).

[(2) Section 106(s) (as redesignated by subsection (a) of this section) is amended—

[(A) by striking ''Air Traffic Services Subcommittee of the Aviation Management Advisory Council.'' and inserting ''Air Traffic Services Committee.'' in paragraphs (1)(A) and (2)(A); and

[(B) by striking ''Air Traffic Services Subcommittee of the Aviation Management Advisory Council,'' and inserting ''Air Traffic Services Committee,'' in paragraph (3).

[(3) Section 106 is amended by adding at the end the following:

[''(t) AIR TRAFFIC CONTROL SYSTEM DEFINED.—In this section, the term 'air traffic control system' has the meaning such term has under section 40102(a).''.

[(c) TRANSITION FROM AIR TRAFFIC SERVICE SUBCOMMITTEE TO AIR TRAFFIC SERVICE COMMITTEE.—

[(1) TERMINATION OF MANAGEMENT ADVISORY COUNCIL MEMBERSHIP.—Effective on the day after the date of enactment of this Act, any member of the Management Advisory Council appointed under section 106(p)(2)(E) of title 49, United States Code, (as such section was in effect on the day before such date of enactment) who is a member of the Council on such date of enactment shall cease to be a member of the Council.

[(2) COMMENCEMENT OF MEMBERSHIP ON AIR TRAFFIC SERVICES COMMITTEE.—Effective on the day after the date of enactment of this Act, any member of the Management Advisory Council whose membership is terminated by paragraph (1) shall become a member of the Air Traffic Services Committee as provided by section 106(q)(2)(G) of title 49, United States Code, to serve for the remainder of the term to which that member was appointed to the Council.

[SEC. 107. CLARIFICATION OF RESPONSIBILITIES OF CHIEF OPERATING OFFICER.

[Section 106(s) (as redesignated by section 106(a)(1) of this Act) is amended—

[(1) by striking ''Transportation and Congress'' in paragraph (4) and inserting ''Transportation, the Committee on Transportation and Infrastructure of the House of Representatives, and the Committee on Commerce, Science, and Transportation of the Senate,'';

[(2) by striking ''develop a strategic plan of the Administration for the air traffic control system, including the establishment of—''

in paragraph (5)(A) and inserting ''implement the strategic plan of the Administration for the air traffic control system in order to further—'';

[(3) by striking ''To review the operational functions of the Administration,'' in paragraph (5)(B) and inserting ''To oversee the day-to-day operational functions of the Administration for air traffic control,'';

[(4) by striking ''system prepared by the Administrator;'' in paragraph (5)(C)(i) and inserting ''system;'';

[(5) by striking ''Administrator and the Secretary of Transportation;'' in paragraph (5)(C)(ii) and inserting ''Administrator;''; and

[(6) by striking paragraph (5)(C)(iii) and inserting the following:

[''(iii) ensure that the budget request supports the agency's annual and long-range strategic plans for air traffic control services.''.

[TITLE II—AIRPORT DEVELOPMENT

[SEC. 201. NATIONAL CAPACITY PROJECTS.

[(a) IN GENERAL.—Part B of subtitle VII is amended by adding at the end the following:

[''CHAPTER 477. NATIONAL CAPACITY PROJECTS

[''47701. Capacity enhancement

[''47702. Designation of national capacity projects

[''47703. Expedited coordinated environmental review process; project coordinators and environment impact teams.

[''47704. Compatible land use initiative for national capacity projects

[''47705. Air traffic procedures at national capacity projects

[''47706. Pilot program for environmental review at national capacity projects

[''47707. Definitions

["§ 47701. Capacity enhancement

[''(a) IN GENERAL.—Within 30 days after the date of enactment of the Aviation Investment and Revitalization Vision Act, the Secretary of Transportation shall identify those airports among the 31 airports covered by the Federal Aviation Administration's Airport Capacity Benchmark Report 2001 with delays that significantly affect the national air transportation system.

[''(b) TASK FORCE; CAPACITY ENHANCEMENT STUDY.—

[''(1) IN GENERAL.—The Secretary shall direct any airport identified by the Secretary under subsection (a) that is not engaged in a runway expansion process and has not initiated a capacity enhancement study (or similar capacity assessment) since 1996—

[''(A) to establish a delay reduction task force to study means of increasing capacity at the airport, including air traffic, airline scheduling, and airfield expansion alternatives; or

[''(B) to conduct a capacity enhancement study.

[''(2) SCOPE.—The scope of the study shall be determined by the airport and the Federal Aviation Administration, and where appropriate shall consider regional capacity solutions.

[''(3) RECOMMENDATIONS SUBMITTED TO SECRETARY.—

[''(A) TASK FORCE.—A task force established under this subsection shall submit a report containing its findings and conclusions, together with any recommendations for capacity enhancement at the airport, to the Secretary within 9 months after the task force is established.

[''(B) CES.—A capacity enhancement study conducted under this subsection shall be submitted, together with its findings and conclusions, to the Secretary as soon as the study is completed.

[''(c) RUNWAY EXPANSION AND RECONFIGURATION.—If the report or study submitted under subsection (b)(3) includes a recommendation for the construction or reconfiguration of runways at the airport, then the Secretary and the airport shall complete the planning and environmental review process within 5 years after report or study is submitted to the Secretary. The Secretary may extend the 5-year deadline under this subsection for up to 1 year if the Secretary determines that such an extension is necessary and in the public interest. The Secretary shall notify the Senate Committee on Commerce, Science, and Transportation, and to the House of Representatives Committee on Transportation and Infrastructure of any such extension.

[''(d) AIRPORTS THAT DECLINE TO UNDERTAKE EXPANSION PROJECTS.—

[''(1) IN GENERAL.—If an airport at which the construction or reconfiguration of runways is recommended does not take action to initiate a planning and environmental assessment process for the construction or reconfiguration of those runways within 30 days after the date on which the report or study is submitted to the Secretary, then—

[''(A) the airport shall be ineligible for planning and other expansion funds under subchapter I of chapter 471, notwithstanding any provision of that subchapter to the contrary;

[''(B) no passenger facility fee may be approved at that airport during the 5-year period beginning 30 days after the date on which the report or study is submitted to the Secretary, for—

[''(i) projects that, but for subparagraph (A), could have been funded under chapter 471; or

[''(ii) any project other than on-airport airfield-side capacity or safety-related projects.

[''(2) SAFETY-RELATED AND ENVIRONMENTAL PROJECTS EXCEPTED.—Paragraph (1) does not apply to the use of funds for safety-related, security, or environment projects.

[''(e) AIRPORTS THAT TAKE ACTION.—The Secretary shall take all actions possible to expedite funding and provide options for funding to any airport undertaking runway construction or reconfiguration projects in response to recommendations by its task force.

["§ 47702. Designation of national capacity projects

[''(a) IN GENERAL.—In response to a petition from an airport sponsor, or in the case of an airport on the list of airports covered by the Federal Aviation Administration's Airport Capacity Benchmarks study, the Secretary of Transportation may designate an airport development project as a national capacity project if the Secretary determines that the project to be designated will significantly enhance the capacity of the national air transportation system.

[''(b) DESIGNATION TO REMAIN IN EFFECT FOR 5 YEARS.—The designation of a project as a national capacity project under paragraph (1) shall remain in effect for 5 years. The Secretary may extend the 5-year period for up to 2 additional years upon request if the Secretary finds that substantial progress is being made toward completion of the project.

["§ 47703. Expedited coordinated environmental review process; project coordinators and environment impact teams.

[''(a) IN GENERAL.—The Secretary of Transportation shall implement an expedited coordinated environmental review process for national capacity projects that—

[''(1) provides for better coordination among the Federal, regional, State, and local agencies concerned with the preparation of environmental impact statements or environmental assessments under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

[''(2) provides for an expedited and coordinated process in the conduct of environmental reviews that ensures that, where appropriate, the reviews are done concurrently and not consecutively; and

[''(3) provides for a date certain for completing all environmental reviews.

[''(b) HIGH PRIORITY FOR AIRPORT ENVIRONMENTAL REVIEWS.—Each department and agency of the United States Government with jurisdiction over environmental reviews shall accord any such review involving a national capacity project the highest possible priority and conduct the review expeditiously. If the Secretary finds that any such department or agency is not complying with the requirements of this subsection, the Secretary shall notify the Senate Committee on Commerce, Science, and Transportation, and to the House of Representatives Committee on Transportation and Infrastructure immediately.

[''(c) PROJECT COORDINATORS; EIS TEAMS.—

[''(1) DESIGNATION.—For each project designated by the Secretary as a national capacity project under subsection (a) for which an environmental impact statement or environmental assessment must be filed, the Secretary shall—

[''(A) designate a project coordinator within the Department of Transportation; and

[''(B) establish an environmental impact team within the Department.

[''(2) FUNCTION.—The project coordinator and the environmental impact team shall—

[''(A) coordinate the activities of all Federal, State, and local agencies involved in the project;

[''(B) to the extent possible, working with Federal, State and local officials, reduce and eliminate duplicative and overlapping Federal, State, and local permit requirements;

[''(C) to the extent possible, eliminate duplicate Federal, State, and local environmental review procedures; and

[''(D) provide direction for compliance with all applicable Federal, State, and local environmental requirements for the project.

["§ 47704. Compatible land use initiative for national capacity projects

[''(a) IN GENERAL.—The Secretary of Transportation may make grants under chapter 471 to States and units of local government for land use compatibility plans directly related to national capacity projects for the purposes of making the use of land areas around the airport compatible with aircraft operations if the land use plan or project meets the requirements of this section.

[''(b) CONDITIONS.—A land use plan or project meets the requirements of this section if it—

[''(1) is sponsored by the public agency that has the authority to plan and adopt land use control measures, including zoning, in the planning area in and around the airport and that agency provides written assurances to the Secretary that it will work with the affected airport to identify and adopt such measures; eddie

[''(2) does not duplicate, and is not inconsistent with, an airport noise compatibility program prepared by an airport owner or operator under chapter 475 or with other planning carried out by the airport.

[''(3) is subject to an agreement between the public agency sponsor and the airport owner or operator that the development of the land use compatibility plan will be done cooperatively;

[''(4) is consistent with the airport operation and planning, including the use of any noise exposure contours on which the land use compatibility planning or project is based; and

[''(5) has been approved jointly by the airport owner or operator and the public agency sponsor.

[''(c) ASSURANCES FROM SPONSORS.— The Secretary may require the airport sponsor, public agency, or other entity to which a grant may be awarded under this section to provide such additional assurances, progress reports, and other information as the Secretary determines to be necessary to carry out this section.

["§ 47705. Air traffic procedures at national capacity projects

[''(a) IN GENERAL.—The Secretary of Transportation may consider prescribing flight procedures to avoid or minimize potentially significant adverse noise impacts of the project during the environmental planning process for a national capacity project that involves the construction of new runways or the reconfiguration of existing runways. If the Secretary determines that noise mitigation flight procedures are consistent with safe and efficient use of the navigable airspace, then, at the request of the airport sponsor, the Administrator may, in a manner consistent with applicable Federal law, commit to prescribing such procedures in any record of decision approving the project.

[''(b) MODIFICATION.—Notwithstanding any commitment by the Secretary under subsection (a), the Secretary may initiate changes to such procedures if necessary to maintain safety and efficiency in light of new information or changed circumstances.

["§ 47706. Pilot program for environmental review at national capacity projects

[''(a) IN GENERAL.—The Secretary of Transportation shall initiate a 5-year pilot program funded by airport sponsors—

[''(1) to hire additional fulltime-equivalent environmental specialists and attorneys, or

[''(2) to obtain the services of such specialists and attorneys from outside the United States Government, to assist in the provision of an appropriate nationwide level of staffing for planning and environmental review of runway development projects for national capacity projects at the Federal Aviation Administration.

[''(b) ELIGIBLE PARTICIPANTS.—Participation in the pilot program shall be available, on a voluntary basis, to airports with an annual passenger enplanement of not less than 3 million passengers. The Secretary shall specify the minimum contribution necessary to qualify for participation in the pilot program, which shall be not less than the amount necessary to compensate the Department of Transportation for the expense of a fulltime equivalent environmental specialist and attorney qualified at the GS-14 equivalent level.

[''(c) RETENTION OF REVENUES.—The salaries and expenses account of the Federal Aviation Administration shall retain as an offsetting collection such sums as may be necessary from such proceeds for the costs of developing and implementing the program required by subsection (a). Such offsetting collections shall be available for obligation subject to the terms and conditions of the receiving appropriations account, and shall be deposited in such accounts on a quarterly basis. Such offsetting collections are authorized to remain available until expended for such purpose.

["§ 47707. Definitions

[''In this chapter:

[''(1) NATIONAL CAPACITY PROJECT.—The term 'national capacity project' means a project designated by the Secretary under section 44702.

[''(2) OTHER TERMS.—The definitions in section 47102 apply to any terms used in this chapter that are defined in that section.''.

[(b) ADDITIONAL STAFF AUTHORIZED.—The Secretary of Transportation is authorized to hire additional environmental specialists and attorneys needed to process environmental impact statements in connection with airport construction projects and to serve as project coordinators and environmental impact team members under section 47703 of title 49, United States Code.

[(c) CLERICAL AMENDMENT.—The analysis for subtitle VII is amended by inserting after the item relating to section 475 the following:

[''477. National capacity projects ..... 47701''.

[SEC. 202. CATEGORICAL EXCLUSIONS.

[Not later than 30 days after the date of enactment of this Act, the Secretary of

Transportation shall report to the Senate Committee on Commerce, Science, and Transportation on the categorical exclusions currently recognized and provide a list of proposed additional categorical exclusions from the requirement that an environmental assessment or an environmental impact statement be prepared under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) for projects at airports. In determining the list of additional proposed categorical exclusions, the Secretary shall include such other projects as the Secretary determines should be categorically excluded in order to ensure that Department of Transportation environmental staff resources are not diverted to lower priority tasks and are available to expedite the environmental reviews of airport capacity enhancement projects at congested airports.

[SEC. 203. ALTERNATIVES ANALYSIS.

[(a) NOTICE REQUIREMENT.—Not later than 30 days after the date on which the Secretary of Transportation identifies an airport capacity enhancement project at a congested airport under section 47171(c) of title 49, United States Code, the Secretary shall publish a notice in the Federal Register requesting comments on whether reasonable alternatives exist to the project.

[(b) CERTAIN REASONABLE ALTERNATIVES DEFINED.—For purposes of this section, an alternative shall be considered reasonable if—

[(1) the alternative does not create an unreasonable burden on interstate commerce, the national aviation system, or the navigable airspace;

[(2) the alternative is not inconsistent with maintaining the safe and efficient use of the navigable airspace;

[(3) the alternative does not conflict with a law or regulation of the United States;

[(4) the alternative would result in at least the same reduction in congestion at the airport or in the national aviation system as the proposed project; and

[(5) in any case in which the alternative is a proposed construction project at an airport other than a congested airport, firm commitments to provide such alternate airport capacity exists, and the Secretary determines that such alternate airport capacity will be available no later than 4 years after the date of the Secretary's determination under this section.

[(c) COMMENT PERIOD.—The Secretary shall provide a period of 60 days for comments on a project identified by the Secretary under this section after the date of publication of notice with respect to the project.

[(d) DETERMINATION OF EXISTENCE OF REASONABLE ALTERNATIVES.—Not later than 90 days after the last day of a comment period established under subsection (c) for a project, the Secretary shall determine whether reasonable alternatives exist to the project. The determination shall be binding on all persons, including Federal and State agencies, acting under or applying Federal laws when considering the availability of alternatives to the project.

[(e) LIMITATION ON APPLICABILITY.—This section does not apply to—

[(1) any alternatives analysis required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et. seq.); or

[(2) a project at an airport if the airport sponsor requests, in writing, to the Secretary that this section not apply to the project.

[SEC. 204. INCREASE IN APPORTIONMENT FOR, AND FLEXIBILITY OF, NOISE COMPATIBILITY PLANNING PROGRAMS.

[Section 47117(e)(1)(A) is amended—

[(1) by striking the first sentence and inserting: ''At least 35 percent for grants for airport noise compatibility planning under section 47505(a)(2) for a national capacity project, for carrying out noise compatibility programs under section 47504(c) of this title, and for noise mitigation projects approved in an environmental record of decision for an airport development project designated as a national capacity project under section 47702.''; and

[(2) by striking ''or not such 34 percent requirement'' in the second sentence and inserting ''the funding level required by the preceding sentence''.

[SEC. 205. SECRETARY OF TRANSPORTATION TO IDENTIFY AIRPORT CONGESTION-RELIEF PROJECTS AND FORECAST AIRPORT OPERATIONS ANNUALLY.

[(a) IDENTIFICATION OF PROJECTS.—

[(1) IN GENERAL.—Within 90 days after the date of enactment of this Act, the Secretary of Transportation shall provide—

[(A) a list of planned air traffic and airport-capacity projects at congested Airport Capacity Benchmark airports the completion of which will substantially relieve congestion at those airports; and

[(B) a list of options for expanding capacity at the 8 airports on the list at which the most severe delays are occurring, to the Senate Committee on Commerce, Science, and Transportation, and to the House of Representatives Committee on Transportation and Infrastructure. The Secretary shall provide updated lists to those Committees 2 years after the date of enactment of this Act.

[(2) DELISTING OF PROJECTS.—The Secretary shall remove a project from the list provided to the Committees under paragraph (1) upon the request, in writing, of an airport operator if the operator states in the request that construction of the project will not be completed within 10 years from the date of the request.

[SEC. 206. DESIGN-BUILD CONTRACTING.

[(a) IN GENERAL.—Subchapter I of chapter 471 is amended by adding at the end the following:

[''§ 47138. Design-build contracting

[''(a) IN GENERAL.—The Administrator may approve an application of an airport sponsor under this section to authorize the airport sponsor to award a design-build contract using a selection process permitted under applicable State or local law if—

[''(1) the Administrator approves the application using criteria established by the Administrator;

[''(2) the design-build contract is in a form that is approved by the Administrator;

[''(3) the Administrator is satisfied that the contract will be executed pursuant to competitive procedures and contains a schematic design adequate for the Administrator to approve the grant;

[''(4) use of a design-build contract will be cost effective and expedite the project;

[''(5) the Administrator is satisfied that there will be no conflict of interest; and

[''(6) the Administrator is satisfied that the selection process will be as open, fair, and objective as the competitive bid system and that at least three or more bids will be submitted for each project under the selection process.

[''(b) REIMBURSEMENT OF COSTS.—The Administrator may reimburse an airport sponsor for design and construction costs incurred before a grant is made pursuant to this section if the project is approved by the Administrator in advance and is carried out in accordance with all administrative and statutory requirements that would have been applicable under this chapter 471, if the project were carried out after a grant agreement had been executed.

[''(c) DESIGN-BUILD CONTRACT DEFINED.—In this section, the term 'design-build contract' means an agreement that provides for both design and construction of a project by a contractor.''.

[(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 471 is amended by inserting after the item relating to section 47137 the following:

[''47138. Design-build contracting.''.

[SEC. 207. SPECIAL RULE FOR AIRPORT IN ILLINOIS.

[(a) IN GENERAL.—Nothing in this title shall be construed to preclude the application of any provision of this Act to the State of Illinois or any other sponsor of a new airport proposed to be constructed in the State of Illinois.

[(b) AUTHORITY OF THE GOVERNOR.—Nothing in this title shall be construed to preempt the authority of the Governor of the State of Illinois as of August 1, 2001, to approve or disapprove airport development projects.

[SEC. 208. ELIMINATION OF DUPLICATIVE REQUIREMENTS.

[(a) IN GENERAL.—Section 47106(c)(1) is amended—

[(1) by inserting ''and'' after ''project;'' in subparagraph (A)(ii);

[(2) by striking subparagraph (B); and

[(3) by redesignating subparagraph (C) as subparagraph (B).

[(b) CONFORMING AMENDMENTS.—Section 47106(c) of such title is amended—

[(1) by striking paragraph (4);

[(2) by redesignating paragraph (5) as paragraph (4); and

[(3) by striking ''(1)(C)'' in paragraph (4), as redesignated, and inserting ''(1)(B)''.

[SEC. 209. STREAMLINING THE PASSENGER FACILITY FEE PROGRAM.

[Section 40117 is amended—

[(1) by striking from ''finds—'' in paragraph (4) of subsection (b) through the end of that paragraph and inserting ''finds that the project cannot be paid for from funds reasonably expected to be available for the programs referred to in section 48103.'';

[(2) by adding at the end of subsection (c)(2) the following:

[''(E) The agency will include in its application or notice submitted under subsection (1) copies of all certifications of agreement or disagreement received under subparagraph (D).

[''(F) For the purpose of this section, an eligible agency providing notice and consultation to an air carrier and foreign air carrier is deemed to have satisfied this requirement if it limits such notices and consultations to air carriers and foreign air carriers that have a significant business interest on the airport. In developing regulations to implement this provision, the Secretary shall consider a significant business interest to be defined as an air carrier or foreign air carrier that has no less than 1.0 percent of boardings at the airport in the prior calendar year, except that no air carrier or foreign air carrier may be considered excluded under this section if it has at least 25,000 boardings at the airport in the prior calendar year, or if it operates scheduled service, without regard to such percentage requirements.'';

[(3) by redesignating paragraph (3) of subsection (c) as paragraph (4) and inserting after paragraph (2) the following:

[''(3) Before submitting an application, the eligible agency must provide reasonable notice and an opportunity for public comment. The Secretary shall prescribe regulations that define reasonable notice and provide for at least—

[''(A) a requirement that the eligible agency provide public notice of intent to collect a passenger facility fee so as to inform those interested persons and agencies who may be affected, including—

[''(i) publication in local newspapers of general circulation;

[''(ii) publication in other local media; and

[''(iii) posting the notice on the agency's website;

[''(B) a requirement for submission of public comments no sooner than 30 days after publishing of the notice and not later than 45 days after publication; and

[''(C) a requirement that the agency include in its application or notice submitted under paragraph (1) copies of all comments received under subparagraph (B).'';

[(4) by striking ''shall'' in the first sentence of paragraph (4), as redesignated, of subsection (c) and inserting ''may''; and

[(5) by adding at the end the following:

[''(1) PILOT PROGRAM FOR PASSENGER FACILITY FEE AUTHORIZATIONS AT SMALL AIRPORTS.—

[''(1) There is established a pilot program for the Secretary to test alternative procedures for authorizing small airports to impose passenger facility fees. An eligible agency may impose a passenger facility fee at a non-hub airport (as defined in section 47102 of this title) that it controls for use on eligible airport-related projects at that airport, in accordance with the provisions of this subsection. These procedures shall be in lieu of the procedures otherwise specified in this section.

[''(2) The eligible agency must provide reasonable notice and an opportunity for consultation to air carriers and foreign air carriers in accordance with subsection (c)(2), and must provide reasonable notice and opportunity for public comment in accordance with subsection (c)(3).

[''(3) The eligible agency must submit to the Secretary a notice of intention to impose a passenger facility fee, which notice shall include—

[''(A) information that the Secretary may require by regulation on each project for which authority to impose a passenger facility charge is sought;

[''(B) the amount of revenue from passenger facility charges that is proposed to be collected for each project; and

[''(C) the level of the passenger facility charge that is proposed.

[''(4) The Secretary shall acknowledge receipt of the notice and indicate any objection to the imposition of a passenger facility fee for any project identified in the notice within 30 days after receipt of the eligible agency's notice.

[''(5) Unless the Secretary objects within 30 days after receipt of the eligible agency's notice, the eligible agency is authorized to impose a passenger facility fee in accordance with the terms of its notice.

[''(6) Not later than 180 days after the date of enactment of this subsection, the Secretary shall propose such regulations as may be necessary to carry out this subsection.

[''(7) The authority granted under this subsection shall expire three years after the issuance of the regulation required by paragraph (6).

[''(8) An acknowledgement issued under paragraph (4) shall not be considered an order of the Secretary issued under section 46110 of this title.''.

[SEC. 210. QUARTERLY STATUS REPORTS.

[Beginning with the second calendar quarter ending after the date of enactment of this Act, the Secretary of Transportation shall provide quarterly status reports to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the status of construction of each major runway project undertaken at the largest 40 commercial airports in terms of annual enplanements.

[SEC. 211. NOISE DISCLOSURE REQUIREMENTS.

[(a) DEFINITIONS.—Section 47501 is amended by adding at the end—

[''(3) 'Federal agency' means any department, agency, corporation, or other establishment or instrumentality of the executive branch of the Federal Government, and includes the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

[''(4) 'Federal entity for lending regulation' means the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Office of Thrift Supervision, the National Credit Union Administration, and the Farm Credit Administration, and with respect to a particular regulated lending institution means the entity primarily responsible for the supervision of the institution.

[''(5) 'Federal agency lender' means a Federal agency that makes direct loans secured by improved real estate or a mobile home, to the extent such agency acts in such capacity.

[''(6) 'residential real estate' means real estate upon which a residential dwelling is located.

[''(7) 'noise exposure map' means a noise exposure map that complies with section 47503 of this title and part 150 of title 14, Code of Federal Regulations.

[''(8) 'regulated lending institution' means any bank, savings and loan association, credit union, farm credit bank, Federal land bank association, production credit association, or similar institution subject to the supervision of a Federal entity for lending regulation.''.

[(b) NOISE EXPOSURE MAPS.—Section 47503(b) is amended to read as follows:

[''(b) REVISED MAPS.—If, in an area surrounding an airport, a change in the operation of the airport would establish a substantial new noncompatible use, or would significantly reduce noise over existing noncompatible uses, beyond the forecast year, the airport operator shall submit a revised noise exposure map to the Secretary showing the new noncompatible use or noise reduction.''.

[(c) NOTIFICATION OF NOISE EXPOSURE.—Chapter 457 is amended by adding at the end the following:

["§ 47511. Notification of noise exposure

[''(a) NOISE EXPOSURE MAP.—An airport operator shall make available to lending institutions, upon request, the most recent noise exposure map submitted under section 47503 of this title.

[''(b) LIST OF AIRPORTS.—The Secretary shall maintain a list of airports for which the airport operators have submitted a noise exposure map under section 47503 of this title.

[''(c) REGULATED LENDING INSTITUTIONS.—Each Federal entity for lending regulation (after consultation and coordination with the Federal Financial Institutions Examination Council) shall direct by regulation that a regulated lending institution may not make, increase, extend or renew any loan secured by residential real estate or a mobile home that is located or to be located in the vicinity of an airport on the Secretary's list described in subsection (b), unless the loan applicant's purchase agreement for the residential real estate or mobile home provides notice to the purchaser (or satisfactory assurances are provided that the seller has provided written notice to the purchaser prior to the purchaser's signing of the purchase agreement) that the property is within the area of the noise contours on a noise exposure map submitted under section 47503 of this chapter. The notice to the purchaser shall be acknowledged by the purchaser's signing of the purchase agreement or other notification document and the regulated lending institution shall retain a record of the receipt of the notice by the purchaser.

[''(d) FEDERAL AGENCY LENDERS.—Each Federal agency lender shall by regulation require notification in the manner provided in subsection (c) with respect to any loan that is made by the Federal agency lender and secured by residential real estate or a mobile home located or to be located in the vicinity of an airport on the Secretary's list described in subsection (b).

[''(e) CONTENTS OF NOTICE.—The notice required under this section shall disclose—

[''(1) that the property is located within the noise contours depicted on the most recent noise exposure map submitted by the airport operator according to section 47503 of this chapter, and is subject to aircraft noise exposure; and

[''(2) the name and telephone number of the airport where the purchaser may obtain more information on the aircraft noise exposure.''.

[SEC. 212. PROHIBITION ON REQUIRING AIRPORTS TO PROVIDE RENT-FREE SPACE FOR FAA OR TSA.

[(a) IN GENERAL.—Chapter 401 is amended by adding at the end the following:

["§ 40129. Prohibition on rent-free space requirements for FAA or TSA

[''(a) IN GENERAL.—Neither the Secretary of Transportation nor the Secretary of Homeland Security may require airport sponsors to provide building construction, maintenance, utilities and expenses, or space in airport sponsor-owned buildings to the Federal Aviation Administration or the Transportation Security Administration without cost for services relating to air traffic control, air navigation, aviation security, or weather reporting.

[''(b) NEGOTIATED AGREEMENTS.—Subsection (a) does not prohibit—

[''(1) the negotiation of agreements between either Secretary and an airport sponsor to provide building construction, maintenance, utilities and expenses, or space in airport sponsor-owned buildings to the Federal Aviation Administration or the Transportation Security Administration without cost or at below-market rates; or

[''(2) either Secretary from requiring airport sponsors to provide land without cost to the Federal Aviation Administration for air traffic control facilities or space without cost to the Transportation Security Administration for necessary security checkpoints.''.

[(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 401 is amended by adding at the end the following:

[''40129. Prohibition on rent-free space requirements for FAA or TSA.''.

[SEC. 213. SPECIAL RULES FOR FISCAL YEAR 2004.

[(a) APPORTIONMENT TO CERTAIN AIRPORTS WITH DECLINING BOARDINGS.—

[(1) IN GENERAL.—For fiscal year 2004, the Secretary of Transportation may apportion funds under section 47114 of title 49, United States Code, to the sponsor of an airport described in paragraph (2) in an amount equal to the amount apportioned to that airport under that section for fiscal year 2002, notwithstanding any provision of section 47114 to the contrary.

[(2) AIRPORTS TO WHICH PARAGRAPH (1) APPLIES.—Paragraph (1) applies to any airport determined by the Secretary to have had—

[(A) less than one-half of 1 percent of the total United States passenger boardings (as defined in section 47102(10) of title 49, United States Code) for the calendar year used for

determining apportionments under section 47114 for fiscal year 2004;

[(B) less than 10,000 passenger boardings in calendar year 2002; and

[(C) 10,000 or more passenger boardings in calendar year 2000.

[(b) TEMPORARY INCREASE IN GOVERNMENT SHARE OF AIP PROJECT COSTS AT CERTAIN AIRPORTS.—Notwithstanding section 47109(a)(3) of title 49, United States Code, the Government's share of allowable project costs for a grant made in fiscal year 2004 under chapter 471 of that title to an airport described in that section shall be 95 percent.

[TITLE III—AIRLINE SERVICE DEVELOPMENT

[SEC. 301. DELAY REDUCTION MEETINGS.

[(a) IN GENERAL.—Subchapter I of chapter 417 is amended by adding at the end the following new section:

["§ 41723. Delay reduction actions

[''(a) DELAY REDUCTION MEETINGS.—

[''(1) SCHEDULING REDUCTION MEETINGS.—The Secretary of Transportation may request that air carriers meet with the Administrator of the Federal Aviation Administration to discuss flight reductions at severely congested airports to reduce overscheduling and flight delays during hours of peak operation if—

[''(A) the Administrator of the Federal Aviation Administration determines that it is necessary to convene such a meeting; and

[''(B) the Secretary determines that the meeting is necessary to meet a serious transportation need or achieve an important public benefit.

[''(2) MEETING CONDITIONS.—Any meeting under paragraph (1)—

[''(A) shall be chaired by the Administrator;

[''(B) shall be open to all scheduled air carriers; and

[''(C) shall be limited to discussions involving the airports and time periods described in the Administrator's determination.

[''(3) FLIGHT REDUCTION TARGETS.—Before any such meeting is held, the Administrator shall establish flight reduction targets for the meeting and notify the attending air carriers of those targets not less than 48 hours before the meeting.

[''(4) DELAY REDUCTION OFFERS.—An air carrier attending the meeting shall make any delay reduction offer to the Administrator rather than to another carrier.

[''(5) TRANSCRIPT.—The Administrator shall ensure that a transcript of the meeting is kept and made available to the public not later than 3 business days after the conclusion of the meeting.

[''(b) STORMY WEATHER AGREEMENTS LIMITED EXEMPTION.—

[''(1) IN GENERAL.—The Secretary may establish a program to authorize by order discussions and agreements between 2 or more air carriers for the purpose of reducing flight delays during periods of inclement weather.

[''(2) REQUIREMENTS.—An authorization issued under paragraph (1)—

[''(A) may only be issued by the Secretary after a determination by the Federal Aviation Administration that inclement weather is likely to adversely and directly affect capacity at an airport for a period of at least 3 hours;

[''(B) shall apply only to discussions and agreements concerning flights directly affected by the inclement weather; and

[''(C) shall remain in effect for a period of 24 hours.

[''(3) PROCEDURE.—The Secretary shall establish procedures within 30 days after such date of enactment for—

[''(A) filing requests for an authorization under paragraph (1);

[''(B) participation under paragraph (5) by representatives of the Department of Transportation in any meetings or discussions held pursuant to such an order; and

[''(C) the determination by the Federal Aviation Administration about the impact of inclement weather.

[''(4) COPY OF PARTICIPATION REQUEST FILED WITH SECRETARY.—Before an air carrier may request an order under paragraph (1), it shall file a request with the Secretary, in such form and manner as the Secretary may prescribe, to participate in the program established under paragraph (1).

[''(5) DOT PARTICIPATION.—The Secretary shall ensure that the Department is represented at any meetings authorized under this subsection.

[''(c) EXEMPTION AUTHORIZED.—When the Secretary finds that it is required by the public interest, the Secretary, as part of an order issued under subsection (b)(1), shall exempt a person affected by the order from the antitrust laws to the extent necessary to allow the person to proceed with the activities approved in the order.

[''(d) ANTITRUST LAWS DEFINED.—In this section, the term 'antitrust laws' has the meaning given that term in the first section of the Clayton Act (15 U.S.C. 12).

[''(e) SUNSET.—The authority of the Secretary to issue an order under subsection (b)(1) of this section expires at the end of the 2-year period that begins 45 days after the date of enactment of the Aviation Investment and Revitalization Vision Act. The Secretary may extend the 2-year Period for an additional 2 years if the Secretary determines that such an extension is necessary and in the public interest. The Secretary shall notify the Senate Committee on Commerce, Science, and Transportation, and to the House of Representatives Committee on Transportation and Infrastructure of any such extension.''.

[(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 417 is amended by inserting after the item relating to section 41722 the following new item:

[''41723. Delay reduction actions.''.

[SEC. 302. REAUTHORIZATION OF ESSENTIAL AIR SERVICE PROGRAM.

[There are authorized to be appropriated to the Secretary of Transportation to carry out the essential air service program under subchapter II of chapter 417 of title 49, United States Code, $113,000,000 for each of the fiscal years 2004, 2005, and 2006.

[SEC. 303. SMALL COMMUNITY AIR SERVICE DEVELOPMENT PILOT PROGRAM.

[(a) 3-YEAR EXTENSION.—Section 41743(e)(2) of title 49, United States Code, is amended—

[(1) by striking ''There is'' and inserting ''There are'';

[(2) by striking ''2001 and'' and inserting ''2001,''; and

[(3) by striking ''2003'' and inserting ''2003, and $27,500,000 for the 3 fiscal year period beginning with fiscal year 2004.''.

[(b) ADDITIONAL COMMUNITIES.—Section 41743(c)(4) of such title is amended by striking ''program.'' and inserting''program each year. No community, consortia of communities, or combination thereof may participate in the program twice.''.

[SEC. 304. DOT STUDY OF COMPETITION AND ACCESS PROBLEMS AT LARGE AND MEDIUM HUB AIRPORTS.

[(a) IN GENERAL.—The Secretary of Transportation shall study competition and airline access problems at hub airports (as defined in section 41731(a)(3)) of title 49, United States Code, and medium hub airports (as defined in section 41714(h)(9) of that title). In the study, the Secretary shall examine, among other matters—

[(1) gate usage and availability; and

[(2) the effects of the pricing of gates and other facilities on competition and access.

[(b) REPORT.—The Secretary shall transmit a report of the Secretary's findings and conclusions together with any recommendations, including legislative recommendations, the Secretary may have for improving competition and airline access at such airports to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure within 6 months after the date of enactment of this Act.

[SEC. 305. COMPETITION DISCLOSURE REQUIREMENT FOR LARGE AND MEDIUM HUB AIRPORTS.

[Section 47107 is amended by adding at the end the following:

[''(q) COMPETITION DISCLOSURE REQUIREMENT.—

[''(1) IN GENERAL.—The Secretary of Transportation may approve an application under this subchapter for an airport development project grant for a hub airport or a medium hub airport only if the Secretary receives assurances that the airport sponsor will provide the information required by paragraph (2) at such time and in such form as the Secretary may require.

[''(2) COMPETITIVE ACCESS.—If an airport denies an application by an air carrier to receive access to gates or other facilities at that airport in order to provide service to the airport or to expand service at the airport, then, within 30 days after denying the request, the airport sponsor shall—

[''(A) notify the Secretary of the denial; and

[''(B) transmit a report to the Secretary that—

[''(i) describes the request;

[''(ii) explains the reasons for the denial; and

[''(iii) provides a time frame within which, if any, the airport will be able to accommodate the request.

[''(3) DEFINITIONS.—In this subsection:

[''(A) HUB AIRPORT.—The term 'hub airport' has the meaning given that term by section 41731(a)(3).

[''(B) MEDIUM HUB AIRPORT.—The term 'medium hub airport' has the meaning given that term by section 41714(h)(9).''.

[TITLE IV—AVIATION SECURITY

[SEC. 401. STUDY OF EFFECTIVENESS OF TRANSPORTATION SECURITY SYSTEM.

[(a) IN GENERAL.—The Secretary of Homeland Security shall study the effectiveness of the aviation security system, including the air marshal program, hardening of cockpit doors, and security screening of passengers, checked baggage, and cargo.

[(b) REPORT.—The Secretary shall transmit a report of the Secretary's findings and conclusions together with any recommendations, including legislative recommendations, the Secretary may have for improving the effectiveness of aviation security to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure within 6 months after the date of enactment of this Act. In the report the Secretary shall also describe any redeployment of Transportation Security Administration resources based on those findings and conclusions. The Secretary may submit the report to the Committees in classified and redacted form.

[SEC. 402. AVIATION SECURITY CAPITAL FUND.

[(a) IN GENERAL.—There is established within the Department of Transportation a fund to be known as the Aviation Security Capital Fund. There are appropriated to the Fund to $500,000,000 for each of the fiscal years 2004 through 2007, such amounts to be

derived from fees received under section 44940 of title 49, United States Code. Amounts in the fund shall be allocated in such a manner that—

[(1) 40 percent shall be made available for hub airports;

[(2) 20 percent shall be made available for medium hub airports;

[(3) 15 percent shall be made available for small hub airports and non-hub airports; and

[(4) 25 percent may be distributed at the Secretary's discretion.

[(b) PURPOSE.—Amounts in the Fund shall be available to the Secretary of Transportation, after consultation with the Under Secretary of Homeland Security for Border and Transportation Security to provide financial assistance to airport sponsors to defray capital investment in transportation security at airport facilities in accordance with the provisions of this section. The program shall be administered in concert with the airport improvement program under chapter 417 of title 49, United States Code.

[(c) APPORTIONMENT.—Amounts made available under subsection (a)(1), (a)(2), or (a)(3) shall be apportioned among the airports in each category in accordance with a formula based on the ratio that passenger emplanements at each airport in the category bears to the total passenger emplanements at all airports in the that category.

[(d) MATCHING REQUIREMENTS.—

[(1) IN GENERAL.—Not less than the following percentage of the costs of any project funded under this section shall be derived from non-Federal sources:

[(A) For hub airports and medium hub airports, 25 percent.

[(B) For airports other than hub airports and medium hub airports, 10 percent.

[(2) USE OF BOND PROCEEDS.—In determining the amount of non-Federal sources of funds, the proceeds of State and local bond issues shall not be considered to be derived, directly or indirectly, from Federal sources without regard to the Federal income tax treatment of interest and principal of such bonds.

[(e) LETTERS OF INTENT.—The Secretary of Transportation, or his delegate, may execute letters of intent to commit funding to airport sponsors from the Fund.

[(f) CONFORMING AMENDMENT.—Section 44940(a)(1) of title 49, United States Code, is amended by adding at the end the following:

[''(H) The costs of security-related capital improvements at airports.''.

[(g) DEFINITIONS.—Any term used in this section that is defined or used in chapter 417 of title 49 United States Code has the meaning given that term in that chapter.

[SEC. 403. TECHNICAL AMENDMENTS RELATED TO SECURITY-RELATED AIRPORT DEVELOPMENT.

[(a) DEFINITION OF AIRPORT DEVELOPMENT.—Section 47102(3)(B) is amended—

[(1) by inserting ''and'' after the semicolon in clause (viii);

[(2) by striking ''circular; and'' in clause (ix) and inserting ''circular.''; and

[(3) by striking clause (x).

[(b) IMPROVEMENT OF FACILITIES AND EQUIPMENT.—Section 301(a) of the Federal Aviation Reauthorization Act of 1996 (49 U.S.C. 44901 note) is amended by striking ''travel.'' and inserting ''travel if the improvements or equipment will be owned and operated by the airport.''.

[TITLE V—MISCELLANEOUS

[SEC. 501. EXTENSION OF WAR RISK INSURANCE AUTHORITY.

[(a) EXTENSION OF POLICIES.—Section 44302(f)(1) is amended by striking ''2003,'' each place it appears and inserting ''2006,''.

[(b) EXTENSION OF LIABILITY LIMITATION.—Section 44303(b) is amended by striking ''2003,'' and inserting ''2006,''.

[(c) EXTENSION OF AUTHORITY.—Section 44310 is amended by striking ''2003.'' and inserting ''2006.''.

[SEC. 502. COST-SHARING OF AIR TRAFFIC MODERNIZATION PROJECTS.

[(a) IN GENERAL.—Chapter 445 is amended by adding at the end the following:

[''§ 44517. Program to permit cost-sharing of air traffic modernization projects

[''(a) IN GENERAL.—Subject to the requirements of this section, the Secretary may carry out a program under which the Secretary may make grants to project sponsors for not more than 10 eligible projects per fiscal year for the purpose of improving aviation safety and enhancing mobility of the Nation's air transportation system by encouraging non-Federal investment in critical air traffic control facilities and equipment.

[''(b) FEDERAL SHARE.—The Federal share of the cost of an eligible project carried out under the program shall not exceed 33 percent. The non-Federal share of the cost of an eligible project shall be provided from non-Federal sources, including revenues collected pursuant to section 40117 of this title.

[''(c) LIMITATION ON GRANT AMOUNTS.—No eligible project may receive more than $5,000,000 in Federal funds under the program.

[''(d) FUNDING.—The Secretary shall use amounts appropriated under section 48101(a) of this title to carry out this program.

[''(e) DEFINITIONS.—In this section:

[''(1) ELIGIBLE PROJECT.—The term 'eligible project' means a project relating to the Nation's air traffic control system that is certified or approved by the Administrator and that promotes safety, efficiency, or mobility. Such projects may include—

[''(A) airport-specific air traffic facilities and equipment, including local area augmentation systems, instrument landing systems, weather and wind shear detection equipment, lighting improvements, and control towers;

[''(B) automation tools to effect improvements in airport capacity, including passive final approach spacing tools and traffic management advisory equipment; and

[''(C) facilities and equipment that enhance airspace control procedures, including consolidation of terminal radar control facilities and equipment, or assist in en route surveillance, including oceanic and offshore flight tracking.

[''(2) PROJECT SPONSOR.—The term 'project sponsor' means any major user of the National Airspace System, as determined by the Secretary, including a public-use airport or a joint venture between a public-use airport and one or more air carriers.

[''(f) TRANSFERS OF EQUIPMENT.—Notwithstanding any other provision of law, and upon agreement by the Administrator of the Federal Aviation Administration, project sponsors may transfer, without consideration, to the Federal Aviation Administration, facilities, equipment, or automation tools, the purchase of which was assisted by a grant made under this section, if such facilities, equipment or tools meet Federal Aviation Administration operation and maintenance criteria.

[''(g) GUIDELINES.—The Administrator shall issue advisory guidelines on the implementation of the program, which shall not be subject to administrative rulemaking requirements under subchapter II of chapter 5 of title 5.''.

[(b) CONFORMING AMENDMENT.—The chapter analyses for chapter 445 is amended by adding at the end the following:

[''44517. Program to permit cost-sharing of air traffic modernization projects.''.

[SEC. 503. COUNTERFEIT OR FRAUDULENTLY REPRESENTED PARTS VIOLATIONS.

[Section 44726(a)(1) is amended —

[(1) by striking ''or'' after the semicolon in subparagraph (A);

[(2) by redesignating subparagraph (B) as subparagraph (D);

[(3) by inserting after subparagraph (A) the following:

[''(B) who knowingly, and with intent to defraud, carried out or facilitated an activity punishable under a law described in subparagraph (A);

[''(C) whose certificate is revoked under subsection (b) of this section; or''; and

[(4) by striking ''convicted of such a violation.'' in subparagraph (D), as redesignated, and inserting ''described in subparagraph (A), (B) or (C).''.

[SEC. 504. CLARIFICATIONS TO PROCUREMENT AUTHORITY.

[(a) UPDATE AND CLARIFICATION OF AUTHORITY.—

[(1) Section 40110(c) is amended to read as follows:

[''(c) DUTIES AND POWERS.—When carrying out subsection (a) of this section, the Administrator of the Federal Aviation Administration may—

[''(1) notwithstanding section 1341(a)(1) of title 31, lease an interest in property for not more than 20 years;

[''(2) consider the reasonable probable future use of the underlying land in making an award for a condemnation of an interest in airspace; and

[''(3) dispose of property under subsection (a)(2) of this section, except for airport and airway property and technical equipment used for the special purposes of the Administration, only under sections 121, 123, and 126 and chapter 5 of title 40.''.

[(2) Section 40110(d)(1) is amended by striking ''implement, not later than January 1, 1996,'' and inserting ''implement''.

[(b) CLARIFICATION.—Section 106(f)(2)(A)(ii) is amended by striking ''property'' and inserting ''property, services,''.]

SECTION 1. SHORT TITLE; AMENDMENT OF TITLE 49.

(a) SHORT TITLE.—This Act may be cited as the ''Aviation Investment and Revitalization Vision Act''.

(b) AMENDMENT OF TITLE 49.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 49, United States Code.

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

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TITLE III—AIRLINE SERVICE DEVELOPMENT

Subtitle A—Program Enhancements

Sec. 301. Delay reduction meetings.
Sec. 302. Small community air service development pilot program.
Sec. 303. DOT study of competition and access problems at large and medium hub airports.
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Subtitle B—Small Community and Rural Air Service Revitalization

Sec. 351. Reauthorization of essential air service program.
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Sec. 509. Low-emission airport vehicles and ground support equipment.
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Sec. 513. Increase in certain slots.
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Sec. 515. National small community air service development ombudsman.
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Sec. 517. Training certification for cabin crew.
Sec. 518. Aircraft manufacturer insurance.
Sec. 519. Ground-based precision navigational aids.
Sec. 520. Standby power efficiency program.

TITLE VI—SECOND CENTURY OF FLIGHT

Sec. 601. Findings.

Subtitle A—The Office of Aerospace and Aviation Liaison

Sec. 621. Office of Aerospace and Aviation Liaison.
Sec. 622. National Air Traffic Management System Development Office.
Sec. 623. Report on certain market developments and government policies.

Subtitle B—Technical Programs

Sec. 641. Aerospace and Aviation Safety workforce initiative.
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Subtitle C—FAA Research, Engineering, and Development

Sec. 661. Research program to improve airfield pavements.
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Sec. 663. Assessment of wake turbulence research and development program.
Sec. 664. Cabin air quality research program.
Sec. 665. International role of the FAA.
Sec. 666. FAA report on other nations' safety and technological advancements.
Sec. 667. Development of analytical tools and certification methods.
Sec. 668. Pilot program to provide incentives for development of new technologies.
Sec. 669. FAA center for excellence for applied research and training in the use of advanced materials in transport aircraft.
Sec. 670. FAA certification of design organizations.
Sec. 671. Report on long term environmental improvements.

TITLE I—REAUTHORIZATIONS; FAA MANAGEMENT

SEC. 101. AIRPORT IMPROVEMENT PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 48103 is amended—

(1) by inserting ''(a) IN GENERAL.—'' before ''The'';

(2) by striking ''and'' in paragraph (4);

(3) by striking ''2003.'' in paragraph (5) and inserting ''2003;'';

(4) by inserting after paragraph (5) the following:

''(6) $3,400,000,000 for fiscal year 2004;

''(7) $3,500,000,000 for fiscal year 2005; and

''(8) $3,600,000,000 for fiscal year 2006.''; and

(5) by adding at the end the following:

''(b) ADMINISTRATIVE EXPENSES.—From the amounts authorized by paragraphs (6) through (8) of subsection (a), there shall be available for administrative expenses relating to the airport improvement program, passenger facility fee approval and oversight, national airport system planning, airport standards development and enforcement, airport certification, airport-related environmental activities (including legal service), to remain available until expended—

''(1) for fiscal year 2004, $69,737,000;

''(2) for fiscal year 2005, $71,816,000; and

''(3) for fiscal year 2006, $74,048,000.''.

(b) OBLIGATIONAL AUTHORITY.—Section 47104(c) is amended by striking ''2003,'' and inserting ''2006,''.

SEC. 102. AIRWAY FACILITIES IMPROVEMENT PROGRAM.

(a) IN GENERAL.—Section 48101(a) is amended by adding at the end the following:

''(6) $2,916,000,000 for fiscal year 2004.

''(7) $2,971,000,000 for fiscal year 2005.

''(8) $3,030,000,000 for fiscal year 2006.''.

(b) BIANNUAL REPORTS.—Beginning 180 days after the date of enactment of Act, the Administrator of the Federal Aviation Administration shall transmit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure every 6 months that describes—

(1) the 10 largest programs funded under section 48101(a) of title 49, United States Code;

(2) any changes in the budget for such programs;

(3) the program schedule; and

(4) technical risks associated with the programs.

SEC. 103. FAA OPERATIONS.

(a) IN GENERAL.—Section 106(k)(1) is amended—

(1) by striking ''and'' in subparagraph (C);

(2) by striking ''2003.'' in subparagraph (D) and inserting ''2003;''; and

(3) by adding at the end the following:

''(E) $7,591,000,000 for fiscal year 2004;

''(F) $7,732,000,000 for fiscal year 2005; and

''(G) $7,889,000,000 for fiscal year 2006.''.

(b) ANNUAL REPORT.—Beginning with the submission of the Budget of the United States to the Congress for fiscal year 2004, the Administrator of the Federal Aviation Administration shall transmit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure that describes the overall air traffic controller staffing plan, including strategies to address anticipated retirement and replacement of air traffic controllers.

SEC. 104. RESEARCH, ENGINEERING, AND DEVELOPMENT.

(a) AMOUNTS AUTHORIZED.—Section 48102(a) is amended—

(1) by striking ''and'' at the end of paragraph (7);

(2) by striking the period at the end of paragraph (8) and inserting a semicolon; and

(3) by adding at the end the following:

''(9) for fiscal year 2004, $289,000,000, including—

''(A) $200,000,000 to improve aviation safety, including icing, crashworthiness, and aging aircraft;

''(B) $18,000,000 to improve the efficiency of the air traffic control system;

''(C) $27,000,000 to reduce the environmental impact of aviation;

''(D) $16,000,000 to improve the efficiency of mission support; and

''(E) $28,000,000 to improve the durability and maintainability of advanced material structures in transport airframe structures;

''(10) for fiscal year 2005, $304,000,000, including—

''(A) $211,000,000 to improve aviation safety;

''(B) $19,000,000 to improve the efficiency of the air traffic control system;

''(C) $28,000,000 to reduce the environmental impact of aviation;

''(D) $17,000,000 to improve the efficiency of mission support; and

''(E) $29,000,000 to improve the durability and maintainability of advanced material structures in transport airframe structures; and

''(11) for fiscal year 2006, $317,000,000, including—

''(A) $220,000,000 to improve aviation safety;

''(B) $20,000,000 to improve the efficiency of the air traffic control system;

''(C) $29,000,000 to reduce the environmental impact of aviation;

''(D) $18,000,000 to improve the efficiency of mission support; and

''(E) $30,000,000 to improve the durability and maintainability of advanced material structures in transport airframe structures.''.

SEC. 105. OTHER PROGRAMS.

Section 106 of the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century is amended—

(1) by striking ''2003'' in subsection (a)(1)(A) and subsection (c)(2) and inserting ''2006''; and

(2) by striking ''2003,'' in subsection (a)(2) and inserting ''2006,''.

SEC. 106. REORGANIZATION OF THE AIR TRAFFIC SERVICES SUBCOMMITTEE.

(a) IN GENERAL.—Section 106 is amended—

(1) by redesignating subsections (q) and (r) as subsections (r) and (s), respectively; and

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

''(q) AIR TRAFFIC MANAGEMENT COMMITTEE.—

''(1) ESTABLISHMENT.—The Secretary of Transportation shall establish an advisory committee which shall be known as the Air Traffic Services Committee (in this subsection referred to as the 'Committee').

''(2) MEMBERSHIP.—

''(A) COMPOSITION AND APPOINTMENT.—The Committee shall be composed of—

''(i) the Administrator of the Federal Aviation Administration, who shall serve as chair; and

''(ii) 4 members, to be appointed by the Secretary, after consultation with the Committee on Transportation and Infrastructure of the House of Representatives, and the Committee on Commerce, Science, and Transportation of the Senate.

''(B) NO FEDERAL OFFICER OR EMPLOYEE.—No member appointed under subparagraph (A)(ii) may serve as an officer or employee of the United States Government while serving as a member of the Committee.

''(C) ELIGIBILITY.—Members appointed under subparagraph (A)(ii) shall—

''(i) have a fiduciary responsibility to represent the public interest;

''(ii) be citizens of the United States; and

''(iii) be appointed without regard to political affiliation and solely on the basis of their professional experience and expertise in one or more of the following areas:

''(I) Management of large service organizations.

''(II) Customer service.

''(III) Management of large procurements.

''(IV) Information and communications technology.

''(V) Organizational development.

''(VI) Labor relations.

At least one of such members should have a background in managing large organizations successfully. In the aggregate, such members should collectively bring to bear expertise in all of the areas described in subclauses (I) through (VI).

''(D) PROHIBITIONS ON MEMBERS OF COMMITTEE.—No member appointed under subparagraph (A)(ii) may—

''(i) have a pecuniary interest in, or own stock in or bonds of, an aviation or aeronautical enterprise, except an interest in a diversified mutual fund or an interest that is exempt from the application of section 208 of title 18;

''(ii) engage in another business related to aviation or aeronautics; or

''(iii) be a member of any organization that engages, as a substantial part of its activities, in activities to influence aviation-related legislation.

''(E) CLAIMS AGAINST MEMBERS.—

''(i) IN GENERAL.—A member appointed under subparagraph (A)(ii) shall have no personal liability under Federal law with respect to any claim arising out of or resulting from an act or omission by such member within the scope of service as a member of the Air Traffic Services Committee.

''(ii) EFFECT ON OTHER LAW.—This subparagraph shall not be construed—

''(I) to affect any other immunity or protection that may be available to a member of the Committee under applicable law with respect to such transactions;

''(II) to affect any other right or remedy against the United States under applicable law; or

''(III) to limit or alter in any way the immunities that are available under applicable law for Federal officers and employees.

''(F) ETHICAL CONSIDERATIONS.—

''(i) FINANCIAL DISCLOSURE.—During the entire period that an individual appointed under subparagraph (A)(ii) is a member of the Committee, such individual shall be treated as serving as an officer or employee referred to in section 101(f) of the Ethics in Government Act of 1978 for purposes of title I of such Act; except that section 101(d) of such Act shall apply without regard to the number of days of service in the position.

''(ii) RESTRICTIONS ON POST-EMPLOYMENT.—For purposes of section 207(c) of title 18, an individual appointed under subparagraph (A)(ii) shall be treated as an employee referred to in section 207(c)(2)(A)(i) of such title during the entire period the individual is a member of the Committee; except that subsections (c)(2)(B) and (f) of section 207 of such title shall not apply.

''(G) TERMS FOR AIR TRAFFIC SERVICES COMMITTEE MEMBERS.—A member appointed under subparagraph (A)(ii) shall be appointed for a term of 5 years.

''(H) REAPPOINTMENT.—An individual may not be appointed under subparagraph (A)(ii) to more than two 5-year terms.

''(I) VACANCY.—Any vacancy on the Committee shall be filled in the same manner as the original appointment. Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed for the remainder of that term.

''(J) CONTINUATION IN OFFICE.—A member whose term expires shall continue to serve until the date on which the member's successor takes office.

''(K) REMOVAL.—Any member appointed under subparagraph (A)(ii) may be removed for cause by the Secretary.

''(3) GENERAL RESPONSIBILITIES.—

''(A) OVERSIGHT.—The Committee shall oversee the administration, management, conduct, direction, and supervision of the air traffic control system.

''(B) CONFIDENTIALITY.—The Committee shall ensure that appropriate confidentiality is maintained in the exercise of its duties.

''(4) SPECIFIC RESPONSIBILITIES.—The Committee shall have the following specific responsibilities:

''(A) STRATEGIC PLANS.—To review, approve, and monitor the strategic plan for the air traffic control system, including the establishment of—

''(i) a mission and objectives;

''(ii) standards of performance relative to such mission and objectives, including safety, efficiency, and productivity; and

''(iii) annual and long-range strategic plans.

''(B) MODERNIZATION AND IMPROVEMENT.—To review and approve—

''(i) methods to accelerate air traffic control modernization and improvements in aviation safety related to air traffic control; and

''(ii) procurements of air traffic control equipment in excess of $100,000,000.

''(C) OPERATIONAL PLANS.—To review the operational functions of the air traffic control system, including—

''(i) plans for modernization of the air traffic control system;

''(ii) plans for increasing productivity or implementing cost-saving measures; and

''(iii) plans for training and education.

''(D) MANAGEMENT.—To—

''(i) review and approve the Administrator's appointment of a Chief Operating Officer under section 106(s);

''(ii) review the Administrator's selection, evaluation, and compensation of senior executives of the Administration who have program management responsibility over significant functions of the air traffic control system;

''(iii) review and approve the Administrator's plans for any major reorganization of the Administration that would impact on the management of the air traffic control system;

''(iv) review and approve the Administrator's cost accounting and financial management structure and technologies to help ensure efficient and cost-effective air traffic control operation; and

''(v) review the performance and compensation of managers responsible for major acquisition projects, including the ability of the managers to meet schedule and budget targets.

''(E) BUDGET.—To—

''(i) review and approve the budget request of the Administration related to the air traffic control system prepared by the Administrator;

''(ii) submit such budget request to the Secretary; and

''(iii) ensure that the budget request supports the annual and long-range strategic plans.

''(5) CONGRESSIONAL REVIEW OF PRE-OMB BUDGET REQUEST.—The Secretary shall submit the budget request referred to in paragraph (4)(E)(ii) for any fiscal year to the President who shall transmit such request, without revision, to the Committees on Transportation and Infrastructure and Appropriations of the House of Representatives and the Committees on Commerce, Science, and Transportation and Appropriations of the Senate, together with the President's annual budget request for the Federal Aviation Administration for such fiscal year.

''(6) COMMITTEE PERSONNEL MATTERS.—

''(A) COMPENSATION OF MEMBERS.—Each member of the Committee, other than the chair and vice chair, shall be compensated at a rate of $25,000 per year.

''(B) STAFF.—The chairperson of the Committee may appoint and terminate any personnel that may be necessary to enable the Committee to perform its duties.

''(C) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The chairperson of the Committee may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

''(7) ADMINISTRATIVE MATTERS.—

''(A) POWERS OF CHAIR.—Except as otherwise provided by a majority vote of the Committee, the powers of the chairperson shall include—

''(i) establishing subcommittees;

''(ii) setting meeting places and times;

''(iii) establishing meeting agendas; and

''(iv) developing rules for the conduct of business.

''(B) MEETINGS.—The Committee shall meet at least quarterly and at such other times as the chairperson determines appropriate.

''(C) QUORUM.—Three members of the Committee shall constitute a quorum. A majority of members present and voting shall be required for the Committee to take action.

''(D) APPLICATION OF SUBSECTION (p) PROVISIONS.—The following provisions of subsection (p) apply to the Committee to the same extent as they apply to the Management Advisory Council:

''(i) Paragraph (4)(C) (relating to access to documents and staff).

''(ii) Paragraph (5) (relating to nonapplication of Federal Advisory Committee Act).

''(iii) Paragraph (6)(G) (relating to travel and per diem).

''(iv) Paragraph (6)(H) (relating to detail of personnel).

''(8) ANNUAL REPORT.—The Committee shall each year report with respect to the conduct of its responsibilities under this title to the Administrator, the Management Advisory Council, the Committee on Transportation and Infrastructure of the House of Representatives, and the Committee on Commerce, Science, and Transportation of the Senate.''.

(b) CONFORMING AMENDMENTS.—

(1) Subsection (p) of section 106 is amended—

(A) by striking ''18'' in paragraph (2) and inserting ''13'';

(B) by inserting ''and'' after the semicolon in subparagraph (C) of paragraph (2);

(C) by striking ''Transportation; and'' in subparagraph (D) of paragraph (2) and inserting ''Transportation.'';

(D) by striking subparagraph (E) of paragraph (2);

(E) by striking paragraph (3) and inserting the following:

''(3) NO FEDERAL OFFICER OR EMPLOYEE.—No member appointed under paragraph (2)(C) may serve as an officer or employee of the United States Government while serving as a member of the Council.'';

(F) by striking subparagraphs (C), (D), (H), and (I) of paragraph (6) and redesignating subparagraphs (E), (F), (G), (J), (K), and (L) as subparagraphs (C), (D), (E), (F), (G), and (H), respectively; and

(G) by striking paragraphs (7) and (8).

(2) Section 106(s) (as redesignated by subsection (a) of this section) is amended—

(A) by striking ''Air Traffic Services Subcommittee of the Aviation Management Advisory

Council.'' and inserting ''Air Traffic Services Committee.'' in paragraphs (1)(A) and (2)(A); and

(B) by striking ''Air Traffic Services Subcommittee of the Aviation Management Advisory Council,'' and inserting ''Air Traffic Services Committee,'' in paragraph (3).

(3) Section 106 is amended by adding at the end the following:

''(t) AIR TRAFFIC CONTROL SYSTEM DEFINED.—In this section, the term 'air traffic control system' has the meaning such term has under section 40102(a).''.

(c) TRANSITION FROM AIR TRAFFIC SERVICE SUBCOMMITTEE TO AIR TRAFFIC SERVICE COMMITTEE.—

(1) TERMINATION OF MANAGEMENT ADVISORY COUNCIL MEMBERSHIP.—Effective on the day after the date of enactment of this Act, any member of the Management Advisory Council appointed under section 106(p)(2)(E) of title 49, United States Code, (as such section was in effect on the day before such date of enactment) who is a member of the Council on such date of enactment shall cease to be a member of the Council.

(2) COMMENCEMENT OF MEMBERSHIP ON AIR TRAFFIC SERVICES COMMITTEE.—Effective on the day after the date of enactment of this Act, any member of the Management Advisory Council whose membership is terminated by paragraph (1) shall become a member of the Air Traffic Services Committee as provided by section 106(q)(2)(G) of title 49, United States Code, to serve for the remainder of the term to which that member was appointed to the Council.

SEC. 107. CLARIFICATION OF RESPONSIBILITIES OF CHIEF OPERATING OFFICER.

Section 106(s) (as redesignated by section 106(a)(1) of this Act) is amended—

(1) by striking ''Transportation and Congress'' in paragraph (4) and inserting ''Transportation, the Committee on Transportation and Infrastructure of the House of Representatives, and the Committee on Commerce, Science, and Transportation of the Senate,'';

(2) by striking ''develop a strategic plan of the Administration for the air traffic control system, including the establishment of—'' in paragraph (5)(A) and inserting ''implement the strategic plan of the Administration for the air traffic control system in order to further—'';

(3) by striking ''To review the operational functions of the Administration,'' in paragraph (5)(B) and inserting ''To oversee the day-to-day operational functions of the Administration for air traffic control,'';

(4) by striking ''system prepared by the Administrator;'' in paragraph (5)(C)(i) and inserting ''system;'';

(5) by striking ''Administrator and the Secretary of Transportation;'' in paragraph (5)(C)(ii) and inserting ''Administrator;''; and

(6) by striking paragraph (5)(C)(iii) and inserting the following:

''(iii) ensure that the budget request supports the agency's annual and long-range strategic plans for air traffic control services.''.

TITLE II—AIRPORT DEVELOPMENT

SEC. 201. NATIONAL CAPACITY PROJECTS.

(a) IN GENERAL.—Part B of subtitle VII is amended by adding at the end the following:

''CHAPTER 477. NATIONAL CAPACITY PROJECTS

''47701. Capacity enhancement.
''47702. Designation of national capacity projects.
''47703. Expedited coordinated environmental review process; project coordinators and environment impact teams.
''47704. Compatible land use initiative for national capacity projects.
''47705. Air traffic procedures at national capacity projects.
''47706. Pilot program for environmental review at national capacity projects.
''47707. Definitions.

''§ 47701. Capacity enhancement

''(a) IN GENERAL.—Within 30 days after the date of enactment of the Aviation Investment and Revitalization Vision Act, the Secretary of Transportation shall identify those airports among the 31 airports covered by the Federal Aviation Administration's Airport Capacity Benchmark Report 2001 with delays that significantly affect the national air transportation system.

''(b) TASK FORCE; CAPACITY ENHANCEMENT STUDY.—

''(1) IN GENERAL.—The Secretary shall direct any airport identified by the Secretary under subsection (a) that is not engaged in a runway expansion process and has not initiated a capacity enhancement study (or similar capacity assessment) since 1996—

''(A) to establish a delay reduction task force to study means of increasing capacity at the airport, including air traffic, airline scheduling, and airfield expansion alternatives; or

''(B) to conduct a capacity enhancement study.

''(2) SCOPE.—The scope of the study shall be determined by the airport and the Federal Aviation Administration, and where appropriate shall consider regional capacity solutions.

''(3) RECOMMENDATIONS SUBMITTED TO SECRETARY.—

''(A) TASK FORCE.—A task force established under this subsection shall submit a report containing its findings and conclusions, together with any recommendations for capacity enhancement at the airport, to the Secretary within 9 months after the task force is established.

''(B) CES.—A capacity enhancement study conducted under this subsection shall be submitted, together with its findings and conclusions, to the Secretary as soon as the study is completed.

''(c) RUNWAY EXPANSION AND RECONFIGURATION.—If the report or study submitted under subsection (b)(3) includes a recommendation for the construction or reconfiguration of runways at the airport, then the Secretary and the airport shall complete the planning and environmental review process within 5 years after report or study is submitted to the Secretary. The Secretary may extend the 5-year deadline under this subsection for up to 1 year if the Secretary determines that such an extension is necessary and in the public interest. The Secretary shall notify the Senate Committee on Commerce, Science, and Transportation, and to the House of Representatives Committee on Transportation and Infrastructure of any such extension.

''(d) AIRPORTS THAT DECLINE TO UNDERTAKE EXPANSION PROJECTS.—

''(1) IN GENERAL.—If an airport at which the construction or reconfiguration of runways is recommended does not take action to initiate a planning and environmental assessment process for the construction or reconfiguration of those runways within 30 days after the date on which the report or study is submitted to the Secretary, then—

''(A) the airport shall be ineligible for planning and other expansion funds under subchapter I of chapter 471, notwithstanding any provision of that subchapter to the contrary; and

''(B) no passenger facility fee may be approved at that airport during the 5-year period beginning 30 days after the date on which the report or study is submitted to the Secretary, for—

''(i) projects that, but for subparagraph (A), could have been funded under chapter 471; or

''(ii) any project other than on-airport airfield-side capacity or safety-related projects.

''(2) SAFETY-RELATED AND ENVIRONMENTAL PROJECTS EXCEPTED.—Paragraph (1) does not apply to the use of funds for safety-related, security, or environment projects.

''(e) AIRPORTS THAT TAKE ACTION.—The Secretary shall take all actions possible to expedite funding and provide options for funding to any airport undertaking runway construction or reconfiguration projects in response to recommendations by its task force.

''§ 47702. Designation of national capacity projects

''(a) IN GENERAL.—In response to a petition from an airport sponsor, or in the case of an airport on the list of airports covered by the Federal Aviation Administration's Airport Capacity Benchmarks study, the Secretary of Transportation may designate an airport development project as a national capacity project if the Secretary determines that the project to be designated will significantly enhance the capacity of the national air transportation system.

''(b) DESIGNATION TO REMAIN IN EFFECT FOR 5 YEARS.—The designation of a project as a national capacity project under paragraph (1) shall remain in effect for 5 years. The Secretary may extend the 5-year period for up to 2 additional years upon request if the Secretary finds that substantial progress is being made toward completion of the project.

''§ 47703. Expedited coordinated environmental review process; project coordinators and environment impact teams

''(a) IN GENERAL.—The Secretary of Transportation shall implement an expedited coordinated environmental review process for national capacity projects that—

''(1) provides for better coordination among the Federal, regional, State, and local agencies concerned with the preparation of environmental impact statements or environmental assessments under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

''(2) provides for an expedited and coordinated process in the conduct of environmental reviews that ensures that, where appropriate, the reviews are done concurrently and not consecutively; and

''(3) provides for a date certain for completing all environmental reviews.

''(b) HIGH PRIORITY FOR AIRPORT ENVIRONMENTAL REVIEWS.—Each department and agency of the United States Government with jurisdiction over environmental reviews shall accord any such review involving a national capacity project the highest possible priority and conduct the review expeditiously. If the Secretary finds that any such department or agency is not complying with the requirements of this subsection, the Secretary shall notify the Senate Committee on Commerce, Science, and Transportation, and to the House of Representatives Committee on Transportation and Infrastructure immediately.

''(c) PROJECT COORDINATORS; EIS TEAMS.—

''(1) DESIGNATION.—For each project designated by the Secretary as a national capacity project under subsection (a) for which an environmental impact statement or environmental assessment must be filed, the Secretary shall—

''(A) designate a project coordinator within the Department of Transportation; and

''(B) establish an environmental impact team within the Department.

''(2) FUNCTION.—The project coordinator and the environmental impact team shall—

''(A) coordinate the activities of all Federal, State, and local agencies involved in the project;

''(B) to the extent possible, working with Federal, State and local officials, reduce and eliminate duplicative and overlapping Federal, State, and local permit requirements;

''(C) to the extent possible, eliminate duplicate Federal, State, and local environmental review procedures; and

''(D) provide direction for compliance with all applicable Federal, State, and local environmental requirements for the project.

''§ 47704. Compatible land use initiative for national capacity projects

''(a) IN GENERAL.—The Secretary of Transportation may make grants under chapter 471 to States and units of local government for land

use compatibility plans directly related to national capacity projects for the purposes of making the use of land areas around the airport compatible with aircraft operations if the land use plan or project meets the requirements of this section.

''(b) CONDITIONS.—A land use plan or project meets the requirements of this section if it—

''(1) is sponsored by the public agency that has the authority to plan and adopt land use control measures, including zoning, in the planning area in and around the airport and that agency provides written assurances to the Secretary that it will work with the affected airport to identify and adopt such measures;

''(2) does not duplicate, and is not inconsistent with, an airport noise compatibility program prepared by an airport owner or operator under chapter 475 or with other planning carried out by the airport;

''(3) is subject to an agreement between the public agency sponsor and the airport owner or operator that the development of the land use compatibility plan will be done cooperatively;

''(4) is consistent with the airport operation and planning, including the use of any noise exposure contours on which the land use compatibility planning or project is based; and

''(5) has been approved jointly by the airport owner or operator and the public agency sponsor.

''(c) ASSURANCES FROM SPONSORS.—The Secretary may require the airport sponsor, public agency, or other entity to which a grant may be awarded under this section to provide such additional assurances, progress reports, and other information as the Secretary determines to be necessary to carry out this section.

''§ 47705. Air traffic procedures at national capacity projects

''(a) IN GENERAL.—The Secretary of Transportation may consider prescribing flight procedures to avoid or minimize potentially significant adverse noise impacts of the project during the environmental planning process for a national capacity project that involves the construction of new runways or the reconfiguration of existing runways. If the Secretary determines that noise mitigation flight procedures are consistent with safe and efficient use of the navigable airspace, then, at the request of the airport sponsor, the Administrator may, in a manner consistent with applicable Federal law, commit to prescribing such procedures in any record of decision approving the project.

''(b) MODIFICATION.—Notwithstanding any commitment by the Secretary under subsection (a), the Secretary may initiate changes to such procedures if necessary to maintain safety and efficiency in light of new information or changed circumstances.

''§ 47706. Pilot program for environmental review at national capacity projects

''(a) IN GENERAL.—The Secretary of Transportation shall initiate a 5-year pilot program funded by airport sponsors—

''(1) to hire additional fulltime-equivalent environmental specialists and attorneys, or

''(2) to obtain the services of such specialists and attorneys from outside the United States Government, to assist in the provision of an appropriate nationwide level of staffing for planning and environmental review of runway development projects for national capacity projects at the Federal Aviation Administration.

''(b) ELIGIBLE PARTICIPANTS.—Participation in the pilot program shall be available, on a voluntary basis, to airports with an annual passenger enplanement of not less than 3 million passengers. The Secretary shall specify the minimum contribution necessary to qualify for participation in the pilot program, which shall be not less than the amount necessary to compensate the Department of Transportation for the expense of a fulltime equivalent environmental specialist and attorney qualified at the GS-14 equivalent level.

''(c) RETENTION OF REVENUES.—The salaries and expenses account of the Federal Aviation Administration shall retain as an offsetting collection such sums as may be necessary from such proceeds for the costs of developing and implementing the program required by subsection (a). Such offsetting collections shall be available for obligation subject to the terms and conditions of the receiving appropriations account, and shall be deposited in such accounts on a quarterly basis. Such offsetting collections are authorized to remain available until expended for such purpose.

''§ 47707. Definitions

''In this chapter:

''(1) NATIONAL CAPACITY PROJECT.—The term 'national capacity project' means a project designated by the Secretary under section 44702.

''(2) OTHER TERMS.—The definitions in section 47102 apply to any terms used in this chapter that are defined in that section.''.

(b) ADDITIONAL STAFF AUTHORIZED.—The Secretary of Transportation is authorized to hire additional environmental specialists and attorneys needed to process environmental impact statements in connection with airport construction projects and to serve as project coordinators and environmental impact team members under section 47703 of title 49, United States Code.

(c) CLERICAL AMENDMENT.—The analysis for subtitle VII is amended by inserting after the item relating to section 475 the following:

''477. National capacity projects .. 47701''.

SEC. 202. CATEGORICAL EXCLUSIONS.

Not later than 30 days after the date of enactment of this Act, the Secretary of Transportation shall report to the Senate Committee on Commerce, Science, and Transportation on the categorical exclusions currently recognized and provide a list of proposed additional categorical exclusions from the requirement that an environmental assessment or an environmental impact statement be prepared under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) for projects at airports. In determining the list of additional proposed categorical exclusions, the Secretary shall include such other projects as the Secretary determines should be categorically excluded in order to ensure that Department of Transportation environmental staff resources are not diverted to lower priority tasks and are available to expedite the environmental reviews of airport capacity enhancement projects at congested airports.

SEC. 203. ALTERNATIVES ANALYSIS.

(a) NOTICE REQUIREMENT.—Not later than 30 days after the date on which the Secretary of Transportation identifies an airport capacity enhancement project at a congested airport under section 47171(c) of title 49, United States Code, the Secretary shall publish a notice in the Federal Register requesting comments on whether reasonable alternatives exist to the project.

(b) CERTAIN REASONABLE ALTERNATIVES DEFINED.—For purposes of this section, an alternative shall be considered reasonable if—

(1) the alternative does not create an unreasonable burden on interstate commerce, the national aviation system, or the navigable airspace;

(2) the alternative is not inconsistent with maintaining the safe and efficient use of the navigable airspace;

(3) the alternative does not conflict with a law or regulation of the United States;

(4) the alternative would result in at least the same reduction in congestion at the airport or in the national aviation system as the proposed project; and

(5) in any case in which the alternative is a proposed construction project at an airport other than a congested airport, firm commitments to provide such alternate airport capacity exists, and the Secretary determines that such alternate airport capacity will be available no later than 4 years after the date of the Secretary's determination under this section.

(c) COMMENT PERIOD.—The Secretary shall provide a period of 60 days for comments on a project identified by the Secretary under this section after the date of publication of notice with respect to the project.

(d) DETERMINATION OF EXISTENCE OF REASONABLE ALTERNATIVES.—Not later than 90 days after the last day of a comment period established under subsection (c) for a project, the Secretary shall determine whether reasonable alternatives exist to the project. The determination shall be binding on all persons, including Federal and State agencies, acting under or applying Federal laws when considering the availability of alternatives to the project.

(e) LIMITATION ON APPLICABILITY.—This section does not apply to—

(1) any alternatives analysis required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); or

(2) a project at an airport if the airport sponsor requests, in writing, to the Secretary that this section not apply to the project.

SEC. 204. INCREASE IN APPORTIONMENT FOR, AND FLEXIBILITY OF, NOISE COMPATIBILITY PLANNING PROGRAMS.

Section 47117(e)(1)(A) is amended—

(1) by striking the first sentence and inserting: ''At least 35 percent for grants for airport noise compatibility planning under section 47505(a)(2) for a national capacity project, for carrying out noise compatibility programs under section 47504(c) of this title, and for noise mitigation projects approved in an environmental record of decision for an airport development project designated as a national capacity project under section 47702.''; and

(2) by striking ''or not such 34 percent requirement'' in the second sentence and inserting ''the funding level required by the preceding sentence''.

SEC. 205. SECRETARY OF TRANSPORTATION TO IDENTIFY AIRPORT CONGESTION-RELIEF PROJECTS AND FORECAST AIRPORT OPERATIONS ANNUALLY.

(a) IDENTIFICATION OF PROJECTS.—

(1) IN GENERAL.—Within 90 days after the date of enactment of this Act, the Secretary of Transportation shall provide—

(A) a list of planned air traffic and airport-capacity projects at congested Airport Capacity Benchmark airports the completion of which will substantially relieve congestion at those airports; and

(B) a list of options for expanding capacity at the 8 airports on the list at which the most severe delays are occurring, to the Senate Committee on Commerce, Science, and Transportation, and to the House of Representatives Committee on Transportation and Infrastructure. The Secretary shall provide updated lists to those Committees 2 years after the date of enactment of this Act.

(2) DELISTING OF PROJECTS.—The Secretary shall remove a project from the list provided to the Committees under paragraph (1) upon the request, in writing, of an airport operator if the operator states in the request that construction of the project will not be completed within 10 years from the date of the request.

SEC. 206. DESIGN-BUILD CONTRACTING.

(a) IN GENERAL.—Subchapter I of chapter 471 is amended by adding at the end the following:

''§ 47138. Design-build contracting

''(a) IN GENERAL.—The Administrator may approve an application of an airport sponsor under this section to authorize the airport sponsor to award a design-build contract using a selection process permitted under applicable State or local law if—

''(1) the Administrator approves the application using criteria established by the Administrator;

''(2) the design-build contract is in a form that is approved by the Administrator;

''(3) the Administrator is satisfied that the contract will be executed pursuant to competitive procedures and contains a schematic design

adequate for the Administrator to approve the grant;

''(4) use of a design-build contract will be cost effective and expedite the project;

''(5) the Administrator is satisfied that there will be no conflict of interest; and

''(6) the Administrator is satisfied that the selection process will be as open, fair, and objective as the competitive bid system and that at least three or more bids will be submitted for each project under the selection process.

''(b) REIMBURSEMENT OF COSTS.—The Administrator may reimburse an airport sponsor for design and construction costs incurred before a grant is made pursuant to this section if the project is approved by the Administrator in advance and is carried out in accordance with all administrative and statutory requirements that would have been applicable under this chapter 471, if the project were carried out after a grant agreement had been executed.

''(c) DESIGN-BUILD CONTRACT DEFINED.—In this section, the term 'design-build contract' means an agreement that provides for both design and construction of a project by a contractor.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 471 is amended by inserting after the item relating to section 47137 the following:

''47138. Design-build contracting.''.

SEC. 207. SPECIAL RULE FOR AIRPORT IN ILLINOIS.

(a) IN GENERAL.—Nothing in this title shall be construed to preclude the application of any provision of this Act to the State of Illinois or any other sponsor of a new airport proposed to be constructed in the State of Illinois.

(b) AUTHORITY OF THE GOVERNOR.—Nothing in this title shall be construed to preempt the authority of the Governor of the State of Illinois as of August 1, 2001, to approve or disapprove airport development projects.

SEC. 208. ELIMINATION OF DUPLICATIVE REQUIREMENTS.

(a) IN GENERAL.—Section 47106(c)(1) is amended—

(1) by inserting ''and'' after ''project;'' in subparagraph (A)(ii);

(2) by striking subparagraph (B); and

(3) by redesignating subparagraph (C) as subparagraph (B).

(b) CONFORMING AMENDMENTS.—Section 47106(c) of such title is amended—

(1) by striking paragraph (4);

(2) by redesignating paragraph (5) as paragraph (4); and

(3) by striking ''(1)(C)'' in paragraph (4), as redesignated, and inserting ''(1)(B)''.

SEC. 209. STREAMLINING THE PASSENGER FACILITY FEE PROGRAM.

Section 40117 is amended—

(1) by striking from ''finds—'' in paragraph (4) of subsection (b) through the end of that paragraph and inserting ''finds that the project cannot be paid for from funds reasonably expected to be available for the programs referred to in section 48103.'';

(2) by adding at the end of subsection (c)(2) the following:

''(E) The agency will include in its application or notice submitted under subsection (1) copies of all certifications of agreement or disagreement received under subparagraph (D).

''(F) For the purpose of this section, an eligible agency providing notice and consultation to an air carrier and foreign air carrier is deemed to have satisfied this requirement if it limits such notices and consultations to air carriers and foreign air carriers that have a significant business interest on the airport. In developing regulations to implement this provision, the Secretary shall consider a significant business interest to be defined as an air carrier or foreign air carrier that has no less than 1.0 percent of boardings at the airport in the prior calendar year, except that no air carrier or foreign air carrier may be considered excluded under this section if it has at least 25,000 boardings at the airport in the prior calendar year, or if it operates scheduled service, without regard to such percentage requirements.'';

(3) by redesignating paragraph (3) of subsection (c) as paragraph (4) and inserting after paragraph (2) the following:

''(3) Before submitting an application, the eligible agency must provide reasonable notice and an opportunity for public comment. The Secretary shall prescribe regulations that define reasonable notice and provide for at least—

''(A) a requirement that the eligible agency provide public notice of intent to collect a passenger facility fee so as to inform those interested persons and agencies who may be affected, including—

''(i) publication in local newspapers of general circulation;

''(ii) publication in other local media; and

''(iii) posting the notice on the agency's website;

''(B) a requirement for submission of public comments no sooner than 30 days after publishing of the notice and not later than 45 days after publication; and

''(C) a requirement that the agency include in its application or notice submitted under paragraph (1) copies of all comments received under subparagraph (B).'';

(4) by striking ''shall'' in the first sentence of paragraph (4), as redesignated, of subsection (c) and inserting ''may''; and

(5) by adding at the end the following:

''(l) PILOT PROGRAM FOR PASSENGER FACILITY FEE AUTHORIZATIONS AT SMALL AIRPORTS.—

''(1) There is established a pilot program for the Secretary to test alternative procedures for authorizing small airports to impose passenger facility fees. An eligible agency may impose a passenger facility fee at a non-hub airport (as defined in section 47102 of this title) that it controls for use on eligible airport-related projects at that airport, in accordance with the provisions of this subsection. These procedures shall be in lieu of the procedures otherwise specified in this section.

''(2) The eligible agency must provide reasonable notice and an opportunity for consultation to air carriers and foreign air carriers in accordance with subsection (c)(2), and must provide reasonable notice and opportunity for public comment in accordance with subsection (c)(3).

''(3) The eligible agency must submit to the Secretary a notice of intention to impose a passenger facility fee, which notice shall include—

''(A) information that the Secretary may require by regulation on each project for which authority to impose a passenger facility charge is sought;

''(B) the amount of revenue from passenger facility charges that is proposed to be collected for each project; and

''(C) the level of the passenger facility charge that is proposed.

''(4) The Secretary shall acknowledge receipt of the notice and indicate any objection to the imposition of a passenger facility fee for any project identified in the notice within 30 days after receipt of the eligible agency's notice.

''(5) Unless the Secretary objects within 30 days after receipt of the eligible agency's notice, the eligible agency is authorized to impose a passenger facility fee in accordance with the terms of its notice.

''(6) Not later than 180 days after the date of enactment of this subsection, the Secretary shall propose such regulations as may be necessary to carry out this subsection.

''(7) The authority granted under this subsection shall expire three years after the issuance of the regulation required by paragraph (6).

''(8) An acknowledgement issued under paragraph (4) shall not be considered an order of the Secretary issued under section 46110 of this title.''.

SEC. 210. QUARTERLY STATUS REPORTS.

Beginning with the second calendar quarter ending after the date of enactment of this Act, the Secretary of Transportation shall provide quarterly status reports to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the status of construction of each major runway project undertaken at the largest 40 commercial airports in terms of annual enplanements.

SEC. 211. NOISE DISCLOSURE REQUIREMENTS.

(a) DEFINITIONS.—Section 47501 is amended by adding at the end—

''(3) 'Federal agency' means any department, agency, corporation, or other establishment or instrumentality of the executive branch of the Federal Government, and includes the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

''(4) 'Federal entity for lending regulation' means the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Office of Thrift Supervision, the National Credit Union Administration, and the Farm Credit Administration, and with respect to a particular regulated lending institution means the entity primarily responsible for the supervision of the institution.

''(5) 'Federal agency lender' means a Federal agency that makes direct loans secured by improved real estate or a mobile home, to the extent such agency acts in such capacity.

''(6) 'residential real estate' means real estate upon which a residential dwelling is located.

''(7) 'noise exposure map' means a noise exposure map that complies with section 47503 of this title and part 150 of title 14, Code of Federal Regulations.

''(8) 'regulated lending institution' means any bank, savings and loan association, credit union, farm credit bank, Federal land bank association, production credit association, or similar institution subject to the supervision of a Federal entity for lending regulation.''.

(b) NOISE EXPOSURE MAPS.—Section 47503(b) is amended to read as follows:

''(b) REVISED MAPS.—If, in an area surrounding an airport, a change in the operation of the airport would establish a substantial new noncompatible use, or would significantly reduce noise over existing noncompatible uses, beyond the forecast year, the airport operator shall submit a revised noise exposure map to the Secretary showing the new noncompatible use or noise reduction.''.

(c) NOTIFICATION OF NOISE EXPOSURE.—Chapter 457 is amended by adding at the end the following:

''§ 47511. Notification of noise exposure

''(a) NOISE EXPOSURE MAP.—An airport operator shall make available to lending institutions, upon request, the most recent noise exposure map submitted under section 47503 of this title.

''(b) LIST OF AIRPORTS.—The Secretary shall maintain a list of airports for which the airport operators have submitted a noise exposure map under section 47503 of this title.

''(c) REGULATED LENDING INSTITUTIONS.—Each Federal entity for lending regulation (after consultation and coordination with the Federal Financial Institutions Examination Council) shall direct by regulation that a regulated lending institution may not make, increase, extend or renew any loan secured by residential real estate or a mobile home that is located or to be located in the vicinity of an airport on the Secretary's list described in subsection (b), unless the loan applicant's purchase agreement for the residential real estate or mobile home provides notice to the purchaser (or satisfactory assurances are provided that the seller has provided written notice to the purchaser prior to the purchaser's signing of the purchase agreement) that the property is within

the area of the noise contours on a noise exposure map submitted under section 47503 of this chapter. The notice to the purchaser shall be acknowledged by the purchaser's signing of the purchase agreement or other notification document and the regulated lending institution shall retain a record of the receipt of the notice by the purchaser.

''(d) FEDERAL AGENCY LENDERS.—Each Federal agency lender shall by regulation require notification in the manner provided in subsection (c) with respect to any loan that is made by the Federal agency lender and secured by residential real estate or a mobile home located or to be located in the vicinity of an airport on the Secretary's list described in subsection (b).

''(e) CONTENTS OF NOTICE.—The notice required under this section shall disclose—

''(1) that the property is located within the noise contours depicted on the most recent noise exposure map submitted by the airport operator according to section 47503 of this chapter, and is subject to aircraft noise exposure; and

''(2) the name and telephone number of the airport where the purchaser may obtain more information on the aircraft noise exposure.''.

SEC. 212. PROHIBITION ON REQUIRING AIRPORTS TO PROVIDE RENT-FREE SPACE FOR FAA OR TSA.

(a) IN GENERAL.—Chapter 401 is amended by adding at the end the following:

''§ 40129. Prohibition on rent-free space requirements for FAA or TSA

''(a) IN GENERAL.—Neither the Secretary of Transportation nor the Secretary of Homeland Security may require airport sponsors to provide building construction, maintenance, utilities and expenses, or space in airport sponsor-owned buildings to the Federal Aviation Administration or the Transportation Security Administration without cost for services relating to air traffic control, air navigation, aviation security, or weather reporting.

''(b) NEGOTIATED AGREEMENTS.—Subsection (a) does not prohibit—

''(1) the negotiation of agreements between either Secretary and an airport sponsor to provide building construction, maintenance, utilities and expenses, or space in airport sponsor-owned buildings to the Federal Aviation Administration or the Transportation Security Administration without cost or at below-market rates; or

''(2) either Secretary from requiring airport sponsors to provide land without cost to the Federal Aviation Administration for air traffic control facilities or space without cost to the Transportation Security Administration for necessary security checkpoints.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 401 is amended by adding at the end the following:

''40129. Prohibition on rent-free space requirements for FAA or TSA.''.

SEC. 213. SPECIAL RULES FOR FISCAL YEAR 2004.

(a) APPORTIONMENT TO CERTAIN AIRPORTS WITH DECLINING BOARDINGS.—

(1) IN GENERAL.—For fiscal year 2004, the Secretary of Transportation may apportion funds under section 47114 of title 49, United States Code, to the sponsor of an airport described in paragraph (2) in an amount equal to the amount apportioned to that airport under that section for fiscal year 2002, notwithstanding any provision of section 47114 to the contrary.

(2) AIRPORTS TO WHICH PARAGRAPH (1) APPLIES.—Paragraph (1) applies to any airport determined by the Secretary to have had—

(A) less than 0.05 percent of the total United States passenger boardings (as defined in section 47102(10) of title 49, United States Code) for the calendar year used for determining apportionments under section 47114 for fiscal year 2004;

(B) less than 10,000 passenger boardings in calendar year 2002; and

(C) 10,000 or more passenger boardings in calendar year 2000.

(b) TEMPORARY INCREASE IN GOVERNMENT SHARE OF CERTAIN AIP PROJECT COSTS.—Notwithstanding section 47109(a) of title 49, United States Code, the Government's share of allowable project costs for a grant made in fiscal year 2004 under chapter 471 of that title for a project described in paragraph (2) or (3) of that section shall be 95 percent.

SEC. 214. AGREEMENTS FOR OPERATION OF AIRPORT FACILITIES.

Section 47124 is amended—

(1) by inserting ''a qualified entity or'' after ''with'' in subsection (a);

(2) by inserting ''entity or '' after ''allow the'' in subsection (a);

(3) by inserting ''entity or'' before ''State'' the last place it appears in subsection (a);

(4) by striking ''contract,'' in subsection (b)(2) and inserting ''contract with a qualified entity, or'';

(5) by striking ''the State'' each place it appears in subsection (b)(2) and inserting ''the entity or State'';

(6) by striking ''PILOT'' in the caption of subsection (b)(3);

(7) by striking ''pilot'' in subsection (b)(3)(A);

(8) by striking ''pilot'' in subsection (b)(3)(D);

(9) by striking ''$6,000,000 per fiscal year'' in subsection (b)(3)(E) and inserting ''$6,500,000 for fiscal 2004, $7,000,000 for fiscal year 2005, and $7,500,000 for fiscal year 2006''; and

(10) by striking ''$1,100,000.'' in subsection (b)(4)(C) and inserting ''$1,500,000.''.

SEC. 215. PUBLIC AGENCIES.

Section 47102(15) is amended—

(1) by striking ''or'' after the semicolon in subparagraph (B);

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B) the following:

''(C) the Department of the Interior with respect to an airport owned by the Department that is required to be maintained for commercial aviation safety at a remote location; or''.

SEC. 216. FLEXIBLE FUNDING FOR NONPRIMARY AIRPORT APPORTIONMENTS.

(a) IN GENERAL.—Section 47117(c)(2) is amended to read as follows:

''(2) WAIVER.—A sponsor of an airport may make an agreement with the Secretary of Transportation waiving the sponsor's claim to any part of the amount apportioned for the airport under sections 47114(c) and 47114(d)(2)(A) of this title if the Secretary agrees to make the waived amount available for a grant for another public-use airport in the same State or geographical area as the airport, as determined by the Secretary.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 47108(a) is amended by inserting ''or section 47114(d)(2)(A)'' after ''under section 47114(c)''.

(2) Section 47110 is amended—

(A) by inserting ''or section 47114(d)(2)(A)'' in subsection (b)(2)(C) after ''of section 47114(c)'';

(B) by inserting ''or section 47114(d)(2)(A)'' in subsection (g) after ''of section 47114(c)'';

(C) by striking ''of project.'' in subsection (g) and inserting ''of the project.''; and

(D) by adding at the end the following:

''(h) NONPRIMARY AIRPORTS.—The Secretary may decide that the costs of revenue producing aeronautical support facilities, including fuel farms and hangars, are allowable for an airport development project at a nonprimary airport and for which the Government's share is paid only with funds apportioned to a sponsor under section 47114(d)(2)(A), if the Secretary determines that the sponsor has made adequate provision for financing airside needs of the airport.''.

(3) Section 47119(b) is amended by—

(A) striking ''or'' after the semicolon in paragraph (3);

(B) striking ''1970.'' in paragraph (4) and inserting ''1970; or''; and

(C) adding at the end the following:

''(5) to a sponsor of a nonprimary airport referred to in subparagraph (A) or (B) paragraph (2), any part of amounts apportioned to the sponsor for the fiscal year under section 47114(d)(3)(A) of this title for project costs allowable under section 47110(d) of this title.''.

(c) APPORTIONMENT FOR ALL-CARGO AIRPORTS.—Section 47114(c)(2)(A) is amended by striking ''3'' and inserting ''3.5''.

(d) CONSIDERATIONS FOR CARGO OPERATIONS.—Section 47115(d) is amended—

(1) by striking ''and'' at the end of paragraph (5);

(2) by striking the period at the end of paragraph (6) and inserting ''; and''; and

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

''(7) the ability of the project to foster United States competitiveness in securing global air cargo activity at a United States airport.''.

TITLE III—AIRLINE SERVICE DEVELOPMENT

Subtitle A—Program Enhancements

SEC. 301. DELAY REDUCTION MEETINGS.

(a) IN GENERAL.—Subchapter I of chapter 417 is amended by adding at the end the following new section:

''§ 41723. Delay reduction actions

''(a) DELAY REDUCTION MEETINGS.—

''(1) SCHEDULING REDUCTION MEETINGS.—The Secretary of Transportation may request that air carriers meet with the Administrator of the Federal Aviation Administration to discuss flight reductions at severely congested airports to reduce overscheduling and flight delays during hours of peak operation if—

''(A) the Administrator of the Federal Aviation Administration determines that it is necessary to convene such a meeting; and

''(B) the Secretary determines that the meeting is necessary to meet a serious transportation need or achieve an important public benefit.

''(2) MEETING CONDITIONS.—Any meeting under paragraph (1)—

''(A) shall be chaired by the Administrator;

''(B) shall be open to all scheduled air carriers; and

''(C) shall be limited to discussions involving the airports and time periods described in the Administrator's determination.

''(3) FLIGHT REDUCTION TARGETS.—Before any such meeting is held, the Administrator shall establish flight reduction targets for the meeting and notify the attending air carriers of those targets not less than 48 hours before the meeting.

''(4) DELAY REDUCTION OFFERS.—An air carrier attending the meeting shall make any delay reduction offer to the Administrator rather than to another carrier.

''(5) TRANSCRIPT.—The Administrator shall ensure that a transcript of the meeting is kept and made available to the public not later than 3 business days after the conclusion of the meeting.

''(b) STORMY WEATHER AGREEMENTS LIMITED EXEMPTION.—

''(1) IN GENERAL.—The Secretary may establish a program to authorize by order discussions and agreements between 2 or more air carriers for the purpose of reducing flight delays during periods of inclement weather.

''(2) REQUIREMENTS.—An authorization issued under paragraph (1)—

''(A) may only be issued by the Secretary after a determination by the Federal Aviation Administration that inclement weather is likely to adversely and directly affect capacity at an airport for a period of at least 3 hours;

''(B) shall apply only to discussions and agreements concerning flights directly affected by the inclement weather; and

''(C) shall remain in effect for a period of 24 hours.

''(3) PROCEDURE.—The Secretary shall establish procedures within 30 days after such date of enactment for—

''(A) filing requests for an authorization under paragraph (1);

''(B) participation under paragraph (5) by representatives of the Department of Transportation in any meetings or discussions held pursuant to such an order; and

''(C) the determination by the Federal Aviation Administration about the impact of inclement weather.

''(4) COPY OF PARTICIPATION REQUEST FILED WITH SECRETARY.—Before an air carrier may request an order under paragraph (1), it shall file a request with the Secretary, in such form and manner as the Secretary may prescribe, to participate in the program established under paragraph (1).

''(5) DOT PARTICIPATION.—The Secretary shall ensure that the Department is represented at any meetings authorized under this subsection.

''(c) EXEMPTION AUTHORIZED.—When the Secretary finds that it is required by the public interest, the Secretary, as part of an order issued under subsection (b)(1), shall exempt a person affected by the order from the antitrust laws to the extent necessary to allow the person to proceed with the activities approved in the order.

''(d) ANTITRUST LAWS DEFINED.—In this section, the term 'antitrust laws' has the meaning given that term in the first section of the Clayton Act (15 U.S.C. 12).

''(e) SUNSET.—The authority of the Secretary to issue an order under subsection (b)(1) of this section expires at the end of the 2-year period that begins 45 days after the date of enactment of the Aviation Investment and Revitalization Vision Act. The Secretary may extend the 2-year Period for an additional 2 years if the Secretary determines that such an extension is necessary and in the public interest. The Secretary shall notify the Senate Committee on Commerce, Science, and Transportation, and to the House of Representatives Committee on Transportation and Infrastructure of any such extension.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 417 is amended by inserting after the item relating to section 41722 the following new item:

''41723. Delay reduction actions.''.

SEC. 302. SMALL COMMUNITY AIR SERVICE DEVELOPMENT PILOT PROGRAM.

(a) 3-YEAR EXTENSION.—Section 41743(e)(2) is amended—

(1) by striking ''There is'' and inserting ''There are'';

(2) by striking ''2001 and'' and inserting ''2001,''; and

(3) by striking ''2003'' and inserting ''2003, and $27,500,000 for each of fiscal years 2004, 2005, and 2006''.

(b) ADDITIONAL COMMUNITIES.—Section 41743(c)(4) of such title is amended by striking ''program.'' and inserting''program each year. No community, consortia of communities, or combination thereof may participate in the program twice.''.

SEC. 303. DOT STUDY OF COMPETITION AND ACCESS PROBLEMS AT LARGE AND MEDIUM HUB AIRPORTS.

(a) IN GENERAL.—The Secretary of Transportation shall study competition and airline access problems at hub airports (as defined in section 41731(a)(3)) of title 49, United States Code, and medium hub airports (as defined in section 41714(h)(9) of that title). In the study, the Secretary shall examine, among other matters—

(1) gate usage and availability; and

(2) the effects of the pricing of gates and other facilities on competition and access.

(b) REPORT.—The Secretary shall transmit a report of the Secretary's findings and conclusions together with any recommendations, including legislative recommendations, the Secretary may have for improving competition and airline access at such airports to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure within 6 months after the date of enactment of this Act.

SEC. 304. COMPETITION DISCLOSURE REQUIREMENT FOR LARGE AND MEDIUM HUB AIRPORTS.

Section 47107 is amended by adding at the end the following:

''(q) COMPETITION DISCLOSURE REQUIREMENT.—

''(1) IN GENERAL.—The Secretary of Transportation may approve an application under this subchapter for an airport development project grant for a hub airport or a medium hub airport only if the Secretary receives assurances that the airport sponsor will provide the information required by paragraph (2) at such time and in such form as the Secretary may require.

''(2) COMPETITIVE ACCESS.—If an airport denies an application by an air carrier to receive access to gates or other facilities at that airport in order to provide service to the airport or to expand service at the airport, then, within 30 days after denying the request, the airport sponsor shall—

''(A) notify the Secretary of the denial; and

''(B) transmit a report to the Secretary that—

''(i) describes the request;

''(ii) explains the reasons for the denial; and

''(iii) provides a time frame within which, if any, the airport will be able to accommodate the request.

''(3) DEFINITIONS.—In this subsection:

''(A) HUB AIRPORT.—The term 'hub airport' has the meaning given that term by section 41731(a)(3).

''(B) MEDIUM HUB AIRPORT.—The term 'medium hub airport' has the meaning given that term by section 41714(h)(9).''.

Subtitle B—Small Community and Rural Air Service Revitalization

SEC. 351. REAUTHORIZATION OF ESSENTIAL AIR SERVICE PROGRAM.

Section 41742(a) of title 49, United States Code, is amended to read as follows:

''(a) IN GENERAL.—There are authorized to be appropriated to the Secretary of Transportation to carry out the essential air service under this subchapter, $113,000,000 for each of fiscal years 2004 through 2007, $50,000,000 of which for each such year shall be derived from amounts received by the Federal Aviation Administration credited to the account established under section 45303 of this title or otherwise provided to the Administration.''.

SEC. 352. INCENTIVE PROGRAM.

(a) IN GENERAL.—Chapter 417 of title 49, United States Code, is amended by adding at the end the following:

''SUBCHAPTER IV—MARKETING INCENTIVE PROGRAM

''Sec. 41781. Purpose.
''Sec. 41782. Marketing program.
''Sec. 41783. State marketing assistance.
''Sec. 41784. Definitions.
''Sec. 41785. Authorization of appropriations.

''§ 41781. Purposes

''The purposes of this subchapter are—

''(1) to enable essential air service communities to increase boardings and the level of passenger usage of airport facilities at an eligible place by providing technical, financial, and other marketing assistance to such communities and to States;

''(2) to reduce subsidy costs under subchapter II of this chapter as a consequence of such increased usage; and

''(3) to provide such communities with opportunities to obtain, retain, and improve transportation services.

''§ 41782. Marketing program

''(a) IN GENERAL.—The Secretary of Transportation shall establish a marketing incentive program for eligible essential air service communities receiving assistance under subchapter II under which the airport sponsor in such a community may receive a grant of not more than $50,000 to develop and implement a marketing plan to increase passenger boardings and the level of passenger usage of its airport facilities.

''(b) MATCHING REQUIREMENT; SUCCESS BONUSES—

''(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), not less than 25 percent of the publicly financed costs associated with the marketing plan shall come from non-Federal sources. For purposes of this paragraph—

''(A) the non-Federal portion of the publicly financed costs may be derived from contributions in kind; and

''(B) State or local matching contributions may not be derived, directly or indirectly, from Federal funds, but the use by a state or local government of proceeds from the sale of bonds to provide the matching contribution is not considered to be a contribution derived directly or indirectly from Federal funds, without regard to the Federal income tax treatment of interest paid on those bonds or the Federal income tax treatment of those bonds.

''(2) BONUS FOR 25-PERCENT INCREASE IN USAGE.—Except as provided in paragraph (3), if, after any 12-month period during which a marketing plan has been in effect, the Secretary determines that the marketing plan has increased average monthly boardings, or the level of passenger usage, at the airport facilities at the eligible place, by 25 percent or more, then only 10 percent of the publicly financed costs associated with the marketing plan shall be required to come from non-Federal sources for the following 12-month period.

''(3) BONUS FOR 50-PERCENT INCREASE IN USAGE.—If, after any 12-month period during which a marketing plan has been in effect, the Secretary determines that the marketing plan has increased average monthly boardings, or the level of passenger usage, at the airport facilities at the eligible place, by 50 percent or more, then no portion of the publicly financed costs associated with the marketing plan shall be required to come from non-Federal sources for the following 12-month period.

''§ 41783. State marketing assistance

''The Secretary of Transportation may provide up to $50,000 in technical assistance to any State within which an eligible essential air service community is located for the purpose of assisting the State and such communities to develop methods to increase boardings in such communities. At least 10 percent of the costs of the activity with which the assistance is associated shall come from non-Federal sources, including contributions in kind.

''§ 41784. Definitions

''In this subchapter:

''(1) ELIGIBLE PLACE.—The term 'eligible place' has the meaning given that term in section 41731(a)(1).

''(2) ELIGIBLE ESSENTIAL AIR SERVICE COMMUNITY.—The term 'eligible essential air service community' means an eligible place that—

''(A) submits an application to the Secretary in such form, at such time, and containing such information as the Secretary may require, including a detailed marketing plan, or specifications for the development of such a plan, to increase average boardings, or the level of passenger usage, at its airport facilities; and

''(B) provides assurances, satisfactory to the Secretary, that it is able to meet the non-Federal funding requirements of section 41782(b)(1).

''(3) PASSENGER BOARDINGS.—The term 'passenger boardings' has the meaning given that term by section 47102(10).

''(4) SPONSOR.—The term 'sponsor' has the meaning given that term in section 47102(19).

''§ 41785. Authorization of appropriations

''There are authorized to be appropriated to the Secretary of Transportation $12,000,000 for

each of fiscal years 2004 through 2007, not more than $200,000 per year of which may be used for administrative costs.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 417 of such title is amended by inserting after the item relating to section 41767 the following:

''SUBCHAPTER IV—MARKETING INCENTIVE PROGRAM

''41781. Purpose.
''41782. Marketing program.
''41783. State marketing assistance.
''41784. Definitions.
''41785. Authorization of appropriations.''.

SEC. 353. PILOT PROGRAMS.

(a) IN GENERAL.—Subchapter II of chapter 417 of title 49, United States Code, is amended by adding at the end the following:

''§ 41745. Other pilot programs

''(a) IN GENERAL.—If the entire amount authorized to be appropriated to the Secretary of Transportation by section 41785 is appropriated for fiscal years 2004 through 2007, the Secretary of Transportation shall establish pilot programs that meet the requirements of this section for improving service to communities receiving essential air service assistance under this subchapter or consortia of such communities.

''(b) PROGRAMS AUTHORIZED.—

''(1) COMMUNITY FLEXIBILITY.—The Secretary shall establish a pilot program for not more than 10 communities or consortia of communities under which the airport sponsor of an airport serving the community or consortium may elect to forego any essential air service assistance under preceding sections of this subchapter for a 10-year period in exchange for a grant from the Secretary equal in value to twice the annual essential air service assistance received for the most recently ended calendar year. Under the program, and notwithstanding any provision of law to the contrary, the Secretary shall make a grant to each participating sponsor for use by the recipient for any project that—

''(A) is eligible for assistance under chapter 471;

''(B) is located on the airport property; or

''(C) will improve airport facilities in a way that would make such facilities more usable for general aviation.

''(2) EQUIPMENT CHANGES.—

''(A) IN GENERAL.—The Secretary shall establish a pilot program for not more than 10 communities or consortia of communities under which, upon receiving a petition from the sponsor of the airport serving the community or consortium, the Secretary shall authorize and request the essential air service provider for that community or consortium to use smaller equipment to provide the service and to consider increasing the frequency of service using such smaller equipment. Before granting any such petition, the Secretary shall determine that passenger safety would not be compromised by the use of such smaller equipment.

''(B) ALTERNATIVE SERVICES.—For any 3 aiport sponsors participating in the program established under subparagraph (A), the Secretary may establish a pilot program under which—

''(i) the Secretary provides 100 percent Federal funding for reasonable levels of alternative transportation services from the eligible place to the nearest hub airport or small hub airport;

''(ii) the Secretary will authorize the sponsor to use its essential air service subsidy funds provided under preceding sections of this subchapter for any airport-related project that would improve airport facilities; and

''(iii) the sponsor may make an irrevocable election to terminate its participation in the pilot program established under this paragraph after 1 year.

''(3) COST-SHARING.—The Secretary shall establish a pilot program under which the sponsors of airports serving a community or consortium of communities share the cost of providing air transportation service greater than the basic essential air service provided under this subchapter.

''(4) EAS LOCAL PARTICIPATION PROGRAM.—

''(A) IN GENERAL.—The Secretary of Transportation shall establish a pilot program under which designated essential air service communities located in proximity to hub airports are required to assume 10 percent of their essential air service subsidy costs for a 3-year period.

''(B) DESIGNATION OF COMMUNITIES.—

''(i) IN GENERAL.—The Secretary may not designate any community under this paragraph unless it is located within 100 miles by road of a hub airport and is not located in a noncontiguous State. In making the designation, the Secretary may take into consideration the total traveltime between a community and the nearest hub airport, taking into account terrain, traffic, weather, road conditions, and other relevant factors.

''(ii) ONE COMMUNITY PER STATE.—The Secretary may not designate—

''(I) more than 1 community per State under this paragraph; or

''(II) a community in a State in which another community that is eligible to participate in the essential air service program has elected not to participate in the essential air service program.

''(C) APPEAL OF DESIGNATION.—A community may appeal its designation under this section. The Secretary may withdraw the designation of a community under this paragraph based on—

''(i) the airport sponsor's ability to pay; or

''(ii) the relative lack of financial resources in a community, based on a comparison of the median income of the community with other communities in the State.

''(D) NON-FEDERAL SHARE.—

''(i) NON-FEDERAL AMOUNTS.—For purposes of this section, the non-Federal portion of the essential air service subsidy may be derived from contributions in kind, or through reduction in the amount of the essential air service subsidy through reduction of air carrier costs, increased ridership, pre-purchase of tickets, or other means. The Secretary shall provide assistance to designated communities in identifying potential means of reducing the amount of the subsidy without adversely affecting air transportation service to the community.

''(ii) APPLICATION WITH OTHER MATCHING REQUIREMENTS.—This section shall apply to the Federal share of essential air service provided this subchapter, after the application of any other non-Federal share matching requirements imposed by law.

''(E) ELIGIBILITY FOR OTHER PROGRAMS NOT AFFECTED.—Nothing in this paragraph affects the eligibility of a community or consortium of communities, an airport sponsor, or any other person to participate in any program authorized by this subchapter. A community designated under this paragraph may participate in any program (including pilot programs) authorized by this subchapter for which it is otherwise eligible—

''(i) without regard to any limitation on the number of communities that may participate in that program; and

''(ii) without reducing the number of other communities that may participate in that program.

''(F) SECRETARY TO REPORT TO CONGRESS ON IMPACT.—The Secretary shall transmit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on—

''(i) the economic condition of communities designated under this paragraph before their designation;

''(ii) the impact of designation under this paragraph on such communities at the end of each of the 3 years following their designation; and

''(iii) the impact of designation on air traffic patterns affecting air transportation to and from communities designated under this paragraph.

''(c) CODE-SHARING.—Under the pilot program established under subsection (a), the Secretary is authorized to require air carriers providing service to participating communities and major air carriers (as defined in section 41716(a)(2)) serving large hub airports (as defined in section 41731(a)(3)) to participate in multiple code-share arrangements consistent with normal industry practice whenever and wherever the Secretary determines that such multiple code-sharing arrangements would improve air transportation services. The Secretary may not require air carriers to participate in such arrangements under this subsection for more than 10 such communities.

''(d) TRACK SERVICE.—The Secretary shall require essential air service providers to track changes in service, including on-time arrivals and departures.

''(e) ADMINISTRATIVE PROVISIONS.—In order to participate in a pilot program established under this section, the airport sponsor for a community or consortium of communities shall submit an application to the Secretary in such form, at such time, and containing such information as the Secretary may require.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 417 of such title is amended by inserting after the item relating to section 41744 the following:

''41745. Other pilot programs.''.

SEC. 354. EAS PROGRAM AUTHORITY CHANGES.

(a) RATE RENEGOTIATION.—If the Secretary of Transportation determines that essential air service providers are experiencing significantly increased costs of providing service under subchapter II of chapter 417 of title 49, United States Code, the Secretary of Transportation may increase the rates of compensation payable under that subchapter within 30 days after the date of enactment of this Act without regard to any agreements or requirements relating to the renegotiation of contracts. For purposes of this subsection, the term ''significantly increased costs'' means an average monthly cost increase of 10 percent or more.

(b) RETURNED FUNDS.—Notwithstanding any provision of law to the contrary, any funds made available under subchapter II of chapter 417 of title 49, United States Code, that are returned to the Secretary by an airport sponsor because of decreased subsidy needs for essential air service under that subchapter shall remain available to the Secretary and may be used by the Secretary under that subchapter to increase the frequency of flights at that airport.

(c) SMALL COMMUNITY AIR SERVICE DEVELOPMENT PILOT PROGRAM.—Section 41743(h) of such title is amended by striking ''an airport'' and inserting ''each airport''.

TITLE IV—AVIATION SECURITY

SEC. 401. STUDY OF EFFECTIVENESS OF TRANSPORTATION SECURITY SYSTEM.

(a) IN GENERAL.—The Secretary of Homeland Security shall study the effectiveness of the aviation security system, including the air marshal program, hardening of cockpit doors, and security screening of passengers, checked baggage, and cargo.

(b) REPORT.—The Secretary shall transmit a report of the Secretary's findings and conclusions together with any recommendations, including legislative recommendations, the Secretary may have for improving the effectiveness of aviation security to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure within 6 months after the date of enactment of this Act. In the report the Secretary shall also describe any redeployment of Transportation Security Administration resources based on those findings and conclusions. The Secretary may submit the report to the Committees in classified and redacted form.

SEC. 402. AVIATION SECURITY CAPITAL FUND.

(a) IN GENERAL.—There is established within the Department of Transportation a fund to be

known as the Aviation Security Capital Fund. The first $500,000,000 derived from fees received under section 44940(a)(1) of title 49, United States Code, in each of fiscal years 2004, 2005, and 2006 shall be available to the Fund. The Under Secretary of Homeland Security for Border and Transportation Security shall impose the fee authorized by section 44940(a)(1) of such title so as to collect at least $500,000,000 in each of fiscal years 2004, 2005, and 2006 for deposit into the fund. Amounts in the fund shall be allocated in such a manner that—

(1) 40 percent shall be made available for hub airports;

(2) 20 percent shall be made available for medium hub airports;

(3) 15 percent shall be made available for small hub airports and non-hub airports; and

(4) 25 percent shall be distributed by the Secretary on the basis of aviation security risks.

(b) PURPOSE.—Amounts in the Fund shall be available to the Secretary of Transportation, after consultation with the Under Secretary of Homeland Security for Border and Transportation Security to provide financial assistance to airport sponsors to defray capital investment in transportation security at airport facilities in accordance with the provisions of this section. The program shall be administered in concert with the airport improvement program under chapter 417 of title 49, United States Code.

(c) APPORTIONMENT.—Amounts made available under subsection (a)(1), (a)(2), or (a)(3) shall be apportioned among the airports in each category in accordance with a formula based on the ratio that passenger emplanements at each airport in the category bears to the total passenger emplanements at all airports in the that category.

(d) MATCHING REQUIREMENTS.—

(1) IN GENERAL.—Not less than the following percentage of the costs of any project funded under this section shall be derived from non-Federal sources:

(A) For hub airports and medium hub airports, 25 percent.

(B) For airports other than hub airports and medium hub airports, 10 percent.

(2) USE OF BOND PROCEEDS.—In determining the amount of non-Federal sources of funds, the proceeds of State and local bond issues shall not be considered to be derived, directly or indirectly, from Federal sources without regard to the Federal income tax treatment of interest and principal of such bonds.

(e) LETTERS OF INTENT.—The Secretary of Transportation, or his delegate, may execute letters of intent to commit funding to airport sponsors from the Fund.

(f) CONFORMING AMENDMENTS.—

(1) USE OF PASSENGER FEE FUNDS.—Section 44940(a)(1) is amended by adding at the end the following:

''(H) The costs of security-related capital improvements at airports.''.

(2) LIMITATION ON COLLECTION.—Section 44940(d)(4) is amended by striking ''Act.'' and inserting ''Act or in section 402(a) of the Aviation Investment and Revitalization Vision Act.''.

(g) DEFINITIONS.—Any term used in this section that is defined or used in chapter 417 of title 49 United States Code has the meaning given that term in that chapter.

SEC. 403. TECHNICAL AMENDMENTS RELATED TO SECURITY-RELATED AIRPORT DEVELOPMENT.

(a) DEFINITION OF AIRPORT DEVELOPMENT.—Section 47102(3)(B) is amended—

(1) by inserting ''and'' after the semicolon in clause (viii);

(2) by striking ''circular; and'' in clause (ix) and inserting ''circular.''; and

(3) by striking clause (x).

(b) IMPROVEMENT OF FACILITIES AND EQUIPMENT.—Section 301(a) of the Federal Aviation Reauthorization Act of 1996 (49 U.S.C. 44901 note) is amended by striking ''travel.'' and inserting ''travel if the improvements or equipment will be owned and operated by the airport.''.

SEC. 404. ARMED FORCES CHARTERS.

Section 132 of the Aviation and Transportation Security Act (49 U.S.C. 44903 note) is amended by adding at the end the following:

''(c) EXEMPTION FOR ARMED FORCES CHARTERS.—

''(1) IN GENERAL.—Subsections (a) and (b) of this section, and chapter 449 of title 49, United States Code, do not apply to passengers and property carried by aircraft when employed to provide charter transportation to members of the armed forces.

''(2) IN GENERAL.—The Secretary of Defense, in consultation with the Secretary of Homeland Security and the Secretary of Transportation, shall establish security procedures relating to the operation of aircraft when employed to provide charter transportation to members of the armed forces to or from an airport described in section 44903(c) of title 49, United States Code.

''(3) ARMED FORCES DEFINED.—In this subsection, the term 'armed forces' has the meaning given that term by section 101(a)(4) of title 10, United States Code.''.

TITLE V—MISCELLANEOUS

SEC. 501. EXTENSION OF WAR RISK INSURANCE AUTHORITY.

(a) EXTENSION OF POLICIES.—Section 44302(f)(1) is amended by striking ''2004,'' each place it appears and inserting ''2006,''.

(b) EXTENSION OF LIABILITY LIMITATION.—Section 44303(b) is amended by striking ''2004,'' and inserting ''2006,''.

(c) EXTENSION OF AUTHORITY.—Section 44310 is amended by striking ''2004.'' and inserting ''2006.''.

SEC. 502. COST-SHARING OF AIR TRAFFIC MODERNIZATION PROJECTS.

(a) IN GENERAL.—Chapter 445 is amended by adding at the end the following:

''§44517. Program to permit cost-sharing of air traffic modernization projects

''(a) IN GENERAL.—Subject to the requirements of this section, the Secretary may carry out a program under which the Secretary may make grants to project sponsors for not more than 10 eligible projects per fiscal year for the purpose of improving aviation safety and enhancing mobility of the Nation's air transportation system by encouraging non-Federal investment in critical air traffic control facilities and equipment.

''(b) FEDERAL SHARE.—The Federal share of the cost of an eligible project carried out under the program shall not exceed 33 percent. The non-Federal share of the cost of an eligible project shall be provided from non-Federal sources, including revenues collected pursuant to section 40117 of this title.

''(c) LIMITATION ON GRANT AMOUNTS.—No eligible project may receive more than $5,000,000 in Federal funds under the program.

''(d) FUNDING.—The Secretary shall use amounts appropriated under section 48101(a) of this title to carry out this program.

''(e) DEFINITIONS.—In this section:

''(1) ELIGIBLE PROJECT.—The term 'eligible project' means a project relating to the Nation's air traffic control system that is certified or approved by the Administrator and that promotes safety, efficiency, or mobility. Such projects may include—

''(A) airport-specific air traffic facilities and equipment, including local area augmentation systems, instrument landing systems, weather and wind shear detection equipment, lighting improvements, and control towers;

''(B) automation tools to effect improvements in airport capacity, including passive final approach spacing tools and traffic management advisory equipment; and

''(C) facilities and equipment that enhance airspace control procedures, including consolidation of terminal radar control facilities and equipment, or assist in en route surveillance, including oceanic and offshore flight tracking.

''(2) PROJECT SPONSOR.—The term 'project sponsor' means any major user of the National Airspace System, as determined by the Secretary, including a public-use airport or a joint venture between a public-use airport and one or more air carriers.

''(f) TRANSFERS OF EQUIPMENT.—Notwithstanding any other provision of law, and upon agreement by the Administrator of the Federal Aviation Administration, project sponsors may transfer, without consideration, to the Federal Aviation Administration, facilities, equipment, or automation tools, the purchase of which was assisted by a grant made under this section, if such facilities, equipment or tools meet Federal Aviation Administration operation and maintenance criteria.

''(g) GUIDELINES.—The Administrator shall issue advisory guidelines on the implementation of the program, which shall not be subject to administrative rulemaking requirements under subchapter II of chapter 5 of title 5.''.

(b) CONFORMING AMENDMENT.—The chapter analyses for chapter 445 is amended by adding at the end the following:

''44517. Program to permit cost-sharing of air traffic modernization projects.''.

SEC. 503. COUNTERFEIT OR FRAUDULENTLY REPRESENTED PARTS VIOLATIONS.

Section 44726(a)(1) is amended—

(1) by striking ''or'' after the semicolon in subparagraph (A);

(2) by redesignating subparagraph (B) as subparagraph (D);

(3) by inserting after subparagraph (A) the following:

''(B) who knowingly, and with intent to defraud, carried out or facilitated an activity punishable under a law described in subparagraph (A);

''(C) whose certificate is revoked under subsection (b) of this section; or''; and

(4) by striking ''convicted of such a violation.'' in subparagraph (D), as redesignated, and inserting ''described in subparagraph (A), (B) or (C).''.

SEC. 504. CLARIFICATIONS TO PROCUREMENT AUTHORITY.

(a) UPDATE AND CLARIFICATION OF AUTHORITY.—

(1) Section 40110(c) is amended to read as follows:

''(c) DUTIES AND POWERS.—When carrying out subsection (a) of this section, the Administrator of the Federal Aviation Administration may—

''(1) notwithstanding section 1341(a)(1) of title 31, lease an interest in property for not more than 20 years;

''(2) consider the reasonable probable future use of the underlying land in making an award for a condemnation of an interest in airspace; and

''(3) dispose of property under subsection (a)(2) of this section, except for airport and airway property and technical equipment used for the special purposes of the Administration, only under sections 121, 123, and 126 and chapter 5 of title 40.''.

(2) Section 40110(d)(1) is amended by striking ''implement, not later than January 1, 1996,'' and inserting ''implement''.

(b) CLARIFICATION.—Section 106(f)(2)(A)(ii) is amended by striking ''property'' and inserting ''property, services,''.

SEC. 505. JUDICIAL REVIEW.

Section 46110(c) is amended by adding at the end the following: ''Except as otherwise provided in this subtitle, judicial review of an order issued, in whole or in part, pursuant to this part, part B of this subtitle , or subsection (l) or (s) of section 114 of this title, shall be in accordance with the provisions of this section.''.

SEC. 506. CIVIL PENALTIES.

(a) INCREASE IN MAXIMUM CIVIL PENALTY.—Section 46301(a) is amended—

(1) by striking ''$1,000'' in paragraph (1) and inserting ''$25,000'';

(2) by striking ''or'' the last time it appears in paragraph (1)(A);

(3) by striking ''section)'' in paragraph (1)(A), and inserting ''section), or section 47133'';

(4) by striking paragraphs (2), (3), (6), and (7) and redesignating paragraphs (4), (5), and (8) as paragraphs (2), (3), and (4), respectively; and

(5) by striking ''paragraphs (1) and (2)'' in paragraph (4), as redesignated, and inserting ''paragraph (1)''.

(b) INCREASE IN LIMIT ON ADMINISTRATIVE AUTHORITY AND CIVIL PENALTY.—Section 46301(d) is amended—

(1) by striking ''$50,000;'' in paragraph (4)(A) by inserting ''$50,000, if the violation occurred before the date of enactment of the Aviation Authorization Act of 2003, or $1,000,000, if the violation occurred on or after that date;''; and

(2) by striking ''$50,000.'' in paragraph (8) and inserting ''$50,000, if the violation occurred before the date of enactment of the Aviation Authorization Act of 2003, or $1,000,000, if the violation occurred on or after that date.''.

SEC. 507. MISCELLANEOUS AMENDMENTS.

(a) AMOUNTS SUBJECT TO APPORTIONMENT UNDER CHAPTER 471.—

(1) IN GENERAL.—Section 47102 is amended—

(A) by striking paragraph (6) and inserting the following:

''(6) 'amount newly made available' means the amount newly made available under section 48103 of this title as an authorization for grant obligations for a fiscal year, as that amount may be limited in that year by a provision in an appropriations Act, but as determined without regard to grant obligation recoveries made in that year or amounts covered by section 47107(f).''; and

(B) by redesignating paragraphs (7) through (20) as paragraphs (8) through (21), and inserting after paragraph (6) the following:

''(7) 'amount subject to apportionment' means the amount newly made available, less the amount made available for the fiscal year for administrative expenses under section 48105.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 41742(b) is amended by striking ''Notwithstanding section 47114(g) of this title, any'' and inserting ''Any''.

(B) Section 47104(b) is amended to read as follows:

''(b) INCURRING OBLIGATIONS.—The Secretary may incur obligations to make grants from the amount subject to apportionment as soon as the apportionments required by sections 47114(c) and (d)(2) of this title have been issued.''.

(C) Section 47107(f)(3) is amended by striking ''made available to the Secretary under section 48103 of this title and'' and inserting ''subject to apportionment, and is''.

(D) Section 47114 is amended—

(i) by striking subsection (a);

(ii) by striking ''apportionment for that fiscal year'' in subsection (b) and inserting ''apportionment'';

(iii) by striking ''total amount made available under section 48103'' in subsections (c)(2)(C), (d)(3), and (e)(4) and inserting ''amount subject to apportionment'';

(iv) by striking ''each fiscal year'' in subsection (c)(2)(A); and

(v) by striking ''for each fiscal year'' in subsection (d)(2).

(E) Subsection 47116(b) is amended by striking ''amounts are made available under section 48103 of this title'' and inserting ''an amount is subject to apportionment''.

(F) Section 47117 is amended—

(i) by striking ''amounts are made available under section 48103 of this title.'' in subsection (a) and inserting ''an amount is subject to apportionment.'';

(ii) by striking ''a sufficient amount is made available under section 48103.'' in subsection (f)(2)(A) and inserting ''there is a sufficient amount subject to apportionment.'';

(iii) in subsection (f)(2)(B), by inserting ''in'' before ''the succeeding'';

(iv) by striking ''NEWLY AVAILABLE'' in the caption of subsection (f)(3) and inserting ''RESTORED'';

(v) by striking ''newly available under section 48103 of this title,'' in subsection (f)(3)(A) and inserting ''subject to apportionment,'';

(vi) by striking ''made available under section 48103 for such obligations for such fiscal year.'' in subsection (f)(4) and inserting ''subject to apportionment.''; and

(vii) by striking ''enacted after September 3, 1982,'' in subsection (g).

(b) RECOVERED FUNDS.—Section 47117 is amended by adding at the end the following:

''(g) CREDITING OF RECOVERED FUNDS.—For the purpose of determining compliance with a limitation on the amount of grant obligations that may be incurred in a fiscal year imposed by an appropriations Act, an amount that is recovered by canceling or reducing a grant obligation—

''(1) shall be treated as a negative obligation that is to be netted against the gross obligation limitation, and

''(2) may permit the gross limitation to be exceeded by an equal amount.''.

(c) AIRPORT SAFETY DATA COLLECTION.—Section 47130 is amended to read as follows:

''§ 47130. Airport safety data collection

''Notwithstanding any other provision of law, the Administrator of the Federal Aviation Administration may award a contract, using sole source or limited source authority, or enter into a cooperative agreement with, or provide a grant from amounts made available under section 48103 to, a private company or entity for the collection of airport safety data. If a grant is provided, the United States Government's share of the cost of the data collection shall be 100 percent.''.

(d) STATUTE OF LIMITATIONS.—Section 47107(l)(5)(A) is amended by inserting ''or any other governmental entity'' after ''sponsor''.

(e) AUDIT CERTIFICATION.—Section 47107(m) is amended—

(1) by striking ''promulgate regulations that'' in paragraph (1) and inserting ''include a provision in the compliance supplement provisions to'';

(2) by striking ''and opinion of the review'' in paragraph (1); and

(3) by striking paragraph (3).

(f) NOISE EXPOSURE MAPS.—Section 47503(a) is amended by striking ''1985,'' and inserting ''a forecast year that is at least 5 years in the future,''.

(g) CLARIFICATION OF APPLICABILITY OF PFCS TO MILITARY CHARTERS.—Section 40117(e)(2) is amended—

(1) by striking ''and'' after the semicolon in subparagraph (D);

(2) by striking ''passengers.'' in subparagraph (E) and inserting ''passengers; and''; and

(3) by adding at the end the following:

''(F) enplaning at an airport if the passenger did not pay for the air transportation which resulted in such enplanement due to charter arrangements and payment by the United States Department of Defense.''.

SEC. 508. LOW-EMISSION AIRPORT VEHICLES AND INFRASTRUCTURE.

(a) PURPOSE.—The purpose of this section is to permit the use of funds made available under subchapter 471 to encourage commercial service airports in air quality nonattainment and maintenance areas to undertake projects for gate electrification, acquisition or conversion of airport vehicles and airport-owned ground support equipment to acquire low-emission technology, low-emission technology fuel systems, and other related air quality projects on a voluntary basis to improve air quality and more aggressively address the constraints that emissions can impose on future aviation growth. Use of those funds is conditioned on airports receiving credits for emissions reductions that can be used to mitigate the air quality effects of future airport development. Making these projects eligible for funding in addition to those projects that are already eligible under section 47102(3)(F) is intended to support those projects that, at the time of execution, may not be required by the Clean Air Act (42 U.S.C. 7501 et seq.), but may be needed in the future.

(b) ACTIVITIES ADDED TO DEFINITION OF ''AIRPORT DEVELOPMENT''.—Section 47102(3) is amended by adding at the end the following:

''(K) work necessary to construct or modify airport facilities to provide low-emission fuel systems, gate electrification, and other related air quality improvements at a commercial service airport, if the airport is located in an air quality nonattainment or maintenance area (as defined in sections 171(2) and 175(A) of the Clean Air Act (42 U.S.C. 7501(2), 7505a) and if such project will result in an airport receiving appropriate emission credits, as described in section 47139 of this title. The Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall issue guidance describing eligible low-emission modifications and improvements and stating how airport sponsors will demonstrate benefits.

''(L) a project for the acquisition or conversion of vehicles and ground support equipment, owned by a commercial service airport, to low-emission technology, if the airport is located in an air quality nonattainment or maintenance area (as defined in sections 171(2) and 175(A) of the Clean Air Act (42 U.S.C. 7501(2), 7505a) and if such project will result in an airport receiving appropriate emission credits as described in section 47139 of this title. The Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall issue guidance describing eligible low-emission vehicle technology and stating how airport sponsors will demonstrate benefits. For airport-owned vehicles and equipment, the acquisition of which are not otherwise eligible for assistance under this subchapter, the incremental cost of equipping such vehicles or equipment with low-emission technology shall be treated as eligible for assistance.''.

(c) LOW-EMISSION TECHNOLOGY DEFINED.—Section 47102 is amended by redesignating paragraphs (10) through (20), as paragraphs (11) through (21) respectively, and inserting after paragraph (9) the following:

''(11) 'low-emission technology' means technology for new vehicles and equipment whose emission performance is the best achievable under emission standards established by the Environmental Protection Agency and that relies exclusively on alternative fuels that are substantially non-petroleum based, as defined by the Department of Energy, but not excluding hybrid systems.''.

(d) EMISSIONS CREDITS.—

(1) IN GENERAL.—Subchapter I of chapter 471, as amended by section 206 of this Act, is further amended by adding at the end the following:

''§ 47139. Emission credits for air quality projects

''(a) IN GENERAL.—The Secretary and the Administrator of the Environmental Protection Agency shall jointly agree on how to assure that airport sponsors receive appropriate emission credits for projects described in sections 40117(a)(3)(G), 47102(3)(K), or 47102(3)(L) of this title. The agreement must, at a minimum, include provisions to ensure that—

''(1) the credits will be consistent with the Clean Air Act (42 U.S.C. 7402 et seq.);

''(2) credits generated by the emissions reductions in criteria pollutants are kept by the airport sponsor and may be used for purposes of any current or future general conformity determination or as offsets under the New Source Review program;

''(3) there is national consistency in the way credits are calculated and are provided to airports;

''(4) credits are provided to airport sponsors in a timely manner; and

''(5) there is a method by which the Secretary can be assured that, for any specific project for which funding is being requested, the appropriate credits will be granted.

''(b) ASSURANCE OF RECEIPT OF CREDITS.—

''(1) IN GENERAL.—As a condition for making a grant for a project described in section 47102(3)(K), 47102(3)(L), or 47140 of this title, or as a condition for granting approval to collect or use a passenger facility fee for a project described in sections 40117(a)(3)(G), 47102(3)(K), 47102(3)(L), or 47140 of this title, the Secretary must receive assurance from the State in which the project is located, or from the Administrator of the Environmental Protection Agency where there is a Federal Implementation Plan, that the airport sponsor will receive appropriate emission credits in accordance with the conditions of this subsection.

''(2) CREDITS FOR CERTAIN EXISTING PROJECTS.—The Secretary and the Administrator of the Environmental Protection Agency shall jointly agree on how to provide emission credits to projects previously approved under section 47136 of this title during fiscal years 2001 through 2003, under terms consistent with this section.''.

(2) CONFORMING AMENDMENT.—The chapter analysis for chapter 471 is amended by inserting after the item relating to section 47138 the following:

''47139. Emission credits for air quality projects.''.

(e) AIRPORT GROUND SUPPORT EQUIPMENT EMISSIONS RETROFIT PILOT PROGRAM.—

(1) IN GENERAL.—Subchapter I of chapter 471 is further amended by adding at the end the following:

''§ 47140. Airport ground support equipment emissions retrofit pilot program

''(a) IN GENERAL.—The Secretary of Transportation shall carry out a pilot program at not more than 10 commercial service airports under which the sponsors of such airports may use an amount subject to apportionment to retrofit existing eligible airport ground support equipment which burns conventional fuels to achieve lower emissions utilizing emission control technologies certified or verified by the Environmental Protection Agency.

''(b) LOCATION IN AIR QUALITY NONATTAINMENT OR MAINTENANCE AREAS.—A commercial service airport shall be eligible for participation in the pilot program only if the airport is located in an air quality nonattainment or maintenance area (as defined in sections 171(2) and 175(A) of the Clean Air Act (42 U.S.C. 7501(2), 7505a)).

''(c) SELECTION CRITERIA.—In selecting applicants for participation in the pilot program, the Secretary shall give priority consideration to applicants that will achieve the greatest air quality benefits measured by the amount of emissions reduced per dollar of funds expended under the pilot program.

''(d) MAXIMUM AMOUNT.—Not more than $500,000 may be expended under the pilot program at any single commercial service airport.

''(e) GUIDELINES.—The Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall establish guidelines regarding the types of retrofit projects eligible under this pilot program by considering remaining equipment useful life, amounts of emission reduction in relation to the cost of projects, and other factors necessary to carry out this section. The Secretary may give priority to ground support equipment owned by the airport and used for airport purposes.

''(f) ELIGIBLE EQUIPMENT DEFINED.—For purposes of this section, the term 'eligible equipment' means ground service or maintenance equipment that—

''(1) is located at the airport;

''(2) used to support aeronautical and related activities on the airport; and

''(3) will remain in operation at the airport.''.

(2) CONFORMING AMENDMENT.—The chapter analysis for chapter 471 is further amended by inserting after the item relating to section 47139 the following:

''47140. Airport ground support equipment emissions retrofit pilot program.''.

SEC. 509. LOW-EMISSION AIRPORT VEHICLES AND GROUND SUPPORT EQUIPMENT.

Section 40117(a)(3) is amended by inserting at the end the following:

''(G) A project for the acquisition or conversion of ground support equipment or airport-owned vehicles used at a commercial service airport with, or to, low-emission technology or cleaner burning conventional fuels, or the retrofitting of such equipment or vehicles that are powered by a diesel or gasoline engine with emission control technologies certified or verified by the Environmental Protection Agency to reduce emissions, if the airport is located in an air quality nonattainment or maintenance area (as defined in sections 171(2) and 175(A) of the Clean Air Act (42 U.S.C. 7501(2), 7505a), and if such project will result in an airport receiving appropriate emission credits as described in section 47139 of this title. The Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall issue guidance for eligible projects and for how benefits must be demonstrated. The eligible cost is limited to the incremental amount that exceeds the cost of acquiring other vehicles or equipment that are not low-emission and would be used for the same purpose, or to the cost of low-emission retrofitting. For purposes of this paragraph, the term ''ground support equipment'' means service and maintenance equipment used at an airport to support aeronautical operations and related activities.''.

SEC. 510. PACIFIC EMERGENCY DIVERSION AIRPORT.

(a) IN GENERAL.—The Secretary of Transportation shall enter into a memorandum of understanding with the Secretaries of Defense, the Interior, and Homeland Security to facilitate the sale of aircraft fuel on Midway Island, so that the revenue from the fuel sales can be used to operate Midway Island Airport in accordance with Federal Aviation Administration airport standards. The memorandum shall also address the long term potential for promoting tourism as a means of generating revenue to operate the airport.

(b) NAVIGATIONAL AIDS.—The Administrator of the Federal Aviation Administration may support and be responsible for maintaining all aviation-related navigational aids at Midway Island Airport.

SEC. 511. GULF OF MEXICO AVIATION SERVICE IMPROVEMENTS.

(a) IN GENERAL.—The Secretary of Transportation may develop and carry out a program designed to expand and improve the safety, efficiency, and security of—

(1) air traffic control services provided to aviation in the Gulf of Mexico area; and

(2) aviation-related navigational, low altitude communications and surveillance, and weather services in that area.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Transportation such sums as may be necessary to carry out this section for the 4 fiscal year period beginning with fiscal year 2004.

SEC. 512. AIR TRAFFIC CONTROL COLLEGIATE TRAINING INITIATIVE.

The Secretary of Transportation may use, from funds available to the Secretary and not otherwise obligated or expended, such sums as may be necessary to carry out and expand the Air Traffic Control Collegiate Training Initiative.

SEC. 513. INCREASE IN CERTAIN SLOTS.

(a) IN GENERAL.—Section 41714(d)(1)(C) is amended by striking ''2'' and inserting ''3''.

(b) BEYOND-PERIMETER EXEMPTIONS.—Section 41718(a) of title 49, United States Code, is amended by striking ''12'' and inserting ''24''.

SEC. 514. AIR TRANSPORTATION OVERSIGHT SYSTEM PLAN.

(a) IN GENERAL.—Within 90 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall transmit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure an action plan, with an implementation schedule—

(1) to provide adequate oversight of repair stations (known as Part 145 repair stations) and ensure that Administration-approved repair stations outside the United States are subject to the same level of oversight and quality control as those located in the United States; and

(2) for addressing problems with the Air Transportation Oversight System that have been identified in reports by the Comptroller General and the Inspector General of the Department of Transportation.

(b) PLAN REQUIREMENTS.—The plan transmitted by the Administrator under subsection (a)(2) shall set forth the action the Administration will take under the plan—

(1) to develop specific, clear, and meaningful inspection checklists for the use of Administration aviation safety inspectors and analysts;

(2) to provide adequate training to Administration aviation safety inspectors in system safety concepts, risk analysis, and auditing;

(3) to ensure that aviation safety inspectors with the necessary qualifications and experience are physically located where they can satisfy the most important needs;

(4) to establish strong national leadership for the Air Transportation Oversight System and to ensure that the System is implemented consistently across Administration field offices; and

(5) to extend the Air Transportation Oversight System beyond the 10 largest air carriers, so it governs oversight of smaller air carriers as well.

SEC. 515. NATIONAL SMALL COMMUNITY AIR SERVICE DEVELOPMENT OMBUDSMAN.

(a) IN GENERAL.—Subchapter II of chapter 417, as amended by section 353 of this Act, is amended by adding at the end the following:

''§ 41746. National Small Community Air Service Development Ombudsman

''(a) ESTABLISHMENT.—There is established in the Department of Transportation the position of National Small Community Air Service Ombudsman (in this section referred to as the 'Ombudsman'). The Secretary of Transportation shall appoint the Ombudsman. The Ombudsman shall report to the Secretary.

''(b) PURPOSE.—The Ombudsman, in consultation with officials from small communities in the United States, State aviation agencies, and State and local economic development agencies, shall develop strategies for retaining and enhancing the air service provided to small communities in the United States.

''(c) OUTREACH.—The Ombudsman shall solicit and receive comments from small communities regarding strategies for retaining and enhancing air service, and shall act as a liaison between the communities and Federal agencies for the purpose of developing such strategies.''

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 417 is amended by inserting after the item relating to section 47145 the following:

''47146. National small community air service development ombudsman.''.

SEC. 516. NATIONAL COMMISSION ON SMALL COMMUNITY AIR SERVICE.

(a) ESTABLISHMENT.—There is established a commission to be known as the ''National Commission on Small Community Air Service'' (in this section referred to as the ''Commission'').

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Commission shall be composed of 9 members of whom—

(A) 3 members shall be appointed by the Secretary;

(B) 2 members shall be appointed by the Majority Leader of the Senate;

(C) 1 member shall be appointed by the Minority Leader of the Senate;

(D) 2 members shall be appointed by the Speaker of the House of Representatives; and

(E) 1 member shall be appointed by the Minority Leader of the House of Representatives.

(2) QUALIFICATIONS.—Of the members appointed by the Secretary under paragraph (1)(A)—

(A) 1 member shall be a representative of a regional airline;

(B) 1 member shall be a representative of an FAA-designated small-hub airport; and

(C) 1 member shall be a representative of a State aviation agency.

(3) TERMS.—Members shall be appointed for the life of the Commission.

(4) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(5) TRAVEL EXPENSES.—Members shall serve without pay but shall receive travel expenses, including per diem in lieu of subsistence, in accordance with subchapter I of chapter 57 of title 5, United States Code.

(c) CHAIRPERSON.—The member appointed by the Secretary under subsection (b)(2)(B) shall serve as the Chairperson of the Commission (in this section referred to as the ''Chairperson'').

(d) DUTIES.—

(1) STUDY.—The Commission shall undertake a study of—

(A) the challenges faced by small communities in the United States with respect to retaining and enhancing their scheduled commercial air service; and

(B) whether the existing Federal programs charged with helping small communities are adequate for them to retain and enhance their existing air service.

(2) ESSENTIAL AIR SERVICE COMMUNITIES.—In conducting the study, the Commission shall pay particular attention to the state of scheduled commercial air service in communities currently served by the Essential Air Service program.

(e) RECOMMENDATIONS.—Based on the results of the study under subsection (d), the Commission shall make such recommendations as it considers necessary to—

(1) improve the state of scheduled commercial air service at small communities in the United States, especially communities described in subsection (d)(2); and

(2) improve the ability of small communities to retain and enhance their existing air service.

(f) REPORT.—Not later than 6 months after the date on which initial appointments of members to the Commission are completed, the Commission shall transmit to the President and Congress a report on the activities of the Commission, including recommendations made by the Commission under subsection (e).

(g) COMMISSION PANELS.—The Chairperson shall establish such panels consisting of members of the Commission as the Chairperson determines appropriate to carry out the functions of the Commission.

(h) COMMISSION PERSONNEL MATTERS.—

(1) STAFF.—The Commission may appoint and fix the pay of such personnel as it considers appropriate.

(2) STAFF OF FEDERAL AGENCIES.—Upon request of the Chairperson, the head of any department or agency of the United States may detail, on a reimbursable basis, any of the personnel of that department or agency to the Commission to assist it in carrying out its duties under this section.

(3) OTHER STAFF AND SUPPORT.—Upon the request of the Commission, or a panel of the Commission, the Secretary shall provide the Commission or panel with professional and administrative staff and other support, on a reimbursable basis, to assist the Commission or panel in carrying out its responsibilities.

(i) OBTAINING OFFICIAL DATA.—The Commission may secure directly from any department or agency of the United States information (other than information required by any statute of the United States to be kept confidential by such department or agency) necessary for the Commission to carry out its duties under this section. Upon request of the Chairperson, the head of that department or agency shall furnish such nonconfidential information to the Commission.

(j) TERMINATION.—The Commission shall terminate on the 30th day following the date of transmittal of the report under subsection (f).

(k) APPLICABILITY OF THE FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission.

SEC. 517. TRAINING CERTIFICATION FOR CABIN CREW.

Section 44935 is amended by adding at the end the following:

''(g) TRAINING STANDARDS FOR CABIN CREW.—

''(1) IN GENERAL.—The Administrator shall establish standards for cabin crew training, consistent with the Homeland Security Act of 2002, and the issuance of certification. The Administrator shall require cabin crew members to complete a cabin crew training courses approved by the Federal Aviation Administration and the Transportation Security Administration.

''(2) CERTIFICATION.—

''(A) IN GENERAL.—The Administrator shall provide for the issuance of an appropriate certificate to each individual who successfully completes such a course.

''(B) CONTENTS.—The cabin crew certificate shall—

''(i) be numbered and recorded by the Administrator of the Federal Aviation Administration;

''(ii) contain the name, address, and description of the individual to whom the certificate is issued; and

''(iii) contain the name of the current air carrier employer of the certificate holder;

''(iv) contain terms the Administrator determines are necessary to ensure safety in air commerce, including terms that the certificate shall remain valid unless the Administrator suspends or revokes the certificate; and

''(v) designate the type and model of aircraft on which the certificate holder cabin crew member has successfully completed all Federal Aviation Administration and Transportation Security Administration required training in order to be assigned duties on board such type and model of aircraft.

''(3) CABIN CREW DEFINED.—In this subsection, the term 'cabin crew' means individuals working in an aircraft cabin on board a transport category aircraft with 20 or more seats.''.

SEC. 518. AIRCRAFT MANUFACTURER INSURANCE.

(a) IN GENERAL.—Section 44302(f) is amended by adding at the end the following:

''(3) AIRCRAFT MANUFACTURERS.—The Secretary may offer to provide war and terrorism insurance to aircraft manufacturers for loss or damage arising from the operation of an American or foreign-flag aircraft, in excess of $50,000,000 in the aggregate or in excess of such other amounts of available primary insurance, on such terms and conditions as the Secretary may prescribe.''.

(b) CONFORMING AMENDMENTS.—

(1) DEFINITION OF AIRCRAFT MANUFACTURER.—Section 44301 is amended by adding at the end the following:

''(3) 'aircraft manufacturer' means any company or other business entity the majority ownership and control of which is by United States citizens that manufactures aircraft or aircraft engines.''.

(2) COVERAGE.—Section 44304(a) is amended by adding at the end the following:

''(6) war and terrorism losses or damages of an aircraft manufacturer arising from the operation of an American or foreign-flag aircraft.''.

SEC. 519. GROUND-BASED PRECISION NAVIGATIONAL AIDS.

(a) IN GENERAL.—The Secretary of Transportation may establish a program for the installation, operation, and maintenance of ground-based precision navigational aids for terrain-challenged airports. The program shall include provision for—

(1) preventative and corrective maintenance for the life of each system of such aids; and

(2) requisite staffing and resources for the Federal Aviation Administration's efficient maintenance of the program.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Transportation to carry out the program established under subsection (a) such sums as may be necessary.

SEC. 520. STANDBY POWER EFFICIENCY PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Transportation, in cooperation with the Secretary of Energy and, where applicable, the Secretary of Defense, may establish a program to improve the efficiency, cost-effectiveness, and environmental performance of standby power systems at Federal Aviation Administration sites, including the implementation of fuel cell technology.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Transportation such sums as may be necessary for each of fiscal years 2004 through 2008 to carry out the provisions of this section.

TITLE VI—SECOND CENTURY OF FLIGHT

SEC. 601. FINDINGS.

The Congress finds the following:

(1) Since 1990, the United States has lost more than 600,000 aerospace jobs.

(2) Over the last year, approximately 100,000 airline workers and aerospace workers have lost their jobs as a result of the terrorist attacks in the United States on September 11, 2001, and the slowdown in the world economy.

(3) The United States has revolutionized the way people travel, developing new technologies and aircraft to move people more efficiently and more safely.

(4) Past Federal investment in aeronautics research and development have benefited the economy and national security of the United States and the quality of life of its citizens.

(5) The total impact of civil aviation on the United States economy exceeds $900 billion annually—9 percent of the gross national product—and 11 million jobs in the national workforce. Civil aviation products and services generate a significant surplus for United States trade accounts, and amount to significant numbers of America's highly skilled, technologically qualified work force.

(6) Aerospace technologies, products and services underpin the advanced capabilities of our men and women in uniform and those charged with homeland security.

(7) Future growth in civil aviation increasingly will be constrained by concerns related to aviation system safety and security, aviation system capabilities, aircraft noise, emissions, and fuel consumption.

(8) The United States is in danger of losing its aerospace leadership to international competitors aided by persistent government intervention. Many governments take their funding beyond basic technology development, choosing to fund product development and often bring the product to market, even if the products are not fully commercially viable. Moreover, international competitors have recognized the importance of noise, emission, fuel consumption, and constraints of the aviation system and have established aggressive agendas for addressing each of these concerns.

(9) Efforts by the European Union, through a variety of means, will challenge the United States' leadership position in aerospace. A recent report outlined the European Union's goal of becoming the world's leader in aviation and aeronautics by the end of 2020, utilizing better coordination among research programs, planning, and funding to accomplish this goal.

(10) Revitalization and coordination of the United States' efforts to maintain its leadership in aviation and aeronautics are critical and must begin now.

(11) A recent report by the Commission on the Future of the United States Aerospace Industry outlined the scope of the problems confronting the aerospace and aviation industries in the United States and found that—

(A) Aerospace will be at the core of America's leadership and strength throughout the 21st century;

(B) Aerospace will play an integral role in our economy, our security, and our mobility; and

(C) global leadership in aerospace is a national imperative.

(12) Despite the downturn in the global economy, Federal Aviation Administration projections indicate that upwards of 1 billion people will fly annually by 2013. Efforts must begin now to prepare for future growth in the number of airline passengers.

(13) The United States must increase its investment in research and development to revitalize the aviation and aerospace industries, to create jobs, and to provide educational assistance and training to prepare workers in those industries for the future.

(14) Current and projected levels of Federal investment in aeronautics research and development are not sufficient to address concerns related to the growth of aviation.

Subtitle A—The Office of Aerospace and Aviation Liaison

SEC. 621. OFFICE OF AEROSPACE AND AVIATION LIAISON.

(a) ESTABLISHMENT.—There is established within the Department of Transportation an Office of Aerospace and Aviation Liaison.

(b) FUNCTION.—The Office shall—

(1) coordinate aviation and aeronautics research programs to achieve the goal of more effective and directed programs that will result in applicable research;

(2) coordinate goals and priorities and coordinate research activities within the Federal Government with United States aviation and aeronautical firms;

(3) coordinate the development and utilization of new technologies to ensure that when available, they may be used to their fullest potential in aircraft and in the air traffic control system;

(4) facilitate the transfer of technology from research programs such as the National Aeronautics and Space Administration program established under section 681 and the Department of Defense Advanced Research Projects Agency program to Federal agencies with operational responsibilities and to the private sector;

(5) review activities relating to noise, emissions, fuel consumption, and safety conducted by Federal agencies, including the Federal Aviation Administration, the National Aeronautics and Space Administration, the Department of Commerce, and the Department of Defense;

(6) review aircraft operating procedures intended to reduce noise and emissions, identify and coordinate research efforts on aircraft noise and emissions reduction, and ensure that aircraft noise and emissions reduction regulatory measures are coordinated; and

(7) work with the National Air Traffic Management System Development Office to coordinate research needs and applications for the next generation air traffic management system.

(c) PUBLIC-PRIVATE PARTICIPATION.—In carrying out its functions under this section, the Office shall consult with, and ensure participation by, the private sector (including representatives of general aviation, commercial aviation, and the space industry), members of the public, and other interested parties.

(d) REPORTING REQUIREMENTS.—

(1) INITIAL STATUS REPORT.—Not later than 90 days after the date of enactment of this Act, the Secretary of Transportation shall submit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the status of the establishment of the Office of Aerospace and Aviation Liaison, including the name of the program manager, the list of staff from each participating department or agency, names of the national team participants, and the schedule for future actions.

(2) PLAN.—The Office shall submit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Science a plan for implementing paragraphs (1) and (2) of subsection (b) and a proposed budget for implementing the plan.

(3) ANNUAL REPORT.—The Office shall submit to the Senate Committee on Commerce, Science, and Transportation, the House of Representatives Committee on Transportation and Infrastructure, and the House of Representatives Committee on Science an annual report that—

(A) contains a unified budget that combines the budgets of each program coordinated by the Office; and

(B) describes the coordination activities of the Office during the preceding year.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Transportation $2,000,000 for fiscal years 2004 and 2005 to carry out this section, such sums to remain available until expended.

SEC. 622. NATIONAL AIR TRAFFIC MANAGEMENT SYSTEM DEVELOPMENT OFFICE.

(a) ESTABLISHMENT.—There is established within the Federal Aviation Administration a National Air Traffic Management System Development Office, the head of which shall report directly to the Administrator.

(b) DEVELOPMENT OF NEXT GENERATION AIR TRAFFIC MANAGEMENT SYSTEM.—

(1) IN GENERAL.—The Office shall develop a next generation air traffic management system plan for the United States that will—

(A) transform the national airspace system to meet air transportation mobility, efficiency, and capacity needs beyond those currently included in the Federal Aviation Administration's operational evolution plan;

(B) result in a national airspace system that can safely and efficiently accommodate the needs of all users;

(C) build upon current air traffic management and infrastructure initiatives;

(D) improve the security, safety, quality, and affordability of aviation services;

(E) utilize a system-of-systems, multi-agency approach to leverage investments in civil aviation, homeland security, and national security;

(F) develop a highly integrated, secure architecture to enable common situational awareness for all appropriate system users; and

(G) ensure seamless global operations for system users, to the maximum extent possible.

(2) MULTI-AGENCY AND STAKEHOLDER INVOLVEMENT.—In developing the system, the Office shall—

(A) include staff from the Federal Aviation Administration, the National Aeronautics and Space Administration, the Department of Homeland Security, the Department of Defense, the Department of Commerce, and other Federal agencies and departments determined by the Secretary of Transportation to have an important interest in, or responsibility for, other aspects of the system; and

(B) consult with, and ensure participation by, the private sector (including representatives of general aviation, commercial aviation, and the space industry), members of the public, and other interested parties.

(3) DEVELOPMENT CRITERIA AND REQUIREMENTS.—In developing the next generation air traffic management system plan under paragraph (1), the Office shall—

(A) develop system performance requirements;

(B) select an operational concept to meet system performance requirements for all system users;

(C) ensure integration of civil and military system requirements, balancing safety, security, and efficiency, in order to leverage Federal funding;

(D) utilize modeling, simulation, and analytical tools to quantify and validate system performance and benefits;

(E) develop a transition plan, including necessary regulatory aspects, that ensures operational achievability for system operators;

(F) develop transition requirements for ongoing modernization programs, if necessary;

(G) develop a schedule for aircraft equipment implementation and appropriate benefits and incentives to make that schedule achievable; and

(H) assess, as part of its function within the Office of Aeronautical and Aviation Liaison, the technical readiness of appropriate research technological advances for integration of such research and advances into the plan.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Administrator of the Federal Aviation Administration $300,000,000 for the period beginning with fiscal year 2004 and ending with fiscal year 2010 to carry out this section.

SEC. 623. REPORT ON CERTAIN MARKET DEVELOPMENTS AND GOVERNMENT POLICIES.

Within 6 months after the date of enactment of this Act, the Department of Transportation's Office of Aerospace and Aviation liaison, in cooperation with appropriate Federal agencies, shall submit to the Senate Committee on Commerce, Science, and Transportation, the House of Representatives Committee on Science, and the House of Representatives Committee on Transportation and Infrastructure a report about market developments and government policies influencing the competitiveness of the United States jet transport aircraft industry that—

(1) describes the structural characteristics of the United States and the European Union jet transport industries, and the markets for these industries;

(2) examines the global market factors affecting the jet transport industries in the United States and the European Union, such as passenger and freight airline purchasing patterns, the rise of low-cost carriers and point-to-point service, the evolution of new market niches, and direct and indirect operating cost trends;

(3) reviews government regulations in the United States and the European Union that have altered the competitive landscape for jet transport aircraft, such as airline deregulation, certification and safety regulations, noise and emissions regulations, government research and development programs, advances in air traffic control and other infrastructure issues, corporate and air travel tax issues, and industry consolidation strategies;

(4) analyzes how changes in the global market and government regulations have affected the competitive position of the United States aerospace and aviation industry vis-à-vis the European Union aerospace and aviation industry; and

(5) describes any other significant developments that affect the market for jet transport aircraft.

Subtitle B—Technical Programs

SEC. 641. AEROSPACE AND AVIATION SAFETY WORKFORCE INITIATIVE.

(a) IN GENERAL.—The Administrator of the National Aeronautics and Space Administration and the Administrator of the Federal Aviation Administration shall establish a joint program of competitive, merit-based grants for eligible applicants to increase the number of students studying toward and completing technical training programs, certificate programs, and associate's, bachelor's, master's, or doctorate degrees in fields related to aerospace and aviation safety.

(b) INCREASED PARTICIPATION GOAL.—In selecting projects under this paragraph, the Director shall consider means of increasing the number of students studying toward and completing technical training and apprenticeship programs, certificate programs, and associate's or bachelor's degrees in fields related to aerospace and aviation safety who are individuals identified in section 33 or 34 of the Science and Engineering Equal Opportunities Act (42 U.S.C. 1885a or 1885b).

(c) SUPPORTABLE PROJECTS.—The types of projects the Administrators may consider under this paragraph include those that promote high quality—

(1) interdisciplinary teaching;

(2) undergraduate-conducted research;

(3) mentor relationships for students;

(4) graduate programs;

(5) bridge programs that enable students at community colleges to matriculate directly into baccalaureate aerospace and aviation safety related programs;

(6) internships, including mentoring programs, carried out in partnership with the aerospace and aviation industry;

(7) technical training and apprenticeship that prepares students for careers in aerospace manufacturing or operations; and

(8) innovative uses of digital technologies, particularly at institutions of higher education that serve high numbers or percentages of economically disadvantaged students.

(d) GRANTEE REQUIREMENTS.—In developing grant requirements under this section, the Administrators shall consider means, developed in concert with applicants, of increasing the number of students studying toward and completing technical training and apprenticeship programs, certificate programs, and associate's or bachelor's degrees in fields related to aerospace and aviation safety.

(e) DEFINITIONS.—In this section:

(1) ELIGIBLE APPLICANT DEFINED.—The term ''eligible applicant'' means—

(A) an institution of higher education;

(B) a consortium of institutions of higher education; or

(C) a partnership between—

(i) an institution of higher education or a consortium of such institutions; and

(ii) a nonprofit organization, a State or local government, or a private company, with demonstrated experience and effectiveness in aerospace education.

(2) INSTITUTION OF HIGHER EDUCATION.—The term ''institution of higher education'' has the meaning given that term by subsection (a) of section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001(a)), and includes an institution described in subsection (b) of that section.

(f) AUTHORIZATION OF APPROPRIATIONS.—

(1) NASA.—There are authorized to be appropriated to the Administrator of the National Aeronautics and Space Administration such sums as may be necessary for fiscal year 2004 to carry out this section.

(2) FAA.—There are authorized to be appropriated to the Administrator of the Federal Aviation Administration such sums as may be necessary for fiscal year 2004 to carry out this section.

(g) REPORT, BUDGET, AND PLAN.—Within 180 days after the date of enactment of this Act, the Administrators jointly shall submit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure a report setting forth—

(1) recommendations as to whether the program authorized by this section should be extended for multiple years;

(2) a budget for such a multi-year program; and

(3) a plan for conducting such a program.

SEC. 642. SCHOLARSHIPS FOR SERVICE.

(a) IN GENERAL.—The Administrator of the National Aeronautics and Space Administration and the Administrator of the Federal Aviation Administration shall develop a joint student loan program for fulltime students enrolled in an undergraduate or post-graduate program leading to an advanced degree in an aerospace-related or aviation safety-related field of endeavor.

(b) INTERNSHIPS.—The Administrators may provide temporary internships to such students.

(c) AUTHORIZATION OF APPROPRIATIONS.—

(1) NASA.—There are authorized to be appropriated to the Administrator of the National Aeronautics and Space Administration such sums as may be necessary for fiscal year 2004 to carry out this section.

(2) FAA.—There are authorized to be appropriated to the Administrator of the Federal Aviation Administration such sums as may be necessary for fiscal year 2004 to carry out this section.

(g) REPORT, BUDGET, AND PLAN.—Within 180 days after the date of enactment of this Act, the Administrators jointly shall submit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure a report setting forth—

(1) recommendations as to whether the program authorized by this section should be extended for multiple years;

(2) a budget for such a multi-year program; and

(3) a plan for conducting such a program.

Subtitle C—FAA Research, Engineering, and Development

SEC. 661. RESEARCH PROGRAM TO IMPROVE AIRFIELD PAVEMENTS.

The Administrator of the Federal Aviation Administration shall continue the program to consider awards to nonprofit concrete and asphalt pavement research foundations to improve the design, construction, rehabilitation, and repair of rigid concrete airfield pavements to aid in the development of safer, more cost-effective, and more durable airfield pavements. The Administrator may use grants or cooperative agreements in carrying out this section. Nothing in this section requires the Administrator to prioritize an airfield pavement research program above safety, security, Flight 21, environment, or energy research programs.

SEC. 662. ENSURING APPROPRIATE STANDARDS FOR AIRFIELD PAVEMENTS.

(a) IN GENERAL.—The Administrator of the Federal Aviation Administration shall review and determine whether the Federal Aviation Administration's standards used to determine the appropriate thickness for asphalt and concrete airfield pavements are in accordance with the Federal Aviation Administration's standard 20-year-life requirement using the most up-to-date available information on the life of airfield pavements. If the Administrator determines that such standards are not in accordance with that requirement, the Administrator shall make appropriate adjustments to the Federal Aviation Administration's standards for airfield pavements.

(b) REPORT.—Within 1 year after the date of enactment of this Act, the Administrator shall report the results of the review conducted under subsection (a) and the adjustments, if any, made on the basis of that review to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure.

SEC. 663. ASSESSMENT OF WAKE TURBULENCE RESEARCH AND DEVELOPMENT PROGRAM.

(a) ASSESSMENT.—The Administrator of the Federal Aviation Administration shall enter into an arrangement with the National Research Council for an assessment of the Federal Aviation Administration's proposed wake turbulence research and development program. The assessment shall include—

(1) an evaluation of the research and development goals and objectives of the program;

(2) a listing of any additional research and development objectives that should be included in the program;

(3) any modifications that will be necessary for the program to achieve the program's goals and objectives on schedule and within the proposed level of resources; and

(4) an evaluation of the roles, if any, that should be played by other Federal agencies, such as the National Aeronautics and Space Administration and the National Oceanic and Atmospheric Administration, in wake turbulence research and development, and how those efforts could be coordinated.

(b) REPORT.—A report containing the results of the assessment shall be provided to the Committee on Science of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate not later than 1 year after the date of enactment of this Act.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Administrator of the Federal Aviation Administration $500,000 for fiscal year 2004 to carry out this section.

SEC. 664. CABIN AIR QUALITY RESEARCH PROGRAM.

In accordance with the recommendation of the National Academy of Sciences in its report entitled ''The Airliner Cabin Environment and the Health of Passengers and Crew'', the Federal Aviation Administration shall establish a research program to address questions about improving cabin air quality of aircraft, including methods to limit airborne diseases.

SEC. 665. INTERNATIONAL ROLE OF THE FAA.

Section 40101(d) is amended by adding at the end the following:

''(8) Exercising leadership with the Administrator's foreign counterparts, in the International Civil Aviation Organization and its subsidiary organizations, and other international organizations and fora, and with the private sector to promote and achieve global improvements in the safety, efficiency, and environmental effect of air travel.''.

SEC. 666. FAA REPORT ON OTHER NATIONS' SAFETY AND TECHNOLOGICAL ADVANCEMENTS.

The Administrator of the Federal Aviation Administration shall review aviation and aeronautical safety, and research funding and technological actions in other countries. The Administrator shall submit a report to the Committee on Science of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate, together with any recommendations as to how such activities might be utilized in the United States.

SEC. 667. DEVELOPMENT OF ANALYTICAL TOOLS AND CERTIFICATION METHODS.

The Federal Aviation Administration shall conduct research to promote the development of analytical tools to improve existing certification methods and to reduce the overall costs for the certification of new products.

SEC. 668. PILOT PROGRAM TO PROVIDE INCENTIVES FOR DEVELOPMENT OF NEW TECHNOLOGIES.

(a) IN GENERAL.—The Administrator of the Federal Aviation Administration may conduct a limited pilot program to provide operating incentives to users of the airspace for the deployment of new technologies, including technologies to facilitate expedited flight routing and sequencing of take-offs and landings.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Administrator $500,000 for fiscal year 2004.

SEC. 669. FAA CENTER FOR EXCELLENCE FOR APPLIED RESEARCH AND TRAINING IN THE USE OF ADVANCED MATERIALS IN TRANSPORT AIRCRAFT.

(a) IN GENERAL.—The Administrator of the Federal Aviation Administration shall develop a Center for Excellence focused on applied research and training on the durability and maintainability of advanced materials in transport

airframe structures, including the use of polymeric composites in large transport aircraft. The Center shall—

(1) promote and facilitate collaboration among academia, the Federal Aviation Administration's Transportation Division, and the commercial aircraft industry, including manufacturers, commercial air carriers, and suppliers; and

(2) establish goals set to advance technology, improve engineering practices, and facilitate continuing education in relevant areas of study.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Administrator $500,000 for fiscal year 2004 to carry out this section.

SEC. 670. FAA CERTIFICATION OF DESIGN ORGANIZATIONS.

(a) GENERAL AUTHORITY TO ISSUE CERTIFICATES.—Section 44702(a) is amended by inserting ''design organization certificates,'' after ''airman certificates,''.

(b) DESIGN ORGANIZATION CERTIFICATES.—

(1) IN GENERAL.—Section 44704 is amended—

(A) by striking the section heading and inserting the following:

''§ 44704. Design organization certificates, type certificates, production certificates, and airworthiness certificates'' *;*

(B) by redesignating subsections (a) through (d) as subsections (b) through (e);

(C) by inserting before subsection (b) the following:

''(a) DESIGN ORGANIZATION CERTIFICATES.—

''(1) PLAN.—Within 3 years after the date of enactment of the Aviation Investment and Revitalization Vision Act, the Administrator of the Federal Aviation Administration shall submit a plan to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure for the development and oversight of a system for certification of design organizations under paragraph (2) that ensures that the system meets the highest standards of safety.

''(2) IMPLEMENTATION OF PLAN.—Within 5 years after the date of enactment of the Aviation Investment and Revitalization Vision Act, the Administrator of the Federal Aviation Administration may commence the issuance of design organization certificates under paragraph (3) to authorize design organizations to certify compliance with the requirements and minimum standards prescribed under section 44701(a) for the type certification of aircraft, aircraft engines, propellers, or appliances.

''(3) ISSUANCE OF CERTIFICATES.—On receiving an application for a design organization certificate, the Administrator shall examine and rate the design organization in accordance with the regulations prescribed by the Administrator to determine that the design organization has adequate engineering, design, and testing capabilities, standards, and safeguards to ensure that the product being certificated is properly designed and manufactured, performs properly, and meets the regulations and minimum standards prescribed under that section. The Administrator shall include in a design organization certificate terms required in the interest of safety.

''(4) NO EFFECT ON POWER OF REVOCATION.—Nothing in this subsection affects the authority of the Secretary of Transportation to revoke a certificate.'';

(D) by striking subsection (b), as redesignated, and inserting the following:

''(b) TYPE CERTIFICATES.—

''(1) IN GENERAL.—The Administrator may issue a type certificate for an aircraft, aircraft engine, or propeller, or for an appliance specified under paragraph (2)(A) of this subsection—

''(A) when the Administrator finds that the aircraft, aircraft engine, or propeller, or appliance is properly designed and manufactured, performs properly, and meets the regulations and minimum standards prescribed under section 44701(a) of this title; or

''(B) based on a certification of compliance made by a design organization certificated under subsection (a).

''(2) INVESTIGATION AND HEARING.—On receiving an application for a type certificate, the Administrator shall investigate the application and may conduct a hearing. The Administrator shall make, or require the applicant to make, tests the Administrator considers necessary in the interest of safety.''.

(c) REINSPECTION AND REEXAMINATION.—Section 44709(a) is amended by inserting ''design organization, production certificate holder,'' after ''appliance,''.

(d) PROHIBITIONS.—Section 44711(a)(7) is amended by striking ''agency'' and inserting ''agency, design organization certificate, ''.

(e) CONFORMING AMENDMENTS.—

(1) CHAPTER ANALYSIS.—The chapter analysis for chapter 447 is amended by striking the item relating to section 44704 and inserting the following:

''44704. Design organization certificates, type certificates, production certificates, and airworthiness certificates.''.

(2) CROSS REFERENCE.—Section 44715(a)(3) is amended by striking ''44704(a)'' and inserting ''44704(b)''.

SEC. 671. REPORT ON LONG TERM ENVIRONMENTAL IMPROVEMENTS.

(a) IN GENERAL.—The Administrator of the Federal Aviation Administration, in consultation with the Administrator of the National Aeronautics and Space Administration and the head of the Department of Transportation's Office of Aerospace and Aviation Liaison, shall conduct a study of ways to reduce aircraft noise and emissions and to increase aircraft fuel efficiency. The study shall—

(1) explore new operational procedures for aircraft to achieve those goals;

(2) identify both near term and long term options to achieve those goals;

(3) identify infrastructure changes that would contribute to attainment of those goals;

(4) identify emerging technologies that might contribute to attainment of those goals;

(5) develop a research plan for application of such emerging technologies, including new combuster and engine design concepts and methodologies for designing high bypass ratio turbofan engines so as to minimize the effects on climate change per unit of production of thrust and flight speed; and

(6) develop an implementation plan for exploiting such emerging technologies to attain those goals.

(b) REPORT.—The Administrator shall transmit a report on the study to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure within 1 year after the date of enactment of this Act.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Administrator of the Federal Aviation Administration $500,000 for fiscal year 2004 to carry out this section.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, I believe Senator MCCAIN will arrive momentarily to manage this legislation.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCAIN. May I ask what the pending Senate business is?

The PRESIDING OFFICER. S. 824.

Mr. MCCAIN. Mr. President, I thank my colleagues, Senator HOLLINGS, Senator LOTT, and Senator ROCKEFELLER, for their hard work on this very important legislation. Senator LOTT and Senator ROCKEFELLER held extensive hearings in the Aviation Subcommittee. They have come up with a product that has addressed many of the concerns and very important issues associated with aviation. I believe what they have done is a very agreeable product.

I note that our friends on the other side of the Capitol have completed their work on this bill, so if we could complete this legislation and go quickly to conference, I think we could have this done pretty quickly.

I am pleased the Senate is now considering S. 824, the Aviation Investment and Revitalization Vision Act, AIR–V. This legislation was introduced by Senators LOTT HOLLINGS, ROCKEFELLER, and myself on April 8, 2003, and approved by the Senate Commerce Committee on May 1, 2003.

I don't think that anyone could have predicted 100 years ago, when the Wright Brothers first flew their Wright Flyer over Kitty Hawk, NC, that air travel would become such a significant part of our Nation's economy. Aviation has evolved from the first controlled flight that traveled about 120 feet, to a system that has reached more than 550 million enplanements annually. Air travel has revolutionized the world. We are becoming a global culture for which air travel has contributed significantly. The United States has played a critical role in the explosion in air travel, with nearly two-thirds of world aviation travelers taking off or landing on U.S. soil.

Mr. President, 4 years ago, the Congress approved the Aviation Investment Reform Act for the 21st Century, known as AIR–21. That reauthorization measure provided for far reaching changes to our Federal aviation policies, coupled with significant investment in aviation. We increased airport spending by significant amounts and greatly improved our aviation system. At the same time, a great deal has happened in aviation during the past few years. The airlines have gone through several cycles of good and bad times.

The tragic events of September 11, 2001, forced a major restructuring of aviation transportation security. As a result of September 11 and other economic factors, Congress has twice voted to provide the airline industry aid totaling $8 billion in cash and the potential for $11 billion in other benefits. We have taken unprecedented actions to help ensure the continued viability of the airlines. I recognize that intervening events have been the cause of many of the industry's problems, which is why I was a strong supporter of these initiatives. However, I do believe that the industry must being to

solve its own problems and not come back to Congress when confronted with new challenges.

It is time for Congress to now focus its efforts on the Federal Aviation Administration. We must continue to ensure the safety and efficiency of our aviation system. We must address the continued modernization of our air traffic control system. We must continue our oversight of the FAA so that it continues to move towards more efficient operation. We must continue the expansion of our infrastructure. And, we must continue to strive to promote the security of our traveling public.

I believe the legislation before us, S. 824, the Aviation Investment and Revitalization Vision Act, AIR-Vision, meets these objectives. This bill would reauthorize FAA programs for 3 years and continue the investments in the aviation system that began under AIR 21. Specifically, it would authorize funding for FAA Operations at $7.6 billion for fiscal year 2004; $7.7 billion for fiscal year 2005; and $7.9 billion for fiscal year 2006, and it would authorize funding for the Airport Improvement Program at $3.4 billion in fiscal year 2004; $3.5 billion in fiscal year 2005; and $3.6 billion in fiscal year 2006. The bill also authorizes $2.9 billion in fiscal year 2004; $2.97 billion in fiscal year 2005; and $3 billion in fiscal year 2006 for the Airway Facilities Improvement Program and requires a report on major FAA modernization programs.

The funding levels in this bill do not require any new or increased taxes or user fees. The taxes currently paid by air travelers and others into the Aviation Trust Fund are in place through fiscal year 2007 and are sufficient to pay for this bill.

We also must ensure that the FAA manages its resources wisely. The bill includes provisions, first proposed by former FAA Administrator Garvey and endorsed by the current Administrator, to improve FAA management. The FAA's management of its programs, especially its modernization efforts, continue to be of particular interest to Congress. I note that the FAA has finally hired its first Chief Operating Officer, Russ Chew, three and one-half years after the office was authorized. This bill would provide additional clarification of the FAA's Chief Operating Officers' responsibilities for managing the FAA's air traffic control system.

The bill would create a process to enhance airport capacity at certain large hub airports that significantly add to delays in the national aviation system by ensuring that these airports' needs are continually reviewed. It also attempts to streamline the environmental review process by coordinating the reviews by different agencies. This is important as this process is sometimes used to unnecessarily delay airport expansion.

The bill makes several improvements and reforms to services to small communities and the essential air service program by continuing programs created in AIR-21 to incentivize communities to take a greater ownership role in their service. It also allows the communities flexibility to opt out of the program in return for payment or to look at alternate services for the community.

The bill extends the small community air service development pilot program, established in AIR-21, until 2006, and provides funding of $27.5 million per year during the 3 year extension. It also clarifies that 40 communities per year may participate in the program and that no community may participate twice. This program has been well-received for the innovative ideas that have sprung from it regarding the provision of and payment for air service to small communities, and we believe it is important for the program to continue in the near term.

Regarding competition, the bill instructs the Secretary of Transportation to study competition and airline access problems at hub airports. Specially, the Department of Transportation is to look at gate usage and availability, and the effects of pricing of gates and other facilities on competition and access. Within 6 months, the Secretary's findings, conclusions, and recommendations are to be submitted to the Senate Committee on Commerce, Science and Transportation and the House of Representatives Committee on Transportation and Infrastructure.

In addition, the bill requires that airports which deny applications by an air carrier for access to gates or other facilities submit to the Secretary notification of the denial and a report explaining the reasons for the denial and a time line, if any, for when the request will be accommodated.

For security, the bill establishes the Aviation Security Capital Fund which is financed with $500 million annually in security service fees which are already collected by the Transportation Security Administration. The fund will be administered by the TSA and the TSA will make grants to airports to assist with capital security costs. The fund will allocate 40 percent to hub airports; 20 percent to medium hub airports; 15 percent to small hub airports; and 25 percent is to be distributed at the Secretary's discretion to address security risks. At the same time, the bill protects the AIP funding from continued raids on what was created for capital improvement funding, but which in recent years has been used for security funding.

The bill also directs the Secretary of the Department of Homeland Security to study the effectiveness of the aviation security system. Within 6 months, the Secretary's findings, conclusions, and recommendations are to be submitted to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure. The Secretary is directed to redeploy the department's resources based on the results of the study.

For aviation modernization, the bill establishes a new Office of Aerospace and Aviation Liaison within the DOT. This office will be charged with coordinating aviation and aeronautics research programs, activities, goals, and priorities within the Federal Government. Areas of responsibility include air traffic control, technology transfer from government programs to private sector, noise, emissions, fuel consumption, and safety. This office will work with the FAA and the National Aeronautics and Space Administration to ensure that aviation and aerospace research is coordinated and funds are well spent.

This bill also establishes a National Air Traffic Management System Development Office within the FAA with the mission of developing a next generation air traffic management system plan for the United States. This plan is required to focus on transforming the national airspace system to meet air transportation mobility, efficiency, and capacity needs beyond those currently included in the FAA's Operational Evolution Plan in an effort to build on existing capabilities while improving the security, safety, quality, and affordability of the system.

Finally, we have developed a manager's amendment which has been agreed to by myself and Senator LOTT, HOLLINGS, and ROCKEFELLER. It includes a number of technical changes and improvements recommended by the executive agencies affected by this bill. It also includes some substantive changes to the bill, including: extending whistle blower protections to the employees of contractors doing business with the FAA; requiring that the GAO periodically report to Congress on the economic state of the airline industry and on airline executives' compensation; clarifying that the war risk insurance provision only applies to U.S. air carriers; moving the new security capital fund from the FAA to the TSA; and removing the provision adding additional ''outside the perimeter'' slots at Reagan National Airport.

I yield to my colleague from South Carolina and perhaps the Senator from Mississippi.

I say to my colleagues, if they are prepared to bring forward an amendment, we would like to consider that quickly and move forward with the amending process as it would be our intention to try to finish this legislation this evening.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I rise today in support of legislation that will reauthorize the programs of the Federal Aviation Administration for the next 3 years, S. 824, the Aviation Investment and Revitalization Vision Act, AIR–V. I would like to thank Chairman MCCAIN, Senator LOTT and Senator ROCKEFELLER for their hard

work in helping to craft this bipartisan bill that seeks to address the needs of the Nation's air transportation system.

The troubled state of the aviation industry has made FAA reauthorization a high priority of the 108th Congress. From the start, the Senate Commerce Committee pursued an ambitious schedule, and held several hearings on this matter in the first few months of the year. Our focus on this matter permitted all involved parties to express their concerns about the aviation system in the United States, and helped us develop a constructive approach to improve the work of the FAA as we move into an unclear future. We have crafted a strong bill that focuses properly on safety, security, efficiency and environmental friendliness in the realm of aviation.

AIR–V is a good starting point, but we have a long way to go make certain that the FAA's budget adequately supports the agency's ability to oversee an increasingly complex system to ensure safe flying. Recent reports have pointed to the FAA's laxity on plane maintenance as airlines have increasingly farmed out repair work to trim more expensive in-house operations over the past decade. The Department of Transportation Inspector General found that major air carriers paid contractors $2.9 billion for maintenance in 2001, which was 80 percent more than in 1996. While maintenance responsibility has shifted, the FAA's policies have not, and the DOT IG is currently conducting an audit of repair stations and the FAA's oversight of them. We must take steps to provide FAA needed funding to improve outdated oversight, monitor gaps in overseas repair service, and update training methods which have not changed significantly in almost 50 years. It is vital that we adequately fund to FAA's budget to ensure the safest aviation system possible.

The impact of the aviation industry on our Nation is clear. Prior to September 11, 2001, the total impact of civil aviation on the national economy exceeded $900 billion and 11 million jobs, representing 9 percent of the U.S. gross domestic product. Since that time, the airline industry has faced consecutive years of record multibillion dollar losses while our national economy continues to struggle. This has made reauthorization of the FAA that much more critical, and I believe AIR–V strikes the proper balance among key FAA programs to advance our Nation's air transportation system.

After September 11, 2001, Congress created the Transportation Security Administration, which has taken charge of a massive restructuring of transportation security, which has led to a greater confidence in the traveling public. Even with the vast downturn in aviation traffic over the past couple of years, the FAA's Aerospace Forecast anticipates that enplanements in the U.S. are expected to increase over the next 10 years by roughly 50 percent, with as many as 1 billion passenger boardings expected annually by 2013.

Knowing of the expected growth in airline traffic, we must press our efforts to make system-wide improvements that will allow the U.S. aviation industry to flourish in the coming years and beyond. Air–V promotes airport development with increased funding for the Airport Improvement Program, and additional support for vital components of the National Airspace System through the designation of certain essential undertakings as ''national capacity'' projects. When the Bush Administration's FAA reauthorization proposal was unveiled it was criticized by Aviation Week for not providing enough long-term support for AIP at a time when the FAA is in a tight budget situation and the Nation's airports are looking for increased funding to pursue needed projects to improve their facilities. AIR–V also takes steps to resolve the bleeding of hundred of millions of dollars from AIP for security purposes and seeks to expedite the installation of EDS machines at airports across the country while diverting none of the AIP funds away from important infrastructure projects through the creation of an Aviation Security Capital Fund to be financed with $500 million annually in security service fees to allow TSA to make grants to airports to assist with capital security costs.

I have had increasing concerns that the European Community will continue its bold efforts to surpass the American aerospace industry in the coming years. We must recognized the importance of the FAA's Research, Engineering and Development program in maintaining our position as the worldwide leader in the aviation and aerospace industries. AIR-V will significantly increase funding for the R,E&D program with the understanding that long term planning will be needed to keep up with the rapidly changing dynamic of this industry. The EC has already introduced a ''2020 plan'' aimed at surpassing America—FAA, NASA and our aerospace industry—as the world's aerospace leaders within the next two decades. We must respond to this challenge with an emphasis on technology, and public-private cooperation that will ensure our advantage over the EC by strengthening our R,E&D programs and U.S. education and interest in aerospace.

I am pleased that key components of S. 788, the Second Century of Flight Act, legislation I introduced along with Senators BROWNBACK, ROCKEFELLER, INOUYE, CANTWELL, and KERRY have been included in this reauthorization effort. Among the most important steps that the bill take to promote FAA, R,E&D is the creation of a national office to coordinate aviation and aerospace research activities within the U.S. Government tasked with coordinating programs and developing goals to facilitate the nation's R,E&D technologies, and a national office to focus on a next generation air traffic management system. Of equal importance is the establishment of a new educational program to train the next generation of aeronautics engineers and mechanics. According to the Commission Report on Aerospace, more than a quarter of the U.S. science, engineering and manufacturing workforce will be eligible to retire in the next 5 years. This workforce initiative is aimed at increasing participation of U.S. students in fields related to aerospace and aviation safety through the use of grants and scholarships for service to ensure the growth of interest in the United States and increase the talent pool of American students.

To ensure that the U.S. continues to have the safest aviation system possible we must also make improvements to the FAA's Facilities and Equipment program which contains financing for the purchase, installation and construction of equipment and facilities required to maintain the NAS. Through this bill we should boost the F&E program so that it will be a better complement to the improved AIP program in preparation for increased passenger levels. However, we must consider ways to make further advances to this program to ensure our ability to provide crucial enhancements to the safety of our aviation system.

AIR-V will have an enormous impact on the future of our entire air transportation system, and makes a strong statement about the direction that we want our air transportation system to go. Please support this effort and work with us to help the FAA take real steps forward and maintain our strength in aviation for the future.

I yield to our distinguished leader who really held the hearings and led for this particular measure.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. I thank the distinguished Senator from South Carolina for those comments. He and Senator MCCAIN certainly have been very interested in this important issue. A couple of hearings we had on this legislation were in the full committee because of the importance of the issues involved.

I also particularly thank Senator ROCKEFELLER, who is the ranking member on the Aviation Subcommittee, for his work and his cooperation on this legislation. This is truly bipartisan legislation: Senator MCCAIN, Senator HOLLINGS, Senator ROCKEFELLER and I all have worked on it. Where we have had problems we have been able to work out most of them. I think we have a really good product.

I want to say at the beginning we are hoping to move this legislation through rapidly. Hopefully we could even complete it today. We have a few issues that have not been resolved yet. Two or three of them may require votes. We ask our colleagues to come to the floor, let's have a debate and, if we have to, we will have a vote. There are not that many amendments that I think would actually require a vote.

I also want to emphasize the importance of this legislation. Because we have moved it fast, and because we have been able to get an agreement worked out to bring it to the floor, and because we may be able to handle it in a brief period of time, it should not diminish at all the importance of passing this legislation. Transportation in America is unique. If we are going to have a strong economy, we have to have good transportation systems—not just roads and bridges, which are very important, and not just a good railroad system, freight and passenger, and not just good ports and harbors, but we also need a strong aviation system in America.

We all know the industry has been having difficult times for a variety of reasons. In some cases it was bad management decisions. Obviously all of them have been affected by high fuel costs. There have been some difficult management-labor decisions. But also probably no other industry was as dramatically and directly affected by 9/11 as the aviation industry. Aircraft were involved on that infamous day, used as weapons of destruction, as missiles—both in New York and, of course, one plane that hit the Pentagon and the one that went down in Pennsylvania. We saw the industry basically shut down that day—for days. We are still having fallout, the ramifications of that day and those decisions in terms of access to airports, including Washington Reagan National. General aviation is still dealing with the problems as a result.

There is no question the industry has had difficulties and some of those difficulties have been related to 9/11. Government decisions were made that needed to be made. We had to deal with security considerations on our airplanes and at our airports. So a lot of costs have been put on the industry that have caused them additional problems.

We have taken action immediately after 9/11, of course, to provide some assistance to the aviation industry. We did it again in the supplemental appropriations this year. But this is the third step and in some respects maybe the most important step in helping the airline industry, helping aviation get back to where they can see blue skies and begin to make profits and provide the kind of service the American people are entitled to.

I do think it is important we get this bill done, that we get into conference and see if we can come to a reasonable and relatively quick agreement with the House. That will allow this bill to be completed before we get into the time-consuming and very important TEA–21 extension, and the appropriations process.

This bill's title is Aviation Investment and Revitalization Vision Act—AIR–V. Our intent is to go all the way from stabilizing the industry, giving them dependability and reliability of what they can expect from FAA, from the Airport Improvement Program, to all the different programs that are involved in aviation including service to small communities. I think we do have the fundamental provisions we need to make sure that happens. We will ensure the Airport Improvement Program will continue uninterrupted for the next 3 years. We also are going to make sure the funds that go into Airport Improvement Programs are actually used for their original purpose, and that is to improve our airports, the runways, the terminals, and the services our constituents need and deserve.

On that note, this legislation also no longer allows AIP funds to be used for security mandates. Up to this point approximately $500 million has been skimmed off the top of the AIP fund to pay for security mandates that the Federal government placed on our local airports. The Transportation Security Administration—TSA—predicts that an additional $500 million will be needed to complete these capital improvements that have been deemed necessary for security purposes. This bill proposes that these unfunded mandates be paid for by directing the passenger security fee into a separate fund to cover these costs. The first $500 million of these fees that is collected will be directed to this fund.

This legislation also looks at excessiveness at TSA. It will require TSA to do a study to look at the efficiency of their employees and then redeploy them as necessary based on the results of the study. I am pleased that TSA is already reassessing their workforce. While it is not the goal of this Congress to have less than adequate security at any airport, it is important for TSA to recognize the areas in which they have gold-plated security.

In another effort to help the industry, this legislation also makes permanent a provision already in the annual appropriations bill that requires TSA to pay fair market value for the space they occupy at airports. The bill also keep AIP funding at the fiscal year 2003 level for FY04, but changes the match requirement from 10 percent to 5 percent for that 1 year. AIP funding will then be increased by $100 million for the out years. This is very important to local communities that are hard pressed to make that local match, because their funds have been depleted due to these unfunded mandates. AIR-V also maintains the budget firewalls that were put in place during the debate over Air-21. These firewalls require that the trust fund continues to be spent down.

Of particular importance to my home state of Mississippi is language in this legislation that continues the authorization of the Small Community Pilot Program. This provision will allow 40 new communities to be eligible to receive one-time money each year. This is a good program that requires innovative thinking on the part of airports and their local communities.

Another important issue to rural States such as mine and Senator ROCKEFELLER's is the Essential Air Service Program. The two of us introduced legislation that works to improve this program, while not implementing the drastic change the administration has pushed. In short, it provides incentive to the local communities to get involved in determining the quality and type of air service their community receives. We have included that legislation in this bill.

Transportation infrastructure spending is important, and it is one of my top priorities. I want to continue the Republican congressional majority's commitment to transportation infrastructure. Our Nation's growing economy demands attention to this issue. Passage of this bill will be a step in that direction.

I say again, in Senator MCCAIN's presence, I appreciate his attention to this and his interest and his desire to move forward. Without his tenacity we would not be here now. I believe we have a good bill that we can complete in short order.

I am glad to yield the floor at this time.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. I thank the Senator from Mississippi for his kind comments.

Mr. President, we are awaiting the appearance of Senator LAUTENBERG, who has an amendment we will be considering shortly. Until then, I remind my colleagues we would like to move forward with amendments.

I understand that Senator COCHRAN may have an amendment, and several others. But I don't think there are many. We could go ahead and move forward as quickly as possible with the legislation.

Pending their arrival, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 889

Mr. MCCAIN. Mr. President, 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 Arizona [Mr. MCCAIN] proposes an amendment numbered 889.

Mr. MCCAIN. Mr. 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 printed in today's RECORD under ''Text of Amendments.'')

Mr. MCCAIN. Mr. President, this is a managers' amendment which we have developed working with Senators LOTT, HOLLINGS, and ROCKEFELLER. It includes a number of technical changes

and improvements recommended by the executive agencies affected by the bill. It also includes some substantive changes, including whistleblower protections for the employees of contractors doing business with the FAA; requiring the GAO to periodically report to Congress on the economic state of the airline industry; airline executives' compensation; clarifying that the war risk insurance provision only applies to U.S. air carriers; moving the new security capital fund from FAA to TSA; and removing a provision—I emphasize ''removing''—a provision that was added in the markup concerning outside-the-perimeter slots at Reagan National Airport.

Mr. HOLLINGS. Mr. President, these particular modifications have been checked through by both the chairman and ranking member of our Aviation Subcommittee. Let the RECORD show that the distinguished Senator from West Virginia, Senator ROCKEFELLER, our ranking member, is at an important Finance Committee markup at the moment with respect to prescription drugs and Medicare. I have checked it through with him, and it has been checked through on this side. We ask for support of the amendment.

The PRESIDING OFFICER. Is there further debate? If not, without objection, the amendment is agreed to.

The amendment (No. 889) was agreed to.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I wanted to alert my colleagues that I intend to offer an amendment to this bill this afternoon. I have talked to several people about it. I will not take a lot of time. I don't intend to delay the bill at all. But there is an important piece of policy in this legislation.

Before I explain it, I should congratulate my colleagues, Senator MCCAIN, chairman of the full committee, and Senator HOLLINGS, ranking member, for their work on this bill. It is really important for us to complete this legislation. Hopefully, perhaps we can complete it today, in fact.

On page 145, there is an aviation security capital fund of $500 million. I think that is an important fund which it establishes in the Department of Transportation. I think that is perhaps transferred in the managers' amendment in fact to homeland security.

This capital fund provides funds for the security needs at airports around the country, and for investment in the construction and infrastructure for security purposes.

All of us know in the shadow of 9/11 and the terrorist attacks that occurred in our country that security, especially aviation security, is critically important.

This provision, as important as it is, however, has a local match requirement. My great concern is that this money will not be invested in aviation security because many communities and States around the country simply won't have the capability of coming up with the local match. That is why we put money in legislation previously. In the tax bill that passed the Congress, we included a substantial amount of money to try to help State and local governments, many of which are flat on their backs financially. They are having trouble funding their own needs.

I think having a security capital fund is very important. But having that fund available only if there is matching money available for it locally will mean that much of it will not be spent, much of it will not be invested, and much of it will not contribute anything to this country's security.

What I propose to do on this occasion, because it deals with security, which is a national issue, and because the State and local governments are in a pretty precarious fiscal position, is eliminate the local match so we could expect that this money would be invested. The construction and the infrastructure that will be completed with this money will contribute, in fact, to aviation security in this country.

I have visited with my colleague, the Senator from Mississippi. I think he has some persuasive reasons for not eliminating the local match. But, on the other hand, I think there is a persuasive argument that the only way we will see this money truly invested in airports around the country is if we eliminate the local match.

Perhaps I should offer this amendment now and have it pending. I have to chair a luncheon in a few minutes and will have to leave the floor.

If it is all right with the chairman and ranking member, I will offer the amendment. We will have it pending.

AMENDMENT NO. 890

Mr. DORGAN. Mr. President, 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 North Dakota [Mr. DORGAN] proposes an amendment numbered 890.

Mr. MCCAIN. Mr. 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:

(Purpose: To delete the matching requirement for airport security related capital investment grants)

On page 146, beginning with line 20, strike through line 8 on page 147.

Mr. MCCAIN. Mr. President, I understand the Senator from North Dakota has to leave at this time. We will be glad to discuss this amendment at his convenience, hopefully later this afternoon, and perhaps we can get something worked out on it.

Mr. DORGAN. Mr. President, I have explained my amendment already. What I would like to do is work with my colleagues, Senator MCCAIN, Senator LOTT, Senator HOLLINGS, and others. I think this is an important amendment. I am not suggesting this be a precedent forever, for all time. At this moment, in this place, for this reason, I believe if we want to invest $500 million in aviation security in this country, it is likely the only way that will be invested is to eliminate the State and local match. I think there are good reasons to do that. So if I can work with my colleagues in the next several hours, I hope we can make some progress on this amendment.

I do want to make one final point. It is not my intention in any way to hold up this bill. I do not expect this would be a lengthy debate, in any event. I would agree to a short time agreement. But my hope is perhaps we could support this by a voice vote at some point.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, Senator LAUTENBERG is in the Chamber to offer an extremely important amendment. He will be ready to do that in a matter of a few minutes.

In the meantime, Mr. President, I ask unanimous consent that the pending amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 891

Mr. REID. Mr. President, 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 Nevada [Mr. REID] PROPOSES AN AMENDMENT NUMBERED 891.

Mr. REID. Mr. 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:

(Purpose: To clarify the apportionment of funds from the Aviation Security Capital Fund)

On page 146, line 17, insert ''origination and destination'' before ''emplanements''.

On page 146, line 19, insert ''origination and destination'' before ''emplanements''.

Mr. REID. Mr. President, the events of September 11, 2001, have been catastrophic on the aviation and travel industry. And that is an understatement. I strongly supported the formation of the Transportation Security Administration because I believed then and believe now it is critical that the public has confidence in the safety and security of our airports and airlines.

This enhanced security will save jobs, protect Americans' ability to travel freely and safely, and boost business for the travel and tourism industries.

The need for capital security costs, such as explosives detection and screeners, should be based on real need. Unfortunately, the formula in this bill that allocates grants in the aviation security fund to assist with capital security costs is not based on real needs. It does not accurately account for the number of passengers who must be

carefully screened as they enter airport terminals at their point of origin. That is where delays occur and additional security equipment is always badly needed.

My amendment corrects the language in section 402 of this bill that allocates funding for capital security costs based on ''emplanements.'' This is wrong.

My amendment would change the formula for allocating funding in the aviation security fund from ''emplanements'' to ''origination and destination emplanements.''

My amendment allocates resources to airports that are screening the largest number of passengers and not at airports where passengers simply connect to another flight. As an example: Someone flies from New York to Chicago and they have a connection to go to Des Moines, IA. They don't leave the airport. The problem in Las Vegas is people come to Las Vegas. They go downtown or to the strip and then they come back and have to get back through all the screening. That is where the need should be, for people who enter and leave the airport not simply the fact that people land at the airport.

My amendment would allocate resources, as I said, to airports that are screening the largest number of passengers, and not at airports where passengers simply connect to another flight.

At large hub airports many passengers simply change flights. They don't enter and leave the terminal where security is most needed. These passengers have already been screened.

This is especially important in Las Vegas but it is a bigger issue. It is important that we prevent another terrorist attack on our airlines. Terrorists will search for the weakest link in our security and try to exploit it.

Capital security resources must be allocated fairly and equitably and correctly. Las Vegas McCarran Airport has the second largest number of origination and destination passengers in the entire Nation, second only to LAX. This means that McCarran processes more people through TSA security checkpoints than every other airport, except Los Angeles.

Under the present formula, other airports would get far more security resources even though they screen fewer passengers. McCarran clearly needs more resources than many hub airports where a great number of passengers emplane but do not need to be screened.

Nothing could be worse for the Nation than allocating its precious security resources in the wrong manner. We need additional security at origination and destination airports—and we need it now—where passengers are actually screened. We do not want resources allocated where they are unnecessary, especially at a time when Congress is asking TSA to get its costs under control.

Mr. President, I ask unanimous consent that Senator ENSIGN be added as a cosponsor of this amendment with the Senator now speaking.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I urge my colleagues to support this amendment for the safety of the flying public and the health of our economy. We need to put our security resources in the right place. Let's keep the skies safe.

Now, Mr. President, I have spoken——

Mr. MCCAIN. Will the Senator yield for a question?

Mr. REID. I am happy to yield.

Mr. MCCAIN. It is my understanding, from talking with you and your colleague, that at McCarran Airport—for example, on a Sunday—a 3-hour delay is a routine kind of experience. That is a normal experience rather than an exception, which is remarkably different from almost every other airport in America. Is that true?

Mr. REID. That is absolutely right. It is based upon the formula I have just given.

I say to the managers of this bill—the chairman of the Commerce Committee and the ranking member of the Commerce Committee—I have spoken to their staffs, I have spoken to them, as has Senator ENSIGN. We have been given an assurance by these two fine men and their staffs that this is something the conference will look at as soon as the bill leaves this body. The staff will start reviewing this.

They have a concern now that they may not have adequate figures to justify what Senator ENSIGN and I are saying. We want them to have adequate numbers so that what we are saying is valid.

We want, as I have indicated in my statement, there to be a fair allocation of resources. We believe, as the Senator from Arizona has indicated, that Las Vegas is a very unique place. It is not like Chicago O'Hare. It is not like the airports in New York. It is similar to what we have in Phoenix. Phoenix has a problem similar to us. I believe Phoenix would benefit from the formula I am suggesting.

But I have been given an assurance, as I have indicated, by the two managers of this very important committee, that they will do what they can in conference to allocate the resources fairly.

The language I have in this amendment may not be perfect. There may be some need to look at other issues to have a fair apportionment of these resources.

So based upon the assurances I have been given by the two managers of this bill, I will withdraw this amendment, on behalf of Senators REID and ENSIGN, and look to the good offices of these two gentlemen to make sure that, for our country, there is a fair allocation of resources.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Before the Senator from Nevada leaves the Chamber, I would like to ask him another question.

So that my colleagues will understand this problem—and it is a serious one—if I fly from here to the Atlanta Airport, or the Dallas/Fort Worth Airport, which I will do tomorrow, and then change airplanes but stay within the terminal, not having to go through security again, and then I go on to the Phoenix, AZ, airport, that, for the purposes of the present formula, would be counted as the same as someone who enters an airport, flies and lands at another airport, leaves that airport, and then later on has to reenter the airport to leave that area.

In other words, what we are saying is, we have a formula now where someone who remains within the airport and does not have to go through security is basically counted the same as a person who does have to go through security.

Mr. REID. That is right.

Mr. MCCAIN. So that, obviously, is an incredible burden if you have to put every passenger through security where a large majority of them, particularly at hub airports, do not have to send passengers through security. Is that basically the problem we are trying to confront here?

Mr. REID. The Senator is absolutely right. We have places, such as at McCarran Airport, where, if we had additional help, we could move people into the airport more quickly but we simply don't have the TSA people to do that. We have some of our hub airports where, as the Senator has indicated, they have people standing around looking at each other because they are not having people coming in and out of the airport like we have at McCarran.

Mr. MCCAIN. I say to the Senator, I think your concern is legitimate. I think the formula needs to be changed. We will work on it.

First, we will get a letter over to communications with TSA and tell them we need to look at this formula again. I have been told they are already doing that, but I want to assure the Senator from Nevada, we will try to do everything in our power to address this clear inequity that exists in the formula as we go to conference.

I thank the Senator.

Mr. REID. If I could say one additional thing before I sit down. I do not have the opportunity very often to talk about the good work of the committee but, as far as this Senator is concerned, some of the best work of this committee is to allow flights from National Airport to Las Vegas, to Phoenix, to Salt Lake. I would suggest that the Senator from Arizona—and I am sure he will check with his staff—I think he might find a better flight than going from Dallas to Phoenix.

Mr. MCCAIN. I thank the Senator from Nevada. But I have done many foolish things in my life—many. One of those that ranks up in the top 10 is when I was being accused by the local newspaper for attempting to seek some

relief from the perimeter rule in hopes that I might then have the convenience of flying direct from Reagan National Airport to Phoenix. I swore I would never fly direct from Reagan National Airport. Many years have gone by, and I had hoped that people's memories had grown dim on that, but now I will probably have to go another 5 years since the Senator has raised that.

Mr. REID. Well, the statute of limitations has run.

Mr. MCCAIN. I thank my colleague.

Mr. HOLLINGS. Mr. President, the Senator from Nevada is correct. The money is for security, and a security check is what we are trying to fund, finance. It just hasn't been vetted at FAA. It is very logical to this particular Senator that the Senator from Nevada is correct, and I will make every effort in the conference to change the particular formula or rather embellish the word emplanement, so as to get destinations and takeoffs considered as going just through the security and the money be allocated thereof.

So I assure the Senator from Nevada that I will support it in every way I can.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

AMENDMENT NO. 890

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LOTT. Mr. President, while discussions are taking place on other issues or amendments, I wanted to go back and comment briefly on the statement by Senator DORGAN and his amendment.

First of all, I appreciate his membership on the committee and his interest in this aviation hearing. Most of the time we agree on how we can be helpful to the aviation industry. I appreciated the fact that he said he thought it was important we have this revolving fund for TSA security. There are those who are going to speak against that fund later today.

The appropriators feel as if the fund is not a positive thing, that it is taking funds from their bottom line. My concern is, if we have these fees collected for airport security and there is no specification that it go into that area, then it may be spread all over the place. If you go into port security, Coast Guard, or any number of programs—which may be very important and may be needed—if fees are collected for a purpose, they should not be spread out into other areas. It is like the highway trust fund. You collect gasoline taxes for highways, and to let it be spent for airports or ports—that is not the intended purpose and what people think they are paying for.

This fund is not intended in any way to get into the appropriators' job. They have a tough job. I know my colleague from Mississippi and Senator STEVENS will work hard to help our homeland security. We will continue to work to see if we can come up with some compromise agreement that will accommodate all concerned. Our goal is to just make sure we have these fees that are collected for airport security and security for the TSA used for that purpose.

With regard to the local share, I have a State that, obviously, is not a wealthy State. We have a limited number of airports. Several of them are relatively small. So any kind of cost share is not easy for them, plus the airline industry will tell you very quickly that in a lot of airports—particularly the bigger ones—any kind of a local cost share, the airlines will wind up having to pick up the cost because airports cannot get money from the local government. So they will say, all right, we have to get it from the airlines and they will pass it on to the airlines. That is a legitimate concern. It is really not fair.

I know it is not easy for the local airports sometimes to get a match. But we are talking about a small match here. Even if we can have the match 10 percent, it would still have the principle that the local governments are doing their share. Airports and airline service is a very important part of the economy in these smaller towns. It creates jobs, helps attract industry, and it is a big plus. Yet the cities or counties, even the big cities—Detroit, Chicago, New York—get tremendous benefits from their international airports, but they don't want to participate or pay any of the costs. Of course not. The trend in America is just let the Federal Government do it. Let the Federal Government do it all. Let the Federal Government pay for all of the airport costs, pay for all the housing costs, pay for all of the farming costs—just let the Federal Government do it. That is why we are going to have a $500 billion deficit this year, and probably the same next year, and it may come down some in 2005, but it is still going to be really ugly. Let Uncle Sam do it.

All I am saying is, let the local communities do a little bit, participate some, help a little in the cost of this huge benefit. I promote local airports in my State, such as Tupelo, Meridian, Golden Triangle, Biloxi, Pine Belt, and others. We have small airports that mean a lot. For them to help a little bit looks to me like a good idea. So I realize maybe that is not the way to do things around here. I am arguing on principle and some degree of responsibility for everybody to pay a little bit. Why should the Federal Government always have to pay the first and the last dollar?

We will work with Senator DORGAN, a very valuable member of the committee. I understand his concerns in these smaller communities. But the problem is not really the smaller communities; it is actually the bigger airports that will be inclined to pass them along to the airlines. I realize they have plenty of burdens of their own.

I wanted to respond and make it clear why I feel that some small amount of local participation is a responsible thing to do. It makes good, common sense. We may have a way to work it out. I wanted to get that on the record before we got too far away from Senator DORGAN's remarks.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT NO. 892

Mr. MCCAIN. Mr. President, I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. The pending amendments are set aside and the clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN] proposes an amendment numbered 892.

(Purpose: To express the sense of the Senate with respect to air fares provided to members of the Armed Forces)

At the appropriate place, insert the following:

SEC. . AIR FARES FOR MEMBERS OF ARMED FORCES.

It is the sense of the Senate that each United States air carrier should—

(1) make every effort to allow active duty members of the armed forces to purchase tickets, on a space-available basis, for the lowest fares offered for the flights desired, without regard to advance purchase requirements and other restrictions; and

(2) offer flexible terms that allow members of the armed forces on active duty to purchase, modify, or cancel tickets without time restrictions, fees, or penalties.

Mr. MCCAIN. Mr. President, this is a sense-of-the-Senate amendment. Frankly, I would like to see it in law, but I am not sure whether it would be constitutional and in keeping with existing law.

Basically, it says that the airlines should do whatever they can to make sure that members of the Armed Forces can get the lowest fare even if they are late; that they will offer them the lowest fare available; and that when there are cancellations or other reasons they have to change their travel plans, the airlines will show the flexibility that will afford them the lowest possible cost for their airfare.

We have a lot of transience amongst the men and women in the military and their families, not just being transferred from one place to another but, generally speaking, they are not based where they grew up and where their families or friends are located.

There are a lot of men and women in the military who make use of the airlines and many times on short notice. We are simply urging the airlines to show the kind of patriotism that is necessary to provide these very low income Americans the ability to move from one place to another.

I might add, this amendment was offered by Senator KAY BAILEY HUTCHISON on the DOD authorization bill as well. I hope the airlines will react positively to this sense-of-the-Senate resolution. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I thank the distinguished chairman and Senator KAY BAILEY HUTCHISON for this initiative. It is well deserved. Whether or not it can be worked out—as the Senator indicates, we hope it can be. It has been cleared on our side, and I urge its adoption.

The ACTING PRESIDENT pro tempore. Is there further debate on the amendment?

If not, the question is on agreeing to amendment No. 892.

The amendment (No. 892) was agreed to.

Mr. MCCAIN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT NO. 893

Mr. LAUTENBERG. Mr. President, I commend the chairman and the ranking member of the Commerce Committee for moving this reauthorization forward. It is critical. The FAA is an essential part of our travel and aviation system. I encourage its consideration promptly.

A principal issue these days in aviation is security. How do we best protect those who are flying and those who are working in the airplanes, the cockpit crew, the cabin crew? How do we best protect all of those people? Well, we review the passenger lists. We review the baggage. We look at what anybody brings aboard. One of the things that does not always get the attention it deserves is what happens with the FAA. What kind of people are they? Are they up to snuff in their training? Have we a reservoir, a reserve, of people who are trained and ready to take over when we are looking forward to a fairly large retirement possibility for those people who came in after some of the labor problems were resolved?

I send an amendment to the desk to make certain that FAA is going to be able to maintain its integrity, and I ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. Without objection, the pending amendments are set aside.

The clerk will report.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG] proposes an amendment numbered 893.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To prohibit the Secretary of Transportation from transferring certain air traffic control functions to non-governmental entities)

On page 193, after line 23, insert the following:

SEC. 624. TRANSFER OF CERTAIN AIR TRAFFIC CONTROL FUNCTIONS PROHIBITED.

(a) IN GENERAL.—The Secretary of Transportation may not authorize the transfer to a private entity or to a public entity other than the United States Government of—

(1) the air traffic separation and control functions operated by the Federal Aviation Administration on the date of enactment of this Act; or

(2) the maintenance of certifiable systems and other functions related to certification of national airspace systems and services operated by the Federal Aviation Administration on the date of enactment of this Act or flight service station personnel.

(b) CONTRACT TOWER PROGRAM.—Subsection (a)(1) shall not apply to a Federal Aviation Administration air traffic control tower operated under the control tower program as of the date of enactment of this Act.

On page 69, after the item relating to section 623, insert the following:

Sec. 624. Transfer of certain air traffic control functions prohibited.

Mr. LAUTENBERG. I rise to offer a critical safety and security amendment to this FAA bill. My amendment would ensure that the air traffic control system and its personnel remain a government function.

There is an attempt underway right now in the executive branch to open up air traffic control to private contractors. I believe we in the Congress must put a stop to this. There are some areas where it makes sense to contract work out to private entities, but air traffic control is not one of them. The safety of our skies should not be put in the hands of the lowest bidder. We should not be looking to buy security on the cheap.

I believe those who operate and maintain our air traffic control system are almost like a wing of the military. They keep us safe. They police our skies.

On September 11, 2001, we had a tragic day for all Americans. In my State of New Jersey, nearly 700 people lost their lives. As my colleagues know, Transportation Secretary Norman Mineta ordered all aircraft in the U.S. airspace grounded that day. They wanted those airplanes safely out of the sky. It was a massive undertaking.

I have a visual of 9/11 at 12:30 p.m. The assault took place around the 9 hour. This is a picture of the traffic, each one of these denoting an airplane, that was in the sky at 12:30. Many planes had already landed, but there were still thousands in the air, as we can see. The bulk of this traffic was in the East, as it was still early morning on the west coast. My home State of New Jersey is all but covered in air traffic in this picture.

In the next visual, we will see what the skies looked like roughly an hour later, at 1:45. We see some reduction in the cluster, but there are still hundreds, if not thousands, of airplanes in the sky. Planes are being rapidly grounded in the Northeast, and they are headed to the points in the Midwest to try to land safely, to take care of their passengers.

We have the next picture, which is only half an hour later, and look at this. Look at how empty the space, on a relative basis, is compared to where it was. The first one, this is now 3 to 3½ hours after the terrible assault on our buildings and our people took place. There is a cluster. We cannot even see the ground. But the air traffic controllers went to work, the system went to work, and now at 2:15, an hour and three-quarters later, they have cleared the skies, which is not an insignificant job.

We did not have one accident that day. We had the attacks with the aircraft on the towers, but all other aircraft that were in the sky that day got to the ground safely. People were able to call their families and say: Do not worry about me. I was flying. I am here. I am safe. I am well. I will be home tonight. I will be home this weekend. To the children: Daddy is alive and well, and we will be there.

We can see a massive number of planes were landing in that last half hour. Meanwhile, we can see the clusters of airplanes circling major airports, waiting for clearance to land, making sure the separations were maintained. The airports were at Dallas, Fort Worth, Atlanta, Kansas City, Denver, Indianapolis, Cincinnati, Minneapolis-St. Paul. That was the extent of the impact of this attack and the need to disperse the airplanes in the sky. And out west, Phoenix, Salt Lake City, Las Vegas, NV, Los Angeles, San Francisco, all of these planes landed safely in an amazingly short amount of time.

Let's look at the picture at 3:45. The sky almost looks clear, and thank goodness. Those were tense moments for everybody, for those who saw the smoke coming out of the Trade Center buildings and noted the absence of these two giant towers that were built, this testimonial to man, gone.

We did what we had to in the rest of the country to make sure those planes got on the ground safely. There were still some government planes in the air. We can see the military aircraft in the blue—they are a little hard to discern—as they patrolled the near empty skies.

On September 11, those who operated our Federal air traffic system demonstrated great heroism and dedication. Air traffic controllers across the Nation performed heroically as they guided thousands of aircraft out of the sky.

I wish to point out a bit of a technicality. They think of the air traffic control group sometimes as just the

people in the tower who have the microphones at that moment, but we have specialists who keep this equipment going, and it is a complicated network. We have those flight service people who are on the ground giving advice, watching the separation, making sure that the system is in an orderly condition. It is a package. It is one part of it. It is very obvious that we in this body need lots of people around to make the system work, such as our staff people who are very good. We could not take part of them and have them working for one entity while we worked for another. It would not make sense, especially if there is a moment of need when the owner of the company says we are cutting back on some of the company benefits. It does not work. This is a unified system.

In my home State, from the tower of Newark International Airport, the air traffic controllers looking out the window could see the World Trade Center on fire as they worked to return tens of thousands of Americans to the ground safely. Like many public servants on that day, they were heroes, along with the police and firefighters and other emergency personnel. These public employees gave 110 percent of their ability to secure the safety of the American people.

In the aftermath of these tragic events, our people demanded one thing in particular of their government. They wanted government personnel, not private contracting firms, to perform security screening of baggage at our Nation's airports. If the American people demanded that baggage screeners become Federal employees at substantially increased salaries, this was an enormous cost burden we picked up. We took it out of the hands of the private sector, away from the airlines, to say: You were not buying security appropriately; you were not spending the money needed to keep the people interested, trained, and functioning.

Why in the world, if we wanted the baggage screeners to become Federal employees, would we contract out air traffic control to the lowest bidder? It does not make sense. One bag getting through at the wrong time could be a terrible tragedy. But one airplane in the wrong place at the wrong time would dwarf many of the opportunities others have to attack an airplane with a piece of baggage.

The safety and security of the American people should not be the responsibility of the lowest bidder. It is a core responsibility of our Government. To be able to muster the forces we need for our military endeavors, we have to know the people in the towers and their support system are always on the job, that they are reliable, that there is no dispute between a company or corporate headquarters and the need of the people.

That is why it is so shocking the FAA is being asked to take steps to privatize air traffic control in this country. It makes no sense, especially after September 11. It is the opposite of what the public wants.

Mr. LOTT. Will the Senator yield?

Mr. LAUTENBERG. I yield.

Mr. LOTT. My questions and my comments are related to your subject.

First of all, I appreciate Senator LAUTENBURG and what he is doing here. I understand his point. I indicated to him on the committee we would work with him and see if we could come up with compromise language that we could agree to. Unfortunately, we could not get that done. However, the Senator knows I have tried to act in good faith. I know he has, too. I appreciate that.

My concern is, I, like you, have concern about privatizing the air traffic controllers themselves. I also have sympathy for the flight weather service people because, in effect, in some areas I am familiar with, they are the air traffic controllers. But the amendment, as I understand it, and I think the Senator admitted, goes beyond demanding the tower or demanding the actual person looking at the screen and the flight weather service, it does expand to the other employees who are employed in the area—the service people, the repairmen, and perhaps even further than that.

My question is, is that a fact? Would your amendment expand beyond the professional air traffic controller or even the FWS employee and other employees? Could you perhaps specify some of the areas that might be covered, just for the edification of myself and the other Senators.

Mr. LAUTENBERG. The Senator from Mississippi is a sincere advocate of safety in our skies and has been very supportive of introductions of technology. The Senator has had a long period of service as chairman of the Subcommittee on Aviation. There is mutual respect.

We are including all parts of the FAA, of the controller system, systems specialists, and the safety inspectors. As I tried to demonstrate, it is a whole unit. One thing and is quite apparent. Very often when you have an organization the size of FAA, when functions are parceled out, very often the segment you have taken out—look at railroads where you have different unions that control different parts. If one of those unions has a disagreement with the management or with the operations of the company, they go out and can tie the whole thing up.

Keeping this team together—the nurses in the operating room, the orderlies, all those people, beside the doctor and the guy now who is the person developing the equipment that in many cases now is doing the surgery—is all one thing. Would you think of splitting off parts of that and saying one part ought to be here, one part ought to be there? I think not. We include them all. We say this is one integrated system.

I come out of the technology business—of course, it was 20 years ago—but there are certain buttons you have to push to connect everything. You have to make sure the equipment is working properly. If one asks the distinguished Senator from Alaska, Senator STEVENS—and I take this from recall so I am not giving his statement—he talked about the value of the flight service people in the State of Alaska and remote places. The Senator from Mississippi said it himself; very often they turn into controllers.

It is our intention to keep this package together. If we want to talk about it at another time in the future, certainly I would like to do so.

Mr. LOTT. If the Senator will continue to yield, we will continue to work on this. I know Senator MCCAIN will have something to say about it later. Regardless of how it works here, we will continue to work together.

I want to make note of the fact for the record that Secretary Mineta has determined that air traffic control is a core function of the FAA and as such the administration would not consider outsourcing beyond the current contract tower program. I note that is a program that is in place, the contract towers, and it has broad general support. Twenty-five percent of all takeoffs and landings, mainly general aviation in the United States, occur at these traffic towers. There is an example of how contracting out has been done and is working.

We will continue to work with the Senator. While I have some sympathy with what the Senator is trying to do as the amendment presently exists, it is too broad and I would have to oppose it.

I thank the Senator for yielding.

Mr. LAUTENBERG. We are leaving out the contract tower program. We do not touch that at all. Those are special situations, smaller airports where more is demanded from the operation than can be given as part of the FAA. We have no problem with those.

The amendment we offer now is smaller in scope than my original bill. It covers only air traffic control, separation functions, system specialists, and flight service station controllers.

There is a world far larger than that, that could be included which we have not included.

The administration has already changed the designation of air traffic control from ''inherently governmental'' to ''commercial.'' It is more than a technical change. It opens the door to privatizing the air traffic control system.

We currently have the best air traffic control system in the world, with 15,000 dedicated Federal air traffic controllers who guide home safely more than 2 million passengers a day. They are expert professionals who perform under pressure every day to keep our skies safe.

Air traffic controllers play a major role in homeland security. When President Bush gave his State of the Union speech this year, it was the flight service station air traffic controllers who

sent alerts to pilots around here to avoid the expanded no-fly zone around Washington. We wanted to keep the President safe. We wanted the security to be maintained. It takes a certain skill and dedication and experience to make sure it gets done, that it gets done in a timely fashion.

When the Space Shuttle Columbia tragically exploded in the skies over Texas, it was the air traffic controllers who directed the aircraft away from the falling debris field.

These men and women perform a critical function. Our security ought not be up for bid. Some claim privatization will save money, but we have to take a look at other countries' experiments with air traffic control privatization. When you do, you see financial messes and safety hazards. Australia, Canada, and Great Britain have all privatized systems that are now in crisis. Costs have gone up and safety has gone down. Since Great Britain adopted privatization, near misses have increased. That means near misses in the sky. When I told someone this, he said, You mean people missed more flights? I said, No, no, airplanes missing one another. Near misses have increased by 50 percent, and delays have increased by 20 percent. The British government has already had to bail out the privatized air traffic control company twice.

Look at this quote from a Member of the British Parliament.

> The privatization of the UK's air traffic control system was a grave mistake, and one that the United States can still avoid making. British Air Traffic Controllers are among the best in the world, and they fought tooth and nail to keep ATC in the public sector. They insisted that the sale of the National Air Traffic Services—NATS—would lead to a collapse in morale, the unwise introduction of inadequate and unreliable equipment, and an increasing danger of catastrophic accidents. The Government did not listen and went ahead. They were wrong and the air traffic controllers were right.

This is from Gwyneth Dunwoody, a British MP in the House of Commons.

Why should we jeopardize the public's safety in the skies? We have the best system in the world now. Why should we risk making it more dangerous and costly. We should not repeat the mistake other countries have already made.

I want to make clear to my colleagues my amendment does not affect the expansion of the contract tower program. That is one that is contracted out away from the FAA, typically in smaller communities, and that service seems to function very well. It has been in place a long time. That program, which affects the small visual-flight-rules airports, can be expanded to any of the 4,000 airports that are eligible. My amendment only affects FAA towers.

Our luggage is important, important enough to be screened by trained Federal workers. But once you are up in the sky, it seems the administration believes your safety should be in the hands of the lowest bidder. It makes no sense.

My amendment declares air traffic control functions to be ''inherently governmental'' and therefore it means they ought to stay with the Government and they are therefore not eligible for outsourcing.

I want to point out the Member of the British Parliament, Gwyneth Dunwoody, the MP, is the equivalent of our distinguished Senator MCCAIN in this body. So we have a considered opinion from someone who has the responsibility and has been through it.

I urge my colleagues to support safety and security in our skies by voting for the amendment, keeping the FAA as a body in the hands of the Government.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I oppose this amendment and I think we ought to understand this amendment does more than tie FAA's hands with respect to air traffic control management. It would prevent a host of broader measures as well. Certain FAA responsibilities are best fulfilled by contract, using a combination of Government and private services, as is the case today.

Congress gave the FAA unique procurement authority for exactly this reason and the amendment would compromise that authority. For example, the FAA's air traffic control systems are increasingly composed of commercial components and software that build upon privately developed computer programs. If this amendment passes, the FAA's costs to maintain and install its systems would most likely increase significantly as the FAA tries to acquire needed data rights to maintain the equipment or forgoes the advantages of using commercial products.

Furthermore, the FAA would pay ever-escalating training costs to provide its workforce with the changing skills needed to maintain multiple systems.

The amendment prevents the FAA's ability to reduce its operating costs by contracting out certain operations—such as providing weather information to pilots. Congress has been very critical of the FAA's continually increasing operating costs. This amendment would take a very important tool for controlling costs away from the FAA.

The FAA is currently conducting a competition to evaluate the performance of its 61 flight service stations, which provide needed services, such as weather briefings, to general aviation pilots. The FAA expects that the competition will identify innovations and lead to greater value for America's pilots at a lower cost to the taxpayer. The bottom line is that the legislation would stop this study—a study that encourages the FAA.

Finally, this amendment prevents the FAA from expanding the existing contract tower program. This program allows smaller airports to continue to have air traffic control where an FAA tower might not be fully justified.

The Transportation Department's Inspector General has examined this program. He found that contract towers are just as safe and effective as FAA towers and on average cost $800 thousand a year less. This amendment would prohibit any other existing towers from becoming contract towers.

FAA continues to operate about 71 towers that are similar in traffic and complexity to towers currently in the contract program. For example, in Virginia, the tower at Manassas Regional Airport, which has general aviation only, is FAA-operated but the tower at Charlottesville-Albemarle Airport, which has frequent commercial service, is a contract tower. Converting these towers could save the FAA about $57 million dollars per year in operating costs and free up 900 controllers that could be used in more complex facilities and help meeting the pending wave of controller retirements.

The Administration is adamantly opposed to this amendment or any other provisions that would reduce the FAA's flexibility and ability to control costs. In a letter to the House, Secretary Mineta indicated that he will recommend a veto of any bill that contained provisions similar to this amendment.

We will hear today a lot of discussion about how admirably the air traffic controllers performed on September 11, and it is true. It is absolutely true. They did a magnificent job. It is also true that the air traffic controllers in Canada worked extremely well with their partners, the counterparts in the U.S., and they are not government employees. They are privatized air control providers.

All of us appreciate the enormous contributions and terrific jobs that our air traffic controllers did, and do. The question is, Will the administration be able to have the flexibility necessary to do such things as contract towers that operate without the complexities and difficulties that are associated with major air traffic control centers?

I ask unanimous consent that a letter dated June 12 from the Office of Management and Budget, Statement of Administration Policy, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,

Washington, DC, June 12, 2003.

STATEMENT OF ADMINISTRATION POLICY

S. 824—AVIATION INVESTMENT AND REVITALIZATION VISION ACT

The Administration strongly supports Senate passage of S. 824. Like the Administration's proposal, S. 824 would authorize federal aviation programs without increasing taxes or fees on an industry that has been severely impacted since the attacks on September 11th. The bill contains important environmental provisions including voluntary

air quality initiatives; environmental streamlining elements for safety and airport capacity projects, and a more flexible use of the Airport Improvement Program (AIP) noise setaside. The bill also adopts structural changes to the Federal Aviation Administration (FAA) that were included in the Administration's bill, as well as important clarifications in the area of judicial review of both airport environmental and agency acquisition decisions.

The Administration will work with Congress to ensure, in the version of the bill presented to the President, that: (1) spending during the authorization period conforms to the amounts requested by the Administration; (2) environmental streamlining provisions include safety projects and are optimized to promote their intended goals; (3) the Aviation War Risk Insurance program remains focused on aircraft used to support U.S. military and foreign policy objectives; (4) responsibility for transportation security expenditures is consolidated in the Department of Homeland Security and fees collected for security activities are not diverted to purposes other than the provision of direct security services; (5) the appointment of members and the operation of any committees or commissions created by the bill are consistent with the appointments clause of the Constitution and the President's constitutional authority to supervise the unitary executive branch and make recommendations to Congress; (6) any provision for airline collaboration or coordinated capacity reduction preserves competition to the maximum extent possible; (7) maximum flexibility is provided in the use of AIP funds for security costs, noise set-aside and emissions research and mitigation; (8) provisions regarding the use of space by the FAA at airports do not impose costs which preclude the continued provision of essential services by FAA; and (9) mandates which might interfere with the FAA's ability to optimize its organization or research programs are minimized.

The Administration is aware that an amendment may be offered to S. 824 that would inappropriately prohibit the conversion of any FAA facilities or function from the Federal Government to the private sector. Such restrictions are unnecessary and would hinder the FAA's ability to manage the air traffic control system. If such an amendment were included in the final legislation presented to the President, his senior advisors would recommend that he veto the bill.

PAY-AS-YOU-GO-SCORING

The Budget Enforcement Act's Pay-As-You-Go requirements and discretionary spending caps expired on September 30, 2002. The Administration supports the extension of these budget enforcement mechanisms in a manner that ensures fiscal discipline and is consistent with the President's Budget. OMB scoring of the bill is under development.

Mr. McCAIN. Mr. President, I will not bother with the entire letter except to say that the administration strongly supports passage of the bill. It talks about all the good things which will happen as a result of the bill, most of which we have already covered. I am sure we will cover it again. But it also says the administration is aware that an amendment may be offered to S. 824 that would inappropriately prohibit conversion of any FAA facilities or functions from the Federal Government to the private sector. They say that such restrictions are unnecessary and would hinder the FAA's ability to manage the air traffic control system; and, if such an amendment were included in the final legislation presented to the President, his senior advisers would recommend that he veto the bill.

I very much dislike having all the work that has been done on this legislation for literally months be negated by one amendment. Although it may be emotionally an important issue, I would hate to see that provision destroy all the hard work and important programs that are included in this bill.

I don't know what the plans are for the other side. We would obviously like to have a vote on the Lautenberg amendment. I think there are negotiations going on and conversations concerning that. In the meantime, I note the presence of the Senator from Texas.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I thank the Senator from Arizona. I also thank the Senator from South Carolina for making sure that we have an FAA reauthorization bill on the floor in a timely manner.

There has been so much impact on the aviation industry over the last 2 years that I think we have had to refocus our efforts from capacity issues which we were trying to address before 9/11 to now security issues. Certainly, the parts of the bill that deal with capacity are still here. I think it is warranted that we look ahead. The aviation industry is going to come back, and we need to make sure we have the expedited environmental procedures for building new runways and help communities be able to meet the needs of increased demand when that occurs. If we can do that before a crisis, it will help us allow airports to grow in an environmentally positive way. In a way, that can be handled by the community effectively.

I think this bill is a good bill. I have worked on it as the former chairman of the Aviation Subcommittee and now as a member of the Aviation Subcommittee. I think it is very important that we look at the major issues of security.

I commend the committee for keeping the Security Trust Fund, which I think is so important. People pay a ticket tax for security. I want to make sure this ticket tax goes for security purposes. That is what this bill does. If we start having a shoestring for the Transportation Security Agency, they are going to start cutting corners, and we are not going to have an airtight system that a number of us want to ensure. We have a safer aviation system today than we had on 9/10 in 2001. We want to make sure it stays that way. We should not let our guard down. The kind of enemies there are today are looking for vulnerabilities, and we are not going to allow them to have that.

I think that is why this reauthorization discusses and handles the security issues, the capacity issues, and the issues of air traffic control and safety all in a way that I think is quite positive.

I appreciate the chairman of the committee and the ranking member working to get this bill out. It came out of our Commerce Committee, and I look forward to supporting it.

Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I listened carefully to comments made by our leader, the distinguished colleague from Arizona. I want to say that there are places where the contract tower process can be used. There are some 4,000 airports across the country where the contract tower program might apply. I have no objection to those smaller airports converting to that system. But we are grandfathering those that are presently FAA controlled to continue in that vein to make sure that the system is intact, and that the integrity of the functioning is as planned. If there is a point in time at some future date when we want to look at this, I am more than willing to discuss it. But I want to know exactly what the implications are to the total system, and not simply look at this as a financial gain because in the long run, the financial gains are ephemeral. We saw it in the British experience. We saw it in the Canadian experience.

The Senator from Arizona talked about how nobly the controllers from Canada performed on 9/11. Yes, we give them credit for that. But still in all, their system falls into higher costs all the time, and it is in financial despair, if I can use the terminology. We believe we take care of the issues concerned.

I think we would like to see what our colleagues have to say about that. In due time, I hope we will bring it to a vote.

I yield the floor.

Mrs. CLINTON. Mr. President, I thank my colleague from New Jersey for offering this amendment, which I am proud to cosponsor. This amendment will bar the use of funds to privatize the functions of the air traffic control system in the United States, which will ensure that air traffic control will remain a Government function under the control of the Federal Aviation Administration.

I believe that there are few functions of Government more inherent to our responsibility than guaranteeing the safety and security of consumers of transportation in our country. Since September 11, 2001, we have worked to increase the Federal role in improving air security. Air traffic control is essential to our Nation's security and it is vital that we keep air traffic control within the Government's function in order to ensure a safe aviation system on a day-to-day basis. It is also vital in the case of a terrorist attack. This was

demonstrated vividly on September 11, when central Government control of air traffic proved essential in quickly clearing our skies and possibly preventing further casualties.

Furthermore, it is clear that the intention of those who oppose this amendment is to open the door for privatization of air traffic control. This would be a disaster. An extensive Columbia University study that looked at air traffic control privatization in other countries found that there are no operational or economic advantages to privatizing air traffic control. In fact, there is some evidence that suggests privatization can lead to an increase in incidents, as fewer controllers are used in an attempt to cut costs. For example, privatization in Canada has led to an operational irregularity rate twice ours despite the fact that their air system is 7 percent the size of ours. Privatization may also increase costs. The British Government has twice had to bail out its privatized system for $131 million, about two-thirds of what they originally sold it for.

I urge all of my colleagues to support this amendment in order to ensure the continued safety of our aviation system. Let us focus on how to improve our air traffic control system without compromising safety.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I ask unanimous consent the pending amendment be set aside so I may offer an amendment to the bill.

The PRESIDING OFFICER. Is there objection?

Mr. McCAIN. Mr. President, if my friend from Mississippi would not mind, the Senator from Wyoming has a brief statement counter to the Lautenberg amendment.

So that we can be agreeable, I ask unanimous consent that immediately following the Senator from Wyoming, we set aside the Lautenberg amendment for the purpose of the Senator from Mississippi proposing an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. I thank the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. I thank the President, and I thank the Senator from Mississippi. I will not take long. In fact, I just came from a markup in health care. I was very much interested in the discussion that was going on here. We are all involved, of course, in one way or another in air traffic control. I am a former private pilot and have experienced a great deal over the years. I don't fly anymore because I don't get enough opportunity to be safe. Nevertheless, I have listened.

First of all, I am very much interested in doing all we can in government to modernize and make it as efficient as can be. That is what the administration seeks to do in various kinds of activities, taking a look at those to see if there is something that can be done governmentally. If they can do it just as well or better in the private sector, there ought to be some competition for that. I believe that. I believe that very strongly.

I am always sort of surprised at the efforts made to keep the government from doing that. If they study it and come up with the right answer, I think that is a good idea, instead of saying we ought not to be doing any of those things.

I am an advocate of trying to have competition to see how we can do the best thing.

Currently, the FAA is reviewing the jobs done by the flight services staff to determine if these jobs could indeed be done better by the private sector.

I think most everyone knows that President Bush and his Secretary have no intention of having private competition for the air traffic controllers.

What we are talking about here is the flight service function, which is quite different. Currently provided for in general aviation, of course, is that pilots currently review it to see if flight service functions could be modernized by allowing the private sector to provide some of these services.

So it seems to me that is reasonable. And to come in with an amendment that says you cannot take a look at doing something better is a surprise to me.

The commercial airlines rely on the private sector for weather and all kinds of things. There is really no reason to think that is something that is done better by Government people than it is by private sector people. Who is flying the airplane, for example? That is where the real test comes.

So it seems to me we ought not to adopt this kind of an amendment. Remember, this is a current A–76 study that is underway. It is a study, and we ought to give that an opportunity to happen.

The FAA has categorized air traffic controllers as noninherently governmental. They have shielded the air traffic controllers from the A–76 study.

Mr. LAUTENBERG. Will the Senator from Wyoming yield for a question?

The ACTING PRESIDENT pro tempore. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I asked if the Senator from Wyoming would yield for a question.

Mr. THOMAS. Sure. Yes.

Mr. LAUTENBERG. I ask if the Senator from Wyoming is aware of the fact that some $20 million has already been spent on a survey or a study of this process?

Mr. THOMAS. I am not aware of that. Are you aware of the outcome?

Mr. LAUTENBERG. No.

Mr. THOMAS. No.

Mr. LAUTENBERG. The outcome is one we see that says perhaps we ought to put the security of the FAA out to the cheapest bidder. I am aware that is where it comes out. And can the distinguished Senator from Wyoming explain why it is we took this very comfortable, privately managed sector of our aviation system, the baggage screeners, and brought them into Government at three times the wage they were working? There are 33,000 or 28,000 of those people.

Mr. THOMAS. May I answer the question, please?

I do know why that is, and I would think you do, too.

We decided it right here. I voted against it. I voted for having the private sector continue. That is why it was done, because it is a political thing, and you know it and I know it.

Mr. LAUTENBERG. I am delighted—I always enjoy the comments of my friend from Wyoming. We talk the same language in New Jersey.

But to say it was a political decision, then it sounds relatively meritoriousless. But I hear people say things are better with the folks working for Government. Of course, we have started to lay off a lot of baggage screeners already. And so, to me, the chances of baggage screening being of the same danger as changing the system that now——

Mr. THOMAS. Is there a question?

Mr. LAUTENBERG. Mr. President, I am sorry. Forgive me. I did not mean to use the time of the Senator from Wyoming. I was just trying to respond to his answer.

Mr. THOMAS. I understand, and you will probably have an opportunity to do that. Let me respond to what you are saying.

You talk about how much better it is. I think if you had spent that many billions of dollars doing it on the other side, it perhaps would have been better as well.

So I urge Senators to not accept this amendment and to let us continue to have a study of what might better be done rather than saying, flatly, we cannot even take a look at a possible modernization.

I yield the floor.

The PRESIDING OFFICER (Mr. ALEXANDER). The Senator from Mississippi.

AMENDMENT NO. 898

Mr. COCHRAN. Mr. President, under the unanimous consent agreement propounded by the distinguished Senator from Arizona, I ask unanimous consent that the pending amendments be set aside, and I send an amendment to the desk and ask it be reported. The amendment is at the desk.

Mr. REID. Reserving the right to object, Mr. President, I missed the unanimous consent request. What is it? What is the request?

Mr. COCHRAN. The request is that the pending amendments be set aside and that I may be permitted to offer an amendment to the bill.

Mr. REID. I would agree to that if we have a time set for a vote on the Lautenberg amendment. Other than that, because I don't want his amendment to——

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. When would the Senator like to have that vote?

Mr. REID. We would like to have it as soon as possible.

Mr. MCCAIN. Mr. President, I ask unanimous consent that pending the discussion of the Cochran amendment, we move then to a vote.

Mr. REID. Well, I know we have two of our most senior Members here involved in this debate, Senator COCHRAN and Senator BYRD, and they usually do not talk for 5 minutes.

Mr. COCHRAN. Mr. President, if the Senator will yield, I do not intend to talk long. I do hope we can permit Senator BYRD to make a statement on this amendment. I do not know how much time he would need for that purpose.

Mr. BYRD. Five minutes.

Mr. MCCAIN. The Senator says 5 minutes.

Mr. President, I say, we are prepared to accept the amendment by Senator COCHRAN.

Mr. REID. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN] for himself and Mr. BYRD, proposes an amendment numbered 898.

Mr. COCHRAN. Mr. 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:

(Purpose: To provide authorization for an Aviation Security Capital Fund)

On page 145, beginning with line 8, strike all down through and including line 24 on page 147, and insert the following:

"SEC. 402. AVIATION SECURITY CAPITAL FUND.

''(a) IN GENERAL.—There may be established within the Department of Homeland Security a fund to be known as the Aviation Security Capital Fund. There are authorized to be appropriated to the Fund up to $500,000,000 for each of the fiscal years 2004 through 2007, such amounts to be derived from fees received under section 44940 of title 49, United States Code. Amounts in the fund shall be allocated in such a manner that—

''(1) 40 percent shall be made available for hub airports;

''(2) 20 percent shall be made available for medium hub airports;

''(3) 15 percent shall be made available for small hub airports and non-hub airports; and

''(4) 25 percent may be distributed at the Secretary's discretion.

''(b) PURPOSE.—Amounts in the Fund shall be available to the Secretary of Homeland security to provide financial assistance to airport sponsors to defray capital investment in transportation security at airport facilities in accordance with the provisions of this section. The program shall be administered in concert with the airport improvement program under chapter 417 of title 49, United States Code.

''(c) APPORTIONMENT.—Amounts made available under subsection (a)(1), (a)(2), or (a)(3) shall be apportioned among the airports in each category in accordance with a formula based on the ratio that passenger enplanements at each airport in the category bears to the total passenger enplanements at all airports in that category.

''(d) MATCHING REQUIREMENTS.—

''(1) IN GENERAL.—Not less than the following percentage of the costs of any project funded under this section shall be derived from non-Federal sources:

''(A) For hub airports and medium hub airports, 25 percent.

''(B) For airports other than hub airports and medium hub airports, 10 percent.

''(2) USE OF BOND PROCEEDS.—In determining the amount of non-Federal sources of funds, the proceeds of State and local bond issues shall not be considered to be derived, directly or indirectly, from Federal sources without regard to the Federal income tax treatment of interest and principal of such bonds.

''(e) LETTERS OF INTENT.—The Secretary of Homeland Security, or his delegate, may execute letters of intent to commit funding to airport sponsors from the Fund.

''(f) CONFORMING AMENDMENT.—Section 44940(a)(1) of title 49, United States Code, is amended by adding at the end the following:

'(H) The costs of security-related capital improvements at airports.'.

''(g) DEFINITIONS.—Any term used in this section that is defined or used in chapter 417 of title 49 United States Code has the meaning given that term in that chapter.''.

Mr. COCHRAN. Mr. President, I also note that Senator BYRD is a cosponsor of the amendment. I appreciate very much hearing the assurance of the Senator from Arizona that this amendment will be accepted, so I am not going to talk long. I do not want to talk our way out of getting this amendment accepted, but I do briefly want to say what it does, and then I will be happy to yield to Senator BYRD for whatever comments he would like to make.

This amendment seeks to amend section 402 of the bill. Section 402 creates a new entitlement program, in effect, and it is a capital fund program that would permit the Transportation Security Administration to use up to $500 million—the first $500 million collected each year from the emplanement fee; $2.50 per passenger that is now collected under current law—and transfer those funds to the Department of Transportation for administration of this capital fund.

The Department of Transportation could then allocate those funds to airports for security improvements. There are provisions in the amendment about how much hub airports would be entitled to—40 percent; 20 percent to medium hub airports, and the like. But the problem with it is the CBO says that, unlike the arrangement under current law, where the Transportation Security Administration spends these funds for airport screeners and other activities under the jurisdiction of the Transportation Security Administration, it would no longer be able to have those activities offset by the funds that are collected from the passengers, which means we would have to appropriate additional money each year to pay for those purposes that are now being paid for out of the emplanement fund that is designated and earmarked for that purpose now.

So what we are doing is saying, it is OK to set up this new capital fund, and it is OK to authorize the Transportation Security Agency to collect the money and make it available, but we need to make that subject to appropriations. That is the point because we are going to divert money from the Department of Homeland Security for this new purpose, and we have a letter from Secretary Ridge explaining that. I ask unanimous consent that a copy of his letter dated June 11 to me be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF HOMELAND SECURITY, OFFICE OF THE SECRETARY,

June 11, 2003.

Hon. THAD COCHRAN,
Chairman, Subcommittee on Homeland Security, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Administration appreciates the continued support of Congress for improvements in the security of the Nation's civil aviation system and supports Senate passage of S. 824, the Aviation Investment and Revitalization Vision Act (Air-V). However, the Administration opposes a provision in S. 824 that would divert fees collected for security activities for purposes other than the provision of direct security services.

With the Homeland Security Act of 2002, Congress identified the Department of Homeland Security (DHS) as the focal point of the federal government's homeland security efforts, with the mission of preventing terrorist attacks and reducing the nation's vulnerability to terrorism. While the Department welcomes and appreciates the assistance of other agencies in improving security, any diversion of security fees, such as that proposed in S. 824, would directly undermine the Department's ability to fulfill its mission. Air-V would establish an Aviation Security Capital Fund that is both outside the control of the Department and funded by diverting $500 million per year of passenger and air carrier security fees collected by the Transportation Security Administration (TSA). This would diminish the Department's funding capacity. As you know, the direct annual costs of operating the aviation security system are not fully offset by these fees, and diverting fee revenue for other purposes clearly weakens the intended financing structure of TSA set forth in the Aviation and Transportation Security Act. Diversion of the fees into a fund outside of DHS undermines the ability of the Administration to apply these resources to the most pressing security needs.

The Administration looks forward to working with Congress to ensure that the version of the bill presented to the President eliminates this objectionable provision.

The Office of Management and Budget has advised that there is no objection, from the standpoint of the Administration's program, to the submission of these views for the consideration of the Congress.

Sincerely,

TOM RIDGE.

Mr. COCHRAN. Mr. President, I am hopeful we can go forward. I appreciate very much the assurance of the Senator from Arizona that the amendment will be included in the bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I am pleased to join my friend and the

Chairman of the Homeland Security Appropriations Subcommittee, Senator COCHRAN, in offering this amendment today. At the same time, I deeply regret the fact that we are being forced to have to come to this floor and offer this amendment.

S. 824 contains a brand new $500 million entitlement program. This legislation would earmark $500 million of existing aviation security fees for grants to airports for construction.

The Transportation Security Administration was created by the Congress in response to the attacks of September 11. It was a failure of our airport screening procedures that allowed 19 men to board domestic airliners with weapons and turn four planes into instruments of death and destruction. With the creation of the Department of Homeland Security, the TSA was transferred from the Department of Transportation to the new Homeland Security Department. The Appropriations Subcommittee on Homeland Security, which is so ably chaired by the senior Senator from Mississippi, is charged with funding the TSA—one of many agencies now in the Department of Homeland Security.

The President's Fiscal Year 2004 budget request for the TSA assumes that $2 billion and $70 million in aviation security fees will go to the TSA to meet its security requirements. These fees are used to fund the thousands of screeners at our airports, for purchasing security equipment such as explosives detection equipment, and for the Federal Air Marshals program, all of which help secure our airports and the millions of travelers who use them. The provision in this bill that Senator COCHRAN and I are seeking to modify would take $500 million of those fees that the President has requested for the TSA and instead earmark the $500 million for a new entitlement program for airport construction grants.

This new mandatory program purports to ''solve'' an airport security construction problem. However, the provision actually creates a homeland security problem. The provision will create a $500 million hole in the TSA budget—a hole that the Homeland Security Subcommittee will be unable to fill without creating other holes in our homeland security budget.

How should we fill that $500 million hole? Should we take Border Patrol agents off our Southwest border? Should we cut port security programs? Should we further slow down the Coast Guard's modernization program? Should we reduce the numbers of inspectors at our ports of entry on our borders and increase the waiting time for agricultural produce to enter the U.S. from Mexico and Canada? Should we cut grants to our States and cities to equip and train first responders? These are the very real choices we on the Homeland Security Appropriations Subcommittee will have to face if the provision in this bill is permitted to pass.

I sympathize with the dilemma facing the members of the Commerce Committee. They are attempting to relieve the security construction burden facing our Nation's airports. I support these airport security programs and have provided funds in the past to begin to meet these airport security needs. However, the President did not request one dime for airport security construction in his budget, not one dime. So if this provision became law, we would need to cut $500 million from homeland security priorities requested by the President.

Our amendment is a simple one. Instead of creating a new entitlement program, instead of creating a colossal new $500 million earmark, instead of putting airport construction grants at the front of the line, ahead of border security, port security or first responder grants, this amendment would simply turn this new $500 million program into an authorization. It would allow the Senate to use the appropriations process to make careful choices among the competing homeland security priorities.

I urge my colleagues to join us on this amendment and strike this ill-advised provision.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. MCCAIN. Mr. President, we are ready to accept the amendment on this side.

Mr. HOLLINGS. It has been cleared on this side.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 898) was agreed to.

Mr. MCCAIN. Mr. 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. BYRD. If the Senator will yield briefly, I thank the Senator from Arizona and the comanager on this side of the aisle for their accepting the amendment. I think it is a real service.

Mr. MCCAIN. Mr. President, I understand it is the agreement of the Senator from Nevada that we will have a vote at 2:30 on the pending amendment.

Mr. REID. Yes.

Mr. MCCAIN. Could I have a small modification, a technical amendment?

Mr. REID. Yes.

AMENDMENT NO. 889, AS MODIFIED

Mr. MCCAIN. Mr. President, I have a modification of amendment No. 889 at the desk. It is a technical correction concerning the sale of airline tickets that was inadvertently included in the managers' package.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The modification is as follows:

On page 10, strike lines 11 through 18

Mr. MCCAIN. Mr. President, I ask unanimous consent that the vote in relation to the Lautenberg amendment No. 893 occur at 2:30 today, with no amendments in order to the amendment prior to the vote; further, that the remaining time until 2:30 be equally divided in the usual form.

Mr. REID. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, I wish to mention to my colleagues that we are moving along on the amendments on this side. I know there is an amendment by the Senator from Oklahoma, Mr. INHOFE, which I hope we can consider rather quickly. It is a very interesting amendment on raising the age from 60 to 65. There are several amendments by Senator BURNS.

I say to my friend on this side that I think we can probably agree to at least a majority of them. I know of no other amendments that would be pending on this side. If there are, we hope that during the vote that takes place at 2:30 we can get pending amendments at least brought to our attention so we can schedule them. I still believe there is a very good opportunity to finish this legislation tonight.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. 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. 891, WITHDRAWN

Mr. REID. Mr. President, I ask that my amendment No. 891 which I offered earlier today be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. 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. I ask for the yeas and nays on the Lautenberg amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to amendment No. 893.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from North Carolina (Mr. EDWARDS), the Senator from Vermont (Mr. JEFFORDS), and the Senator from Connecticut (Mr. LIEBERMAN), are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced —- yeas 56, nays 41, as follows:

[Rollcall Vote No. 222 Leg.]

YEAS —- 56

Akaka	Domenici	Levin
Baucus	Dorgan	Lincoln
Bayh	Durbin	Mikulski
Biden	Feingold	Murkowski
Bingaman	Feinstein	Murray
Bond	Fitzgerald	Nelson (FL)
Boxer	Graham (FL)	Nelson (NE)
Breaux	Gregg	Pryor
Byrd	Harkin	Reed
Cantwell	Hollings	Reid
Carper	Inhofe	Rockefeller
Chafee	Inouye	Sarbanes
Clinton	Johnson	Schumer
Conrad	Kennedy	Specter
Corzine	Kerry	Stabenow
Daschle	Kohl	Talent
Dayton	Landrieu	Voinovich
DeWine	Lautenberg	Wyden
Dodd	Leahy	

NAYS—41

Alexander	Crapo	McConnell
Allard	Dole	Miller
Allen	Ensign	Nickles
Bennett	Enzi	Roberts
Brownback	Frist	Santorum
Bunning	Graham (SC)	Sessions
Burns	Grassley	Shelby
Campbell	Hagel	Smith
Chambliss	Hatch	Snowe
Cochran	Hutchison	Stevens
Coleman	Kyl	Sununu
Collins	Lott	Thomas
Cornyn	Lugar	Warner
Craig	McCain	

NOT VOTING—3

Edwards	Jeffords	Lieberman

The amendment (No. 893) was agreed to.

Mr. REID. Mr. President, I move to reconsider the vote.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. If I may have the attention of the managers of the bill.

The PRESIDING OFFICER. The Senate will be in order.

Mr. REID. One of the important amendments on this bill is the Inhofe amendment that has been discussed at some length, on both sides, off the floor. But both have agreed that the Inhofe amendment will be handled in 40 minutes, equally divided.

I ask unanimous consent that the Inhofe amendment be the next in order and that the time for the amendment be 40 minutes.

Mr. McCAIN. Equally divided.

Mr. REID. And no second-degree amendments be in order prior to the vote, on or in relation to the amendment.

The PRESIDING OFFICER. Is there objection?

Mr. McCAIN. Forty minutes equally divided.

Mr. REID. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Arizona.

Mr. McCAIN. Mr. President, before we move to the Inhofe amendment, I wish to state for the benefit of my colleagues, we have a Dorgan amendment which is being worked on. We have a Bunning amendment which is being worked on.

I believe a Burns amendment is being worked on as well. I think we are close to completion of work on the amendments. If our colleagues have additional amendments, we would certainly like to see them during this 40 minutes of debate on the Inhofe amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

AMENDMENT NO. 986

Mr. INHOFE. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. INHOFE], for himself, Mr. KYL, Mr. THOMAS, Mr. BROWNBACK, Mr. GRASSLEY, and Mr. ENZI, proposes an amendment numbered 986.

Mr. INHOFE. Mr. 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:

(Purpose: To establish age limitations for airmen)

At the end of title V, add the following new section:

SECTION 521. AGE LIMITATIONS.

(a) GENERAL.—Notwithstanding any other provision of law, beginning on the date that is 30 days after the date of enactment of this Act—

(1) section 121.383(c) of title 14, Code of Federal Regulations, shall not apply;

(2) no certificate holder may use the services of any person as a pilot on an airplane engaged in operations under part 121 of title 14, Code of Federal Regulations, if that person is 65 years of age or older; and

(3) no person may serve as a pilot on an airplane engaged in operations under part 121 of title 14, Code of Federal Regulations, if that person is 65 years of age or older.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the provisions of this section shall take effect on the date that is 30 days after the date of enactment of this Act.

(2) INTERIM LIMITATION.—During the period that begins on the date that is 30 days after the date of enactment of this Act and ending on the date that is one year after such date—

(A) subsection (a)(2) shall be applied by substituting ''64'' for ''65''; and

(B) subsection (a)(3) shall be applied by substituting ''64'' for ''65''.

(c) CERTIFICATE HOLDER.—For purposes of this section, the term ''certificate holder'' means a holder of a certificate to operate as an air carrier or commercial operator issued by the Federal Aviation Administration.

(d) RESERVATION OF SAFETY AUTHORITY.—Nothing in this section is intended to change the authority of the Federal Aviation Administration to take steps to ensure the safety of air transportation operations involving a pilot who is 60 years of age or older.

Mr. INHOFE. Mr. President, first of all, I would like to say this is a noncontroversial amendment which everyone is for.

That is not true. But it is a very old subject. I say that in two ways.

It is a subject that has been around for a long time and one that needs to be addressed one way or another.

Second, I am offering an amendment that passed out of the Commerce Committee last year. It does one very simple thing. Currently, the age limit for a commercial pilot is age 60. That was established some 40 years ago. The life expectancy since that time has increased by about 12 years. There is no medical reason that anyone has ever put forward why a pilot should have to stop flying at age 60. Quite frankly, I know pilots who are too old to fly at age 50. I am an exception. I am age 68, and I am a better pilot than I was 40 years ago. But age is arbitrary. There are no two people alike.

For that reason, age 60 being an arbitrary number and having been around for some 40 years, my preference would be not to have any age limit at all. Frankly, I think we should have very strong, stringent medical requirements. That is in the law today. And we should have very strong proficiency requirements. That is in the law today. So long as a person is able to do that, that person should be able to continue. But, realistically, I believe people are going to say, well, that could lead up to very old ages—even my age. They do not want that to happen.

So we are putting an arbitrary age limit of 65 so we can at least look at it for a period of time. There have been a lot of studies. Johns Hopkins University School of Hygiene did a study as to what age someone would not have the proficiency in flying an airplane. They came back and said age has absolutely nothing to do with it. There are other predictors that are much more important. In fact, some studies have shown that airline pilots exceed population norms for physical health and mental ability. I believe that is true because they are required to take physicals on a regular basis.

I am a commercially rated pilot. I have been for some 40 years. I can tell you from personal experience in my particular case. Some of you in this Chamber will remember this. I had an experience just a couple of years ago with a single-engine airplane where the front end of the airplane came off in flight. Normally, with that situation you are through. However, drawing upon experience, I was able to determine where the new stalling speed was, which was three times what the stalling speed normally would be for that aircraft, and come back and made somewhat of a crash landing, I guess, only because I didn't have any gears down there. But, nonetheless, quite frankly, I wonder if I would have been able to do that before.

At this time, I would like to yield the floor so I can see what type of opposition is here today.

I would like to tell you that everyone is for it. Quite frankly, ALPA, the Airline Pilots Association, is not for it. There is a very good reason. It is not a safety reason. It is not an age reason. It is a monetary reason. I have a great deal of respect for younger pilots who are commercial pilots working for the

airlines. By getting rid of older pilots, that leaves more upward mobility. That is true. I think that is one of the reasons they are opposed to it. In fact, I think that is the only reason they are opposed to it. Many of the airlines are for it, and some are against it. Some of them are in opposition to my amendment as an economic issue. As a pilot becomes older, he is paid more money. Consequently, the payrolls in an ailing industry would go up. I am sensitive to that. I have weighed that carefully and have determined this is the best thing.

With that, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DORGAN. Mr. President, let me take such time as I may consume on our side.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. I intend to oppose the amendment. In many ways, I regret opposing my friend from Oklahoma. He is quite a remarkable pilot. I have had the opportunity to ride with him. I believe he flew around the world in a single-engine airplane at one point.

Mr. INHOFE. It was actually a twin-engine plane.

Mr. DORGAN. Nonetheless, he is a pilot who has flown around the world. He knows a bit about flying.

I learned to fly at one point in my life. I know something about the wonders of it. I know something about the time the instructor steps out of the plane and says: It is your turn. Take it up alone. That is one of the moments in your life you will always remember.

The issue here is about an age limit for commercial pilots. I don't stand here as an expert on this subject. I don't expect there is an expert in the Senate on this subject. The question of the age rule is a question that the FAA has dealt with, and they have dealt with it repeatedly.

The history of this rule goes back many years. It is a rule that has been around for a long while. It was established by the FAA as a matter of safety. I know this rule has actually been considered by the Senate previously as well.

At one point during its consideration in the Senate, it was considered and proposed that we had a shortage of pilots, and, therefore, we should remove this age restriction and increase it some. Of course, now we have exactly the opposite. We have many pilots who are furloughed and laid off and would like to come to work. That is not the issue. The issue is one of safety.

I think the FAA has always erred on the side of safety. I expect that all of us want them to err on the side of safety.

My judgment about this is that the decision about age requirements for commercial pilots ought to be left to the regulatory agency, the FAA. They are the experts in this area. We are not. They know more about this subject than we do.

I just feel uncomfortable substituting our judgment, with an arbitrary number, for the judgment of the FAA.

Let me say I am sure the Senator from Oklahoma would agree, the FAA has the opportunity and the discretion and the ability right now this afternoon to make that age change, if they wish to do that. The FAA has the authority under law, as I understand it, to change the rule as they see fit. They have continuously, however, kept the 60-year age rule because they want to maintain the highest degree of safety in air transportation.

There have been a number of studies dealing with this issue. In 1979, Congress mandated a study conducted under the auspices of the NIH. In 1990, the House Committee on Public Works asked the Office of Technology Assessment to examine the medical aspects of the Federal requirement that airline pilots retire at age 60 and to assess the state of the art medical risk assessment. There have been a number of these studies.

I chose not to go into the conclusions of all the studies except to say that the FAA, in reviewing the body of information in those studies, decided that they believed the 60-year age retirement rule was appropriate.

Again, in April 2000, the FAA reaffirmed its position and decision to maintain the 60-year retirement age. That decision was appealed to the courts actually in 2001, and the Seventh Circuit Court of Appeals upheld the FAA's decision.

Once again, I say I am not an expert. I would expect, perhaps, the Senator from Oklahoma would make the same statement. The question of safety and the question of the proper retirement age given medical circumstances with respect to commercial flight and the commercial license that one needs to fly is a decision that is enormously complicated. It is a decision that has been studied and restudied by the FAA folks whose job it is to provide the assurance of safety. I frankly am comfortable with whatever decision they make.

If they were to decide this afternoon, look, we have studied this from six more angles and here is what we have concluded, and it came up with a different number, that would be fine with me. But I must say, I am not comfortable with the Senate arbitrarily deciding there is a number that we know better than the FAA which represents the risk assessment with respect to this mandatory retirement age. For that reason, I regret I have to oppose the amendment.

Again, let me finish by saying this is not a new subject and not a new debate. We may not know much more about it than we did the last time we debated it, but I believed then and believe now it is appropriate to allow the Federal Aviation Administration—the regulatory agency that has the experts and has the charge to make these decisions—to make this judgment.

Again, it is my contention, if they decided this afternoon to increase that mandatory retirement age, that would be fine with me. And they have that capability under current law to do so, but they have not because they believe it not advisable. I think the Senate would be well advised to listen to the FAA on this subject.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER (Mr. CRAPO). The Senator from Oklahoma.

Mr. INHOFE. Mr. President, first of all, I have a great deal of respect for the Senator from North Dakota, and some of the things he says certainly do make sense. I would have to say this, though. There is not a bureaucracy out there that, now and then, does not have to be prodded a little bit because it is the very nature of a bureaucracy not to change. They do not want to change.

Not long ago, I had a bill, on which I believe the Senator from North Dakota supported me, called the emergency revocation bill. It took 3 years before we got the votes to pass it. It was something that should have been done, I believe, by the FAA; and I think most of them would agree. Many of them in the field have told me since then that it was something they should have done. They are very busy, they have their hands full, and probably the furthest thing from their minds is making a change.

When it gets down to age, when you talk about 60, age 60, when this rule was put in, is the same as age 72 today. Everything that is tied to an index—whether it is retirement, Social Security—they all have increased in age, except this one issue.

As far as safety is concerned, I do not think the FAA would tell you the arbitrary age of 60 or 65 is going to relate to safety. But what they relate to safety is the medical and proficiency requirements, which are very stringent. And the older you get, I suggested to my friend from North Dakota, the more stringent they become, because I have had to live through this myself.

On the argument that there is not a shortage of pilots, now we are going through a temporary phase. I think, as everyone in this Chamber knows, we are going through a rebuilding process of our military, and the supply and demand of pilots is something that is going to change. I just hope that does not influence a person into making that decision on a vote.

I say to the Senator, he is right, safety is the big issue. But we can show—and have testimony, a lot of which I have already talked about—that safety is not related to age; it is related to medical conditions and proficiency.

With that, I yield the floor to see if there are those who want to be heard. If not, I will yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I have been on the Commerce Committee for quite a few years, not nearly as long as my friend from South Carolina, but

long enough to know that this issue has been around for a long time.

When it was first presented to me, it was presented to my office by a group of pilots who were nearing the age of 60. And they said: Gee, we are in great shape. We fly planes that have two pilots in the cockpit. We would be willing to take three or four physicals every year if necessary. We all know people are living longer. We know that fewer and fewer people smoke. We have rigorous physicals.

I said: Gee, it makes good sense to me. And as I grow older, it makes even more sense to me, I might add to my friend from Oklahoma.

But here is the problem. The airlines do not want it because they do not want to pay senior pilots the amount of money they have to pay them, and so they want to get rid of them at age 60 and bring in lower salaried pilots. And, of course, then, incredibly, the younger members of ALPA, the Airline Pilots Association, want the old geezers gone so they can move up more rapidly. It is really kind of an incredible scenario, when you think about it.

We all know that people live longer and are healthier longer. And the Senator from Oklahoma probably knows when this rule went into effect. I am not sure.

Mr. INHOFE. Forty years ago.

Mr. MCCAIN. Forty years ago. The demographics have changed, and everything else has changed. It argues for at least allowing pilots to fly longer.

By the way, I might say, also—again, maybe I have a little senior's bias here—more experienced pilots are better pilots. And if they are in good health, and there are two of them in almost every commercial airliner, why in the world are we opposed to allowing them to fly longer? Southwest Airlines supports the efforts. SWAPA and other organizations and individuals allow pilots to fly commercial jet aircraft beyond age 60. JetBlue supports it. The low-cost airlines all support it. The most expensive airlines, the more established ones—most of them are rotating in and out of bankruptcy because of their outstanding management practices—are opposed to it.

So this is really a no-brainer, Mr. President. We should allow these pilots to serve longer and fly longer and be able to realize an income that comes from serving these airlines and the American public for a long time.

Having said that, we will probably lose because right now, ALPA, the Airline Pilots Association, and the executives and lobbyists for the major airlines are on the phone saying: Don't do this. This could be really dangerous.

It is hard for me to believe that someone 61 years old, who passed a physical, who is flying with another qualified pilot, plus, in many cases, a flight engineer, is in any way a danger. Not only that, in case there is some kind of emergency, that pilot is probably better qualified to handle that emergency by virtue of that pilot's experience than a much younger individual would be.

So I will clearly be supporting the amendment of the Senator from Oklahoma. I appreciate his courage in bringing up this issue. Maybe someday we will be able to allow these young men and women to serve past age 60 if they are physically and mentally qualified to do so.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Oklahoma.

Mr. INHOFE. Mr. President, first of all, I thank the Senator from Arizona. I would suggest that this is exactly like the bill that came out of the Commerce Committee last year or the year before, the 107th Congress. I really believe it is time for us to do this. I know where the pressures are against it.

If there is no one else on the other side who wants to be heard, I will yield back.

Yes.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, let me make one final point.

It is not quite so simple to say it is ALPA, the airlines. The fact is, the Federal Aviation Administration, the FAA, has the authority today to make a decision about increasing this retirement age. It has chosen not to, I assume because the experts there have taken a look at the OTA study, the accident rates, and whole series of things.

I agree, people are living longer, better lives. I have an 81-year-old uncle who runs in the Senior Olympics. He runs the 400 and the 800 at age 81. People are living longer. I understand all that.

The issue is, what the proper age is for retirement of commercial airline pilots is not a function of the Senate, making a judgment on the floor of the Senate. In my judgment, it is a function of people who know, the medical experts at the FAA, looking through the data and making a considered judgment on behalf of the American people of what constitutes their best safety.

So that is the basis of this position. It is not, in my judgment, about ALPA or the airlines, it is just saying, look, whatever the judgment is, let it be, but let's have the experts make it. That is my whole point.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, I think we have responded to everything the Senator from North Dakota has said. I would only say that there are a lot of forces out there against it. But every argument that is against it, that is a legitimate argument, is an economic argument.

I believe everyone in this Chamber has to understand that what was being age 60, 40 years ago, is not the same as being age 60 today. And everything else, every other schedule we have written into law, has changed more than this amount during that 40-year period.

Mr. HOLLINGS. Mr. President, I yield as much time as the Senator from Mississippi wants from the time remaining.

Mr. LOTT. Mr. President, how much time remains?

The PRESIDING OFFICER. There are 12 minutes 55 seconds remaining.

Mr. LOTT. I don't believe I will need the entire time. I will take a few minutes to say that, in this case, I do feel the need to oppose this amendment by Senator INHOFE. Our Commerce Committee has discussed this issue several times in the past and at various times we have gone different ways on it. In this case, I think you need to look at how we got where we are.

The Federal Aviation Administration has the responsibility that is mandated to ensure aviation safety. In 1959, they concluded, after concerns developed of potential detrimental effects of aging and the risk of acute and incapacitating medical conditions, that commercial pilots need to be required to retire at age 60. Today I believe there is sufficient evidence to keep that rule. There is not enough evidence to reverse that. There is a case here where I believe most of the airlines, although not all, support keeping it at 60. There is no question that the representatives of the pilots prefer to keep it at 60. So you have an agreement.

Also, I do feel as if, particularly in the aviation area, there is a need right now to have some opportunity for retirement at 60, to bring in newer, young pilots or, as a matter of fact, to decide they don't need all those pilots. This is a unique time in the aftermath of 9/11, where at this time I am inclined not to think we should raise the age to 65, whereas sometime down the road I might be so inclined.

I do worry about age discrimination. As I get older, I worry about it more than I used to. I think in this case, with medical science and the acknowledgement of the current situation in the industry, we should keep it at 60.

I don't like to be on the other side of my good friend, the Senator from Oklahoma, but I think, all things considered, we should stick with what the rule has been.

Mr. INHOFE. Mr. President, the three arguments used by the distinguished Senator from Mississippi are, first, economic. The pilots' union is opposed to it. I said that in my opening statement. There is a justified reason for that. If I were a young pilot and a member of the union, I might feel the same way because they want more upward mobility. As far as the airlines are concerned, yes, they are going to have to pay a little more. The average older pilots have greater salaries and benefits. These are economic reasons.

I think we should consider these reasons but I don't want anybody voting on this and believing in their heart that they are doing it for safety or because of the supply and demand of pilots. We all know that will change; we

know that with the restructuring of our military.

As I said, if it is a good age—first, it should not be an age at all. It ought to be based on medical tests and proficiency tests. If 40 years ago 60 was a good age, 65 would be better now.

We will have a chance to look at this. I think there are a lot of people who would like to see a realistic approach to this. I think we used the same thing for 40 years and certainly it is justified to raise that at this time.

I yield the floor.

Mr. DORGAN. Will the Senator yield for a question?

Mr. INHOFE. Yes.

Mr. DORGAN. The Senator talked about a proficiency test. We would not have difficulty if the FAA could find a device that is appropriate to deal with that. I think they have evaluated that for a long period of time and have not been able to come to that conclusion. I don't think even those of us who would agree with your amendment believe there is a magic number here. I am not qualified to set the number.

I am not suggesting that it is ever appropriate to increase the age limit. I would prefer someone with the capabilities of the FAA to evaluate the medical histories to be able to do that.

Mr. INHOFE. In terms of proficiency tests, I am a flight instructor. I test people, and I think everybody doing that takes into consideration age, and they are more stringent with them as they get older.

Again, a person could be more proficient at age 70 than at age 40. This happens to some people. That is why age should not be the determining factor; proficiency and health should be. Certainly, economic factors should not.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. Are they prepared to yield back their time?

Mr. INHOFE. I yield back my time.

Mr. HOLLINGS. We yield back our time on this side.

The PRESIDING OFFICER. If all time is yielded back, the question is on agreeing to the amendment.

Mr. LOTT. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID I announce that the Senator from North Carolina (Mr. EDWARDS), the Senator from Vermont (Mr. JEFFORDS), the Senator from Massachusetts (Mr. KERRY), and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from MA (Mr. KERRY) would vote ''nay''.

The PRESIDING OFFICER (Mr. SMITH). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 44, nays 52, as follows:

[Rollcall Vote No. 223 Leg.]

YEAS—44

Allard	Domenici	Murkowski
Allen	Ensign	Nelson (FL)
Bennett	Enzi	Nickles
Bond	Feingold	Roberts
Breaux	Fitzgerald	Santorum
Brownback	Frist	Schumer
Bunning	Graham (SC)	Sessions
Burns	Grassley	Smith
Campbell	Hatch	Specter
Chafee	Hutchison	Stevens
Collins	Inhofe	Sununu
Cornyn	Kyl	Thomas
Craig	Lugar	Voinovich
Crapo	McCain	Warner
DeWine	McConnell	

NAYS—52

Akaka	Dodd	Lincoln
Alexander	Dole	Lott
Baucus	Dorgan	Mikulski
Bayh	Durbin	Miller
Biden	Feinstein	Murray
Bingaman	Graham (FL)	Nelson (NE)
Boxer	Gregg	Pryor
Byrd	Hagel	Reed
Cantwell	Harkin	Reid
Carper	Hollings	Rockefeller
Chambliss	Inouye	Sarbanes
Clinton	Johnson	Shelby
Cochran	Kennedy	Snowe
Coleman	Kohl	Stabenow
Conrad	Landrieu	Talent
Corzine	Lautenberg	Wyden
Daschle	Leahy	
Dayton	Levin	

NOT VOTING—4

Edwards	Kerry
Jeffords	Lieberman

The amendment (No. 896) was rejected.

Mr. MCCAIN. Mr. President, we have four Members here who have pending amendments which are going to be accepted. All four Members want to have their amendment proposed and discussed. I ask unanimous consent Senator BINGAMAN be recognized for his amendment, and Senator BUNNING, Senator DORGAN, and Senator INHOFE, in that order. I know all will speak briefly.

Mr. LOTT. Reserving the right to object, I want to clarify there were no time agreements included, just the order that they would discuss the amendments briefly.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 906

Mr. BINGAMAN. Mr. President, 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 New Mexico [Mr. BINGAMAN], for himself, and Mr. INHOFE, Ms. SNOWE, Mr. JEFFORDS, Ms. COLLINS, Mr. SPECTER, Mr. HARKIN, Mrs. CLINTON, Mr. SCHUMER, Mr. PRYOR, Mr. NELSON of Nebraska, Mrs. LINCOLN, and Mr. GRASSLEY, proposes amendment No. 906.

Mr. BINGAMAN. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To preserve the essential air service program)

Beginning on page 138, line 15, strike all through page 142, line 11.

Mr. BINGAMAN. Mr. President, I rise today to speak briefly about the Bingaman-Inhofe amendment to preserve the Essential Air Service Program. Our amendment is cosponsored by Senators SNOWE, JEFFORDS, COLLINS, SPECTER, HARKIN, CLINTON, SCHUMER, PRYOR, BEN NELSON, LINCOLN, and GRASSLEY. I thank them for their support.

I first want to compliment Commerce Committee Chariman MCCAIN, Aviation Subcomittee Chairman LOTT, and Ranking Members HOLLINGS and ROCKEFELLER for their good work on this bill to reauthorize FAA. The bill the Senate is now considering, S. 824, will do much to assure the safety and security of the traveling public.

I am also pleased S. 824 includes a number of provisions that will help improve commercial air service in rural areas, including a reauthorization of the Small Community Air Service Development Pilot Program.

However, we do take issue with one provision in this bill that would for the first time impose new costs on some communities that participate in the EAS program.

As the bill now stands, some communities would be required to pay to continue to receive scheduled air service I believe this arbitrary proposal could eliminate scheduled air service from many rural communities. Yesterday, the House of Representatives voted to eliminate all mandatory cost sharing language from the FAA reauthorization bill. I hope the Senate will do the same.

Congress established the Essential Air Service Program in 1978 to ensure that communities that had commercial air service before airline deregulation could continue to receive scheduled service. Without EAS, many rural communities would have no commercial air service at all.

All across America, small communities face ever-increasing hurdles to promoting their economic growth and development. Today, many rural areas lack access to interstate or even four-lane highways, railroads or broadband telecommunications. Business development in rural areas frequently hinges on the availability of scheduled air service. For small communities, commercial air service provides a critical link to the national and international transportation system.

A recent study from the Department of Agriculture, titled ''How Important is Airport Access for Rural Businesses'' underscores the importance of commercial air service to rural communities. In a survey of rural businesses, access to airport facilities and air service was frequently cited as one of the top problems for businesses in most rural counties. Air facilities, services, and fares were also found to be important to tourist-related and service businesses in rural areas. Not surprisingly, airport access was one of the least cited concerns of manufacturers in large- and medium-sized cities.

The Essential Air Service Program currently ensures commercial air service to over 100 communities in thirty-four states. EAS supports an additional 33 communities in Alaska. Because of increasing costs and the current financial turndown in the aviation industry, particularly among commuter airlines, about 28 additional communities have been forced into the EAS program since the terrorist attacks in 2001.

Congress already limits the eligibility of the EAS program to communities more than 70 miles from a major airport. In addition, the amount of the subsidy must be less than $200 per passenger for communities less than 210 miles from a major airport. These requirements serve to limit the cost to the government of the EAS program. In fact, in the past two years, about a dozen airports, including one in New Mexico, have been eliminated from EAS because the cost per passenger has exceeded the limit. We feel the additional requirements imposed in this bill are not appropriate and could force a number of communities to lose their commercial air service.

In my State of New Mexico, five cities currently rely on EAS for their commercial air service. The communities are Clovis, Hobbs, Carlsbad, Alamogordo and my hometown of Silver City. In each case commercial service is provided to Albuquerque, the State's largest city and business center.

I hope that all Senators recognize the vast distances between communities in my State. If you drive, Hobbs is 320 miles from Albuquerque, Carlsbad is 283 miles, Silver City 233, Clovis 216, and Alamogordo 210 miles. None of these cities are on interstate highways, so the driving times to Albuquerque can be 4, 5, and even 6 hours. Commercial air service is the only practical way to make the trip for business people or community leaders going to Albuquerque or to the nearby state capital in Santa Fe. Though so called ''hub'' airports may be located a hundred miles away in another state, it is just not practical to drive the long distance to another airport in order to fly to Albuquerque. However, that's exactly what is likely to happen if the Congress imposes new costs on our communities to maintain their commercial air service.

As I understand it, under the proposal in this bill communities in 16 states could be affected by the mandatory cost-sharing requirements in the Senate bill. These States are, Alabama, Arkansas, Colorado, Georgia, Iowa, Kansas, Maine, Mississippi, New Hampshire, New Mexico, New York, Oklahoma, Pennsylvania, Tennessee, Texas, and Vermont.

The House-reported bill—H.R. 2115—also requires some rural communities to pay or lose their commercial air service. We believe this ill-conceived proposal could not come at a worse time for small communities already facing depressed economies and declining tax revenues.

The Governor of my state of New Mexico, Bill Richardson, said in a letter to me supporting this amendment: The cost sharing provision has the potential to affect the economic welfare of small communities in over 35 states—-particularly those in New Mexico.

I also have a letter of support from the New Mexico State Aviation Director, Mike Rice, who said this: This significant additional financial burden would have profound negative impacts on both current sir service and economic development efforts in several of our cities. Changes to current EAS funding could very well jeopardize existing air service in our state.

Mayor Donald Carroll of Alamogordo, writes that it is improbable that funding will be available to locally subsidize air service. He also notes that the city is actively working with the commercial carrier, Rio Grande Air, to increase enplanements.

The National Association of Development Organizations says:

> During these challenging economic times, Congress should be working to improve and enhance air service to rural and underserved communities, instead of adding new requirements that would further isolate hundreds of our nation's smaller communities.

I'm not entirely sure that the proposal to charge the communities to continue their air service has been thoroughly thought out. The chairman's report on this bill from the Commerce Committee indicates that the Secretary will select 10 EAS communities to pay for their air service. However, the way I read the reported bill, only a one city in each of 8 states would be required to pay. Now, the chairman has offered an amendment that ups that total to 16 states with about 27 communities that could be impacted.

At the same time, the bill isn't clear on what exactly is a ''hub'' airport. As I understand it, the FAA compiles one set of data on annual enplanements, but the Department of Transportation currently uses a different set of data from the department's Bureau of Transportation Statistics to determine eligibility for EAS. These data produce a different list of ''hub'' airports, which could change which airports would be required to pay, simply because of the source of the data the government chooses to use. Finally, new cities are coming into the EAS program, so that additional states could have cities that would be required to pay for their air service.

Just one last point on the impacts of this proposal. I think we should make clear this isn't about saving the Government a lot of money. We estimate the payments from the communities would amount to less than $2 million a year out of a $113 million annual program.

Advocates of this proposal may claim they've made it as easy as possible for the communities to provide the mandatory 10 percent match. I just don't believe these alternatives will be all that effective. I understand, none of the five EAS cities in New Mexico currently charge the commercial carrier any fees to land at the airport. In this way, our cities are already contributing to the cost of their commercial air service.

I think we all appreciate the current concerns about the aviation industry and the EAS program. Ridership levels to rural cities are down. Meanwhile operating costs continue to increase, resulting in ticket prices that fewer people can afford. There are too many commuter aircraft flying at less than half capacity. Clearly, some improvements are needed.

But what are some better options? Well, I think senators need only look in this same bill for the answer. In my view the bill already includes a number of excellent improvements in the EAS program that I believe will significantly enhance commercial air service in rural communities.

For example, section 352 of the bill authorizes a new Marketing Incentive Program to increase ridership, reduce the Federal subsidies, and improve service. Section 353 provides for a number of pilot programs to help communities improve their commercial air service. One option is to allow communities to receive service with a smaller airplane. In my State, Alamogordo has decided to try service with a nine-passenger plane. In addition, communities may opt to convert their EAS service to alternative transportation, which might include bus or vans. I think these ideas represent a better approach to improving commercial air service in rural areas. I support these proposals and want to thank the chairman and ranking member for including them.

The choice here is clear: If we do not preserve the Essential Air Service Program today, we could well see the end of all commercial air service in rural areas. The EAS program provides vital resources that help link rural communities to the national and global aviation system. Our amendment will help ensure affordable, reliable, and safe air service remains available in rural America.

The House of Representatives has already voted to eliminate the mandatory cost sharing language from the FAA reauthorization bill. I hope all Senators will vote for this amendment.

I ask unanimous consent that a listing of the communities that could be affected and a letter of support for the amendment by the Governor of New Mexico, a letter of support for the amendment from the Director of the New Mexico Aviation Division of the New Mexico Department of Transportation, a letter from the Mayor of Alamogordo, NM, and a letter from the National Association of Development Organizations, all in support of this amendment, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE I—100 MILES FROM A SMALL OR HUB AIRPORT

State	EAS city	Distance to small hub	Distance to hub airport
Alabama	Muscle Shoals	Huntsville, AL 69 miles	Nashville, TN 122 miles.
Arkansas	Hot Springs	Little Rock 53 miles	Memphis 197 miles.
.			
	Harrison	Fayetteville, AR 77 miles	Tulsa 183 miles.
	Jonesboro		Memphis 79 miles.
Colorado	Pueblo	Colorado Springs 43 miles	Denver 125 miles.
Georgia	Athens		Atlanta 80 miles.
Iowa	Fort Dodge	Des Moines 94 miles	Minneapolis 208 miles.
	Burlington	Moline, IL. 73 miles	St. Louis 186.
Kansas	Salina	Wichita 93 miles	Kansas City 182 miles.
Maine	Augusta	Portland, ME 68 miles	Manchester 153, Boston 172 miles.
	Rockland	Portland, ME 80 miles	Manchester 176, Boston 183 miles.
Mississippi	Laurel	Gulfport-Biloxi 85 miles	New Orleans 137 miles.
New Hampshire	Lebanon		Manchester 76 miles.
New Mexico	Hobbs	Midland/Odessa 88 miles	Albuquerque 320.
	Alamogordo		El Paso 91 miles.
New York	Saranac Lake	Burlington 63 miles	Boston 266 miles.
	Watertown	Syracuse 65 miles	Buffalo 190 miles.
	Jamestown		Buffalo 76 miles.
	Plattsburgh	Burlington 30 miles	*
Oklahoma	Ponca City	Wichita, KS 81 miles	Oklahoma City 102 miles.
	Enid		Oklahoma City 84 miles.
Pennsylvania	Johnstown		Pittsburgh 82 miles.
	Oil City		Pittsburgh 86 miles.
	Bradford		Buffalo NY 79 miles.
Tennessee	Jackson		Memphis 85 miles.
Texas	Victoria	Corpus Christi 94 miles	San Antonio 122 miles.
Vermont	Rutland	Burlington 69 miles	Manchester 125, Boston 159 miles.
		Albany 90	

Hub classification based on TBTS's 2001 "Airport Activity Statistics of Certificated Air Carriers: Summary Tables," instead of FAA's enplanement activity data. BTS's data don't include commuter, intrastate, and foreign flag carriers. Hub airports have at least 0.25% of enplanements, small hubs have at least 0.05% but less than 0.25% (49 USC 41731).
*TBD.

STATE OF NEW MEXICO,
OFFICE OF THE GOVERNOR,
Santa Fe, NM, May 22, 2003.

Hon. JEFF BINGAMAN,
U.S. Senator, Hart Senate Office Building, Washington, DC.

DEAR SENATOR BINGAMAN: I am writing regarding S. 824, the Aviation Investment and Revitalization Vision Act that reauthorizes the Federal Aviation Administration. Although several aspects of this reauthorization bill are to be commended, I am opposed to one specific provision, which calls for a 10 percent cost-sharing requirement for selected Essential Air Service (EAS) communities. This provision has the potential to affect the economic welfare of small communities in over 35 states—particularly those in New Mexico.

During my tenure in Congress I understood the importance, which the EAS program played within our small communities by preserving the scheduled air service and ensuring that these communities would retain a link to the national air transportation system. As Governor, I recognize the economic benefits associated with this program, which is integral to the economic development of our small rural communities.

The language calling for the Secretary to arbitrarily select 10 EAS communities that are within 100 miles of a hub airport and requiring them to pay a 10 percent cost share for a three year period is not only unfair but unpractical given the current economic conditions in states and within the airline industry. It is my hope that you will work with your colleagues in the Senate to amend this language, which only serves to impose new costs on EAS communities.

Last March, I announced the formation of a task force to improve and increase intrastate air service, and air cargo activity in New Mexico. Air service to and within New Mexico is vital to strengthening our economy and those of our communities. Your leadership and support for the EAS program as well as the Small Community Air Service Development Program will go along way to improving and increasing air service in New Mexico.

Sincerely,

BILL RICHARDSON,
Governor.

NEW MEXICO AVIATION DIVISION,
Santa Fe, NM, May 8, 2003.

Reessential air service rule changes.

Senator JEFF BINGAMAN,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR BINGAMAN: I am writing to express my opposition to proposed Essential Air Service (EAS) rule changes (Section 353) of Senate Bill 824, the FAA Reauthorization legislation. While this bill does have many favorable aspects, Section 353 contains major program funding changes. As written, affected EAS pilot program communities would be required to assume ten percent (10%) of their subsidy costs for a three year period. This could very easily cost a community $80,000—$90,000 per year! If approved, this significant additional financial burden would have profound negative impacts on both current air service and economic development efforts in several of our cities (Alamogordo and Hobbs) that would be affected. Any changes to current EAS funding could very well jeopardize existing air service in our state.

The timing of this change could not have come at a worst time for us. Just recently, Governor Bill Richardson established a high level task force (three Cabinet Secretaries) to determine ways to improve intra-state air service for New Mexicans. I am concerned that the basic foundation of the EAS program, as we know it, could be further weakened by these types of rule changes, and in turn defeat our Governor's initiative.

I am well aware of the need to adjust the current EAS program but firmly believe that both the states and communities participating in the program should have an input to the reconstruction process.

I am respectfully requesting your assistance in removing the EAS Local Program cost sharing provisions from Senate Bill 824.

Sincerely,

JOHN D. "MIKE" RICE,
Director,
New Mexico Aviation Division.

CITY OF ALAMOGORDO,
Alamogordo, NM, May 15, 2003.

Re essential air service rule changes.

Senator JEFF BINGAMAN,
Hart Senate Office,
Washington, DC.

DEAR SENATOR BINGAMAN: On behalf of the City of Alamogordo, I am writing to express my concerns and opposition to the proposed Essential Air Service (EAS) rule changes (Section 353) of Senate Bill 824, the FAA Reauthorization Legislation. Although this bill has many favorable aspects, the program funding changes are not an alternative for the City of Alamogordo and the surrounding communities the airport serves. In pertinent part, Section 353(4)(A) would require the City of Alamogordo to assume ten percent (10%) of the subsidy cost or approximately Eight-Five Thousand Dollars ($85,000) annually for the next three (3) years.

This change could not have come at a more inappropriate time for the City. With City revenues declining from a depressed economy, and capital desperately needed to repair Alamogordo's water problems, it is improbable funding will be available to locally subsidize air service. The airport relies solely on City revenue to operate since eighty-eight percent (88%) of Otero County land is Federally and Tribally owned and generates no revenue for the City. However, we have taken measures which we believe will ultimately permit air service in Alamogordo to be a stand alone enterprise. As you know, Alamogordo was the first EAS community nationwide to request smaller commercial aircraft in an effort to stabilize federal subsidy and ticket costs. Additionally, our air carrier, Rio Grande Air, reduced fares by sixty percent (60%) last month in an effort to increase enplanements at the airport. We have noted a marked increase in ridership since implementation of this low fare. If the EAS rule changes are passed as proposed, the City of Alamogordo may be forced to discontinue commercial air service and thus, sacrifice all Airport Improvement Program (AIP) entitlement/grant funds.

Otero County is below the State average for median income. The County has no passenger train service and is not located near a freeway making the airport and air service a vital link to the national transportation system.

I am respectfully requesting your assistance in removing the EAS local program cost sharing provisions from Senate Bill 824.

Sincerely,

DONALD CARROLL,
Mayor of Alamogordo.

NATIONAL ASSOCIATION OF DEVELOPMENT ORGANIZATIONS,
Washington, DC, June 12, 2003.

Hon. JEFF BINGAMAN,
U.S. Senate, Senate Hart Office Building, Washington, DC.

DEAR SENATOR BINGAMAN: On behalf of the National Association of Development Organizations (NADO), I am writing to express our strong support for your amendment to preserve rural air service as part of the FAA reauthorization bill (S. 824).

The national transportation network functions properly when it helps form vital social and economic connections. This is especially true in small metropolitan and rural America where distance and a scattered population make these connections even more important. The national aviation system is essential not only for linking people to jobs, health care and family in a way that enhances their quality of life, but also for contributing to regional economic growth and development by linking business to customers, goods to markets and tourists to destinations.

Within the transportation system, the aviation network plays an enormous role in transporting goods and people. In 2001, 542 million people flew domestically and another 52 million flew internationally on US carriers, according to the US Department of Transportation. Unfortunately, since the deregulation of the aviation industry in the late 1970s the availability of affordable and reliable air service in most rural and small metropolitan areas has dramatically declined.

During these challenging economic times, Congress should be working to improve and enhance air service to rural and underserved communities, instead of adding new requirements that would further isolate hundreds of our nation's smaller communities. While the Essential Air Service (EAS) program is small by Washington standards, we believe it offers vital resources for linking rural communities to the national and global aviation systems. By adopting your amendment, the US Senate would be reinforcing its support of maintaining affordable, reliable and safe air service to rural America.

Thank you for your leadership on this important issue.

Sincerely,

ALICEANN WOHLBRUCK,
Executive Director.

Mr. PRYOR. Mr. President, I rise today in support of the Bingaman-Inhofe amendment to strike language requiring certain communities enrolled in the Essential Air Service to provide a local cost-share.

We are asking our towns and communities, our local governments, hardest hit by difficult economic times to suddenly find thousands of dollars in their already overstretched budgets to replace a significant source of Federal funding, for a critical economic function.

In this time of economic uncertainty, rural communities are struggling to maintain their daily ways of life. With an added burden placed upon them, survival and the opportunity for further rural development will be nearly impossible.

Local airports and the commercial air service they provide are extremely important to small towns, and a strong component of a State's economy. By enacting a cost-share provision, we run the risk of losing these airports, and cutting off a vital economic lifeline to rural America.

In my State, airports in Jonesboro, Hot Springs, and Harrison provide affordable and reliable service to over 10,000 customers a year. The EAS funding they receive is a sound investment in our State's transportation network. Cost share provisions, however, could put those airports out of business.

We are already putting enough strain on our small towns and local governments. We do not need to add to that by eliminating a vital source of funding for a vital function. This amendment would prevent that from happening, and I urge my colleagues to support it.

Mr. BINGAMAN. I urge the adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 906) was agreed to.

AMENDMENT NO. 903

The PRESIDING OFFICER. Under the previous order, the Senator from Kentucky is recognized.

Mr. BUNNING. Mr. President, I rise today, along with Senator BOXER, to offer the Arming Cargo Pilots Against Terrorism Act as an amendment to this bill. This amendment closes a loophole to better protect our homeland against terrorists. As a result of the airplane hijackings on September 11, 2001, Congress took the appropriate action to prevent the use of airliners being used as missiles. Last year, large majorities of the Senate and House of Representatives voted to arm both cargo and passenger pilots who voluntarily went for stringent training as part of a program of homeland security which was in the Homeland Security bill. Arming these pilots served to protect the pilots and crew, passengers, and those on the ground from ever being victims of another airline hijacking. It was the right thing to do.

However, during conference of the Homeland Security bill, the cargo pilots were yanked out of the bill. This amendment will return them and close the loophole created when they were left out last year.

This provision enjoys broad support and has already passed the Senate as part of the Air Cargo Security Act earlier this year.

Obviously, I would not be offering it had not the bill gotten tied up in conference and we need another vehicle to get it back to the House, so that is the reason we are offering it on this bill.

Not too many people realize that cargo space is usually not secured as well as passenger space. There are no air marshals, there are no passengers to help protect against terrorists, and there are sometimes invasions of privacy on these planes. In fact, someone from North Dakota actually broke the security and entered an aircraft. Thank God she was found out before the aircraft took off.

We would like this to be added to this bill so we can get it back to the House and a new conference. The whole area of cargo aircraft is not secured by the TSA and many other people who secure passenger terminals or commercial flights. I hope we can agree and get this bill over to the House.

I hope the rest of my colleagues here in the Senate will support this amendment.

Mr. President, I ask for a voice vote.

Mr. MCCAIN. Will the Senator yield for a question? Isn't it the case the Senator has added language that indicates that nonlethal weapons——

Mr. BUNNING. Nonlethal weapons, and totally voluntary.

Mr. MCCAIN. I support the amendment.

Mr. BUNNING. They are called Tasers.

Mr. BOXER. Mr. President, this amendment is to close a loophole in the Federal Flight Deck Officer program.

Last year, in response to the September 11 attacks, I worked along with our former colleague Senator Bob Smith to pass the Arming Pilots Against Terrorism and Cabin Defense Act, which allowed passenger and cargo pilots who volunteer and receive special training to have guns in the cockpit as a last line of defense.

The bill passed the Senate 87–6 as an amendment to the Homeland Security bill.

Unfortunately, during the Homeland Security conference, cargo pilots were left out of the program.

This amendment will close this dangerous loophole in the law and add an important new layer to our homeland security by allowing cargo pilots to participate in the Federal Flight Deck Officer program.

With less security than passenger aircraft, cargo planes are tempting targets for terrorists. These planes do not have strengthened cockpit doors, Federal Air Marshals, trained cabin crew, or alert passengers on board.

Cargo planes are usually more vulnerable on the tarmac than passenger aircraft. Most cargo planes are parked in remote areas with relatively easy access; many operate at airfields that do not have the same level of security as passenger airports.

Late last year in Fargo, ND, a mentally unbalanced woman walked across a runway, boarded a cargo aircraft, entered the cockpit, and asked the crew to fly her to California.

Just think what a terrorist could do. A terrorist could hijack a cargo plane and fly it into a building, nuclear power plant, or other target on the ground.

Cargo pilots must be given a last line of defense to keep terrorists from gaining control of their aircraft.

We need to close this gap in our homeland security.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. BUNNING] for himself and Mrs. BOXER, proposes an amendment numbered 903.

The amendment is as follows.

(Purpose: To amend title 49, United States Code, to allow the arming of pilots of cargo aircraft)

At the appropriate place insert the following new section:

SEC. ___. ARMING CARGO PILOTS AGAINST TERRORISM.

(a) SHORT TITLE.—This section may be cited as the ''Arming Cargo Pilots Against Terrorism Act''.

(b) FINDINGS.—Congress makes the following findings:

(1) During the 107th Congress, both the Senate and the House of Representatives overwhelmingly passed measures that would have armed pilots of cargo aircraft.

(2) Cargo aircraft do not have Federal air marshals, trained cabin crew, or determined passengers to subdue terrorists.

(3) Cockpit doors on cargo aircraft, if present at all, largely do not meet the security standards required for commercial passenger aircraft.

(4) Cargo aircraft vary in size and many are larger and carry larger amounts of fuel than the aircraft hijacked on September 11, 2001.

(5) Aircraft cargo frequently contains hazardous material and can contain deadly biological and chemical agents and quantities of agents that cause communicable diseases.

(6) Approximately 12,000 of the nation's 90,000 commercial pilots serve as pilots and flight engineers on cargo aircraft.

(7) There are approximately 2,000 cargo flights per day in the United States, many of which are loaded with fuel for outbound international travel or are inbound from foreign airports not secured by the Transportation Security Administration.

(8) Aircraft transporting cargo pose a serious risk as potential terrorist targets that could be used as weapons of mass destruction.

(9) Pilots of cargo aircraft deserve the same ability to protect themselves and the aircraft they pilot as other commercial airline pilots.

(10) Permitting pilots of cargo aircraft to carry firearms creates an important last line of defense against a terrorist effort to commandeer a cargo aircraft.

(c) SENSE OF CONGRESS.—It is the sense of Congress that members of a flight deck crew of a cargo aircraft should be armed with a firearm and taser to defend the cargo aircraft against an attack by terrorists that could result in the use of the aircraft as a weapon of mass destruction or for other terrorist purposes.

(d) ARMING CARGO PILOTS AGAINST TERRORISM.—Section 44921 of title 49, United States Code, is amended—

(1) in subsection (a), by striking ''passenger'' each place that it appears; and

(2) in subsection (k)—

(A) in paragraph (2)—

(i) by striking ''or,'' and all that follows; and

(ii) by inserting ''or any other flight deck crew member.''; and

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

''(3) ALL-CARGO AIR TRANSPORTATION.—For the purposes of this section, the term air transportation includes all-cargo air transportation.''.

(e) TIME FOR IMPLEMENTATION.—The training of pilots as Federal flight deck officers required in the amendments made by subsection (d) shall begin as soon as practicable and no later than 90 days after the date of enactment of this Act.

(f) EFFECT ON OTHER LAWS.—The requirements of subsection (e) shall have no effect on the deadlines for implementation contained in section 44921 of title 49, United States Code, as in effect on the day before the date of enactment of this Act.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 903) was agreed to.

Mr. MCCAIN. Mr. President, I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Is my amendment the amendment pending before the Senate?

The PRESIDING OFFICER. It is not pending but it is in order.

Mr. DORGAN. Mr. President, I ask it be considered at this point.

The PRESIDING OFFICER. The Senator is correct, the amendment is now pending.

AMENDMENT NO. 890

Mr. DORGAN. Mr. President, I visited with my colleagues Senator LOTT and Senator MCCAIN on this amendment. I believe they are prepared to accept it. This deals with the creation of an aviation security capital fund. Many of us know both revenues and passenger boardings are down in airports. We have gone through a pretty difficult time. The creation of this aviation security capital fund is very important in order for these funds to be invested in what that will make aviation safer and deal with the security issues we intend to have dealt with with this fund.

I think it appropriate at this point to waive the local match, State and local match, which I believe in most cases cannot be raised because of the circumstances I mentioned earlier.

I believe accepting this amendment will give us the assurance that this investment in security will be made across this country. It will be a wise investment. I think it ought not be borne by the carriers at this point, nor the local airports that can least afford it.

I appreciate very much the fact this will now be accepted by the Senate. I want to especially say thanks to the Senator from Mississippi. We have talked about this, I suppose, 10 times in recent days. He is a tireless advocate for what makes sense for our aviation system in this country. Of course, he is chairing the subcommittee here in the Senate on those issues.

I thank him for his cooperation in allowing us to move forward with this amendment at this stage.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Has Senator DORGAN completed his remarks?

Mr. DORGAN. I have.

Mr. LOTT. I think the order was for Senator INHOFE to be next, but since he is not here, I ask unanimous consent I be permitted to speak at this time, despite the previous agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, certainly I always enjoy working with Senator DORGAN on these issues. I think he has a legitimate point.

He does note that we need a fund to make sure these security fees go for the purpose they were intended. But he does think, at least in this instance because of the security aspect, we should waive the local requirement.

It should also be noted that, in fact, local communities, particularly with bigger airports, are probably not going to get or could not get a cost share, and, even if they did in some ways, it would be passed on to the airlines, therefore undermining a lot of what we are trying to do now.

We are trying to get the priorities set where the people who are getting certain parts of the security should be the ones who pay for it, and we shouldn't always try to find a way to pass it off to the airlines. Sometimes it is a Federal responsibility. In other instances, other people—I think also local governments—should have some part of this pie. But we agreed for a variety of reasons to accept Senator DORGAN's amendment.

But I want colleagues to know and the American people to know the Bingaman amendment does the same thing but in a different category. I think, in fact, it is even worse. In the essential air service area, where special help goes to small airports and a lot of rural airports—that affects airports in West Virginia, North Dakota, and probably in my State of Mississippi—with this additional Federal assistance to keep airports functioning, there would be some small local match. The administration recommended, by the way, that we eliminate the EAS problem; or, if we had EAS, you have the local match required for all of the airports.

The language in the bill specifies that there would be 10 airports where we would have this local match to see how it would work, and if it would work.

We now are agreeing to accept the Bingaman amendment because right now, I think out of concern for local communities and trying to have this essential air service, the amendment would probably pass.

But I want to say, again, I think for us to set the precedent and require not even a dollar from local communities when they are getting additional security, particularly where they are getting essential air service which is vital to their communities and which is important from an economic standpoint for the local cities and counties to put up no money—and in the case of the Dorgan amendment—at least in the bigger airports, it could create definite problems in terms of costs being passed on to the airlines. In this case, it is

just a question of these local communities not wanting to have to share at all.

I think we should continue to look at some small amount—10 percent or 5 percent, some amount of local share.

But for now, we will accept it. We will continue to work on these issues. It is important for us to get this important legislation completed so that the airlines, the airports, general aviation, and the American people will know what they can count on in terms of the Federal Aviation Administration and their programs over the next 3 years. I thank my colleagues for allowing me to interject my remarks at this point.

I believe Senator INHOFE is next in order to speak.

I yield the floor, unless Senator DORGAN would like me to yield to him. Does he want to get action on his amendment?

Mr. DORGAN. Mr. President, let me ask the Senator to yield for a moment.

I think there is great merit in local matching, by and large, because you need local support. We ought not just create pools of money here in the Congress to send out around the country unless there is evidence of local support.

The Senator from Mississippi made the point, and I think it is an important point.

First, I ask unanimous consent that a letter from the American Association of Airport Executives, and a letter from the Air Transport Association be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Hon. BYRON L. DORGAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR DORGAN: We are writing to express our support for an amendment that you may offer to the S. 824, the Aviation Investment and Revitalization Vision Act, that will help airports in North Dakota and throughout the country pay for their increased capital security costs.

As you know, S. 824 includes would establish an aviation security capital fund to pay for installation of Explosive Detection Systems (EDS) and other capital security costs at airports. Specifically, the bill calls for $500 million every year between 2004 and 2007 to pay for the security capital costs. The funds would be derived from revenue generated by the $2.50 passenger security fee.

Airports Council International-North America and The American Association of Airport Executives strongly support the creation of an aviation security capital fund. Without a separate source of funds to pay for capacity security projects, airports will be forced to continue divert their Airport Improvement Program funds, which they traditionally use for much-needed safety and capacity projects.

The Senate proposal calls for large- and medium-hub airports to pay a 25 percent match, and smaller airports to pay a 10 percent match. While we are grateful that S. 824 would create the aviation security capital fund, we strongly support your proposal to eliminate the matching requirement. Installing explosive detection machines is a federal national security mandate, and we think the federal government should reimburse airports for those and other new security costs.

Airports like others in the aviation industry have been struggling since September 11. It would be difficult for airports to cover the proposed match at a time when their revenues and passenger boarding are down, and their costs have skyrocketed due to a host of unfunded federal security mandates. Again, we strongly believe that airports should not be forced to divert critical safety and capacity funds to pay for security.

Moreover, airports are reluctant to pass additional costs on to airport users including airlines that are facing their own financial challenges. Since September 11, airports around the country have been taking numerous steps to reduce costs in an effort to pass those savings on to the airlines. Eliminating the matching requirement is just one more way that airports can help their partners in the aviation industry.

Thank for your leadership on this and other aviation issues.

Sincerely,

DAVID Z. PLAVIN,
President, ACI–NA.
CHARLES BARCLAY,
President, AAAE.

Hon. BYRON DORGAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR DORGAN: On behalf of ATA member airlines, I am writing in support of your efforts to remove the ''local match'' requirement in the Security Capital Fund found in the Senate FAA reauthorization bill. Your amendment will ensure that airport security projects will not be subject to an unworkable funding scheme.

As you are aware, the Aviation and Transportation Security Act of 2001 imposed sweeping security mandates on the airlines and airports, many of which were unfunded. Today, in this constrained, unsettled financial environment, our members continue to incur substantial costs to meet these mandates. While the airlines have been and will continue to fully support efforts by the U.S. Government, particularly the Transportation Security Administration, to assume primary responsibility for aviation security, the airlines simply cannot continue to absorb additional costs. Sufficient federal funding for mandated airport security projects, such as installation of Explosive Detection Systems and additional law enforcement personnel makes common sense and is absolutely critical.

If, as is provided in the current bill, local airports must provide 25% matching funds at large and medium hub airports and 10% matching at smaller airports, the airports (also experiencing declining reserves) will have no option other than to pass through these costs to the airlines. On top of existing security costs, airlines will see significant increases in airport rates and charges, as well as other airport costs, to fund these mandatory contributions. Although the airlines, of course, support security enhancements, the industry can ill afford hundreds of millions of dollars in additional unfunded mandates as the aviation system struggles to survive economically.

Thank you for your efforts on this critical issue. I look forward to working with you as we work to maintain a viable, safe, and efficient air transportation system.

Sincerely,

JAMES C. MAY.

Mr. DORGAN. Mr. President, the American Association of Airport Executives and the Air Transport Association, and others, have told us it is unlikely we would see the security investment—after all, this is national security—we would not see the security investment in airport improvement and safety with this money if we did not waive the local match.

I continue to believe we ought to make this habit forming. The value expressed by the Senator from Mississippi is on the mark in many cases. I appreciate very much the ability to work this out and be able to move this amendment. If appropriate, I think it has been agreed to by both sides. I ask if we can have the amendment considered at this point.

The PRESIDING OFFICER. Is there further debate? Without objection, the amendment was agreed to.

The amendment (No. 890) was agreed to.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

AMENDMENTS NOS. 894 AND 895 EN BLOC

Mr. INHOFE. Mr. President, I have two technical amendments. They have been agreed to.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. INHOFE] proposes amendments numbered 894 and 895 en bloc.

Mr. INHOFE. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments en bloc are as follows:

(Purpose: To amend the provisions dealing with security measures for general aviation and air charters)

At the end of title IV, add the following:

SEC. 405. GENERAL AVIATION AND AIR CHARTERS.

Section 132(a) of the Aviation and Transportation Security Act (49 U.S.C. 44944 note) is amended by striking ''12,500 pounds or more'' and inserting ''more than 12,500 pounds''.

(Purpose: To establish reporting requirements with respect to the Air Defense Identification Zone)

At the end of title IV, add the following:

SEC. 405. AIR DEFENSE IDENTIFICATION ZONE.

(a) IN GENERAL.—If the Administrator of the Federal Aviation Administration establishes an Air Defense Identification Zone (in this section referred as an ''ADIZ''), the Administrator shall, not later than 60 days after the date of establishing the ADIZ, transmit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate, a report containing an explanation of the need for the ADIZ. The Administrator shall provide the Committees an updated report every 60 days until the establishment of the ADIZ is rescinded. The reports and updates shall be transmitted in classified form.

(b) EXISTING ADIZ.—If an ADIZ is in effect on the date of enactment of this Act, the Administrator shall transmit an initial report under subsection (a) to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate not later than 30 days after the date of enactment of this Act.

(c) REPORTING REQUIREMENTS.—If a report required under subsection (a) or (b) indicates

that the ADIZ is to be continued, the Administrator shall outline changes in procedures and requirements to improve operational efficiency and minimize the operational impacts of the ADIZ on pilots and air traffic controllers.

(d) DEFINITION.—In this section, the terms ''Air Defense Identification Zone'' and ''ADIZ'' mean a zone established by the Administrator with respect to airspace under 18,000 feet in approximately a 15 to 38 mile radius around Washington, District of Columbia, for which security measures are extended beyond the existing 15-mile-no-fly zone around Washington and in which general aviation aircraft are required to adhere to certain procedures issued by the Administrator.

Mr. LOTT. Mr. President, we have considered these amendments and we find no problem with them at this point. They have been cleared on both sides.

The PRESIDING OFFICER. Is there further debate on amendments? If not, without objection, the amendments are agreed to en bloc.

The amendments (Nos. 894 and 895) were agreed to.

AMENDMENT NO. 908

Mr. HOLLINGS. Mr. President, the distinguished chairman, Senator MCCAIN, and myself have four amendments that we will send to the desk in due time. One is a Wyden amendment which is a privacy study of the CAPP Program, Computer Assisted Passenger Prescreening.

I send it to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], for Mr. WYDEN, proposes an amendment numbered 908.

Mr. HOLLINGS. Mr. 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:

(Purpose: To require the Secretary of Homeland Security to report to the Congress in writing on the impact of the Computer Assisted Passenger Prescreening System, proposed to be implemented by the Transportation Security Administration, on the privacy and civil liberties of United States citizens)

At the appropriate place, insert the following:

SEC. . REPORT ON PASSENGER PRESCREENING PROGRAM.

(a) IN GENERAL.—Within 90 days after the date of enactment of this Act, the Secretary of Homeland Security, after consultation with the Attorney General, shall submit a report in writing to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the potential impact of the Transportation Security Administration's proposed Computer Assisted Passenger Prescreening system, commonly known as CAPPS II, on the privacy and civil liberties of United States Citizens.

(b) SPECIFIC ISSUES TO BE ADDRESSED.—The report shall address the following:

(1) Whether and for what period of time data gathered on individual travelers will be retained, who will have access to such data, and who will make decisions concerning access to such data.

(2) How the Transportation Security Administration will treat the scores assigned to individual travelers to measure the likelihood they may pose a security threat, including how long such scores will be retained and whether and under what circumstances they may be shared with other governmental, non-governmental, or commercial entities.

(3) The role airlines and outside vendors or contractors will have in implementing and operating the system, and to what extent will they have access, or the means to obtain access, to data, scores, or other information generated by the system.

(4) The safeguards that will be implemented to ensure that data, scores, or other information generated by the system will be used only as officially intended.

(5) The procedures that will be implemented to mitigate the effect of any errors, and what procedural recourse will be available to passengers who believe the system has wrongly barred them from taking flights.

(6) The oversight procedures that will be implemented to ensure that, on an ongoing basis, privacy and civil liberties issues will continue to be considered and addressed with high priority as the system is installed, operated and updated.

Mr. LOTT. Mr. President, are we going to dispose of that amendment now?

Mr. HOLLINGS. Yes, we are going to go ahead and vote on it.

Mr. LOTT. It has been cleared. It may save some time if we could go ahead and agree to it.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 908) was agreed to.

AMENDMENT NO. 909

Mr. HOLLINGS. Mr. President, I also have another amendment by the distinguished Senator from Florida, Mr. NELSON, which deals with the background checks of new pilots on the smaller planes.

Mr. LOTT. Has this been approved on both sides?

Mr. HOLLINGS. Yes, it has been approved.

I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], for Mr. NELSON of Florida, proposes an amendment numbered 909.

Mr. HOLLINGS. Mr. 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:

(Purpose: To modify requirements regarding training to operate aircraft)

At the appropriate place, insert the following:

SEC. . MODIFICATION OF REQUIREMENTS REGARDING TRAINING TO OPERATE AIRCRAFT.

(a) IN GENERAL.—Section 44939 of title 49, United States Code, is amended to read as follows:

"§ 44939. Training to operate certain aircraft

''(a) IN GENERAL.—

''(1) WAITING PERIOD.—A person subject to regulation under this part may provide training in the United States in the operation of an aircraft to an individual who is an alien (as defined in section 101(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(3))) or to any other individual specified by the Under Secretary of Homeland Security for Border and Transportation Security only if—

''(A) that person has notified the Under Secretary that the individual has requested such training and furnished the Under Secretary with that individual's identification in such form as the Under Secretary may require; and

''(B) the Under Secretary has not directed, within 30 days after being notified under subparagraph (A), that person not to provide the requested training because the Under Secretary has determined that the individual presents a risk to aviation security or national security.

''(2) NOTIFICATION-ONLY INDIVIDUALS.—

''(A) IN GENERAL.—The requirements of paragraph (1) shall not apply to an alien individual who holds a visa issued under title I of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) and who—

''(i) has earned a Federal Aviation Administration type rating in an aircraft or has undergone type-specific training, or

''(ii) holds a current pilot's license or foreign equivalent commercial pilot's license that permits the person to fly an aircraft with a maximum certificated takeoff weight of more than 12,500 pounds as defined by the International Civil Aviation organization in Annex 1 to the Convention on International Civil Aviation,

if the person providing the training has notified the Under Secretary that the individual has requested such training and furnished the Under Secretary with that individual's visa information.

''(B) EXCEPTION.—Subparagraph (A) does not apply to an alien individual whose airman's certificate has been suspended or revoked under procedures established by the Under Secretary.

''(3) EXPEDITED PROCESSING.—the waiting period under paragraph (1) shall be expedited for an individual who—

''(A) has previously undergone a background records check by the Foreign Terrorist Tracking Task Force;

''(B) is employed by a foreign air carrier certified under part 129 of title 49, Code of Federal Regulations, that has a TSA 1546 approved security program and who is undergoing recurrent flight training;

''(C) is a foreign military pilot endorsed by the United States Department of Defense for flight training; or

''(D) who has unescorted access to a secured area of an airport designated under section 44936(a)(1)(A)(ii).

''(4) INVESTIGATION AUTHORITY.—In order to determine whether an individual requesting training described in paragraph (1) presents a risk to aviation security or national security the Under Secretary is authorized to use the employment investigation authority provided by section 44936(a)(1)(A) for individuals applying for a position in which the individual has unescorted access to a secured area of an airport designated under section 449369(a)(1)(A)(ii).

''(5) FEE.—

''(A) IN GENERAL.—The Under Secretary may assess a fee for an investigation under this section, which may not exceed $100 per individual (exclusive of the cost of transmitting fingerprints collected at overseas facilities) during fiscal years 2003 and 2004. For fiscal years 2005 and thereafter, the Under Secretary may adjust the maximum amount of

the fee to reflect the costs of such an investigation.

''(B) OFFSET.—Notwithstanding section 3302 of title 31, United States Code, any fee collected under this section—

''(i) shall be credited to the amount in the Treasury from which the expenses were incurred and shall be available to the Under Secretary for those expenses; and

''(ii) shall remain available until expended.

''(b) INTERRUPTION OF TRAINING.—If the Under Secretary, more than 30 days after receiving notification under subsection (a)(1)(A) from a person providing training described in subsection (a)(1) or at any time after receiving notice from such a person under subsection (a)(2)(A), determines that an individual receiving such training presents a risk to aviation or national security, the Under Secretary shall immediately notify the person providing the training of the determination and that person shall immediately terminate the training.

''(c) COVERED TRAINING.—For purposes of subsection (a), the term 'training'—

''(1) includes in-flight training, training in a simulator, and any other form or aspect of training; but

''(2) does not include classroom instruction (also known as ground school training), which may be provided during the 30-day period described in subsection (a)(1)(B).

''(d) INTERAGENCY COOPERATION.—The Attorney General, the Director of Central Intelligence, and the Administrator of the Federal Aviation Administration shall cooperate with the Under Secretary in implementing this section.

''(e) SECURITY AWARENESS TRAINING FOR EMPLOYEES.—The Under Secretary shall require flight schools to conduct a security awareness program for flight school employees, and for certified instructors who provide instruction for the flight school but who are not employees thereof, to increase their awareness of suspicious circumstances and activities of individuals enrolling in or attending flight school.''.

(b) PROCEDURES.—

(1) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Under Secretary of Homeland Security for Border and Transportation Security shall promulgate an interim final rule to implement section 44939 of title 49, United States Code, as amended by subsection (a).

(2) USE OF OVERSEAS FACILITIES.—In order to implement section 44939 of title 49, United States Code, as amended by subsection (a), United States Code, as amended by subsection (a), United States Embassies and Consulates that possess appropriate fingerprint collection equipment and personnel certified to capture fingerprints shall provide fingerprint services to aliens covered by that section if the Under Secretary requires fingerprints in the administration of that section, and shall transmit the fingerprints to the Under Secretary or other agency designated by the Under Secretary. The Attorney General and the Secretary of State shall cooperate with the Under Secretary in carrying out this paragraph.

(3) USE OF UNITED STATES FACILITIES.—If the Under Secretary requires fingerprinting in the administration of section 44939 of title 49, United States Code, the Under Secretary may designate locations within the United States that will provide fingerprinting services to individuals covered by that section.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on the effective date of the interim final rule required by subsection (b)(1).

(d) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary of Homeland Security shall submit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure a report on the effectiveness of the activities carried out under section 44939 of title 49, United States Code, in reducing risks to aviation security and national security.

Mr. NELSON of Florida. Mr. President, I rise to offer an amendment that will close a serious loophole regarding foreign flight student training that was created in the Aviation Security Act of 2001. This amendment has passed the Senate twice on other bills since I first introduced it in the 107th Congress.

This amendment is another important step toward fully protecting the United States and all Americans from terrorists who intend to use our aviation system to commit future attacks.

We must continue to be vigilant in protecting our Nation. This amendment addresses a deep concern regarding foreign citizens coming to the United States to receive pilot training on all sizes of aircraft. This concern clearly is shared by the administration. In fact, the Department of Homeland Security, DHS, released an advisory on May 1, 2003 titled ''The Continuing Threat to Aviation'' citing that al-Qaida operatives may ''attempt to use charter or general aviation aircraft to conduct future attacks because of their availability, less stringent protective measures, and destructive potential.'' The advisory continued on to say that ''[c]harter aircraft also may be attractive because terrorists may only need an established line of credit to gain access to an aircraft and because some agencies allow the use of customer pilots.'' Finally, and of greatest concern, the DHS warns that ''[r]eliable information . . . indicated al-Qaida might use experienced non-Arab pilots to rent three to four light aircraft under the guise of flying lessons.'' This threat to our national security is real and cannot be understated. I ask unanimous consent that the Department of Homeland Security advisory be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HOMELAND SECURITY ADVISORY 03–019—SECURITY INFORMATION FOR GENERAL AVIATION PILOTS/AIRPORTS

This advisory was produced by the Department of Homeland Security based on information and analysis from the Terrorist Threat Integration Center received during the last 24 hours.

THE CONTINUING THREAT TO AVIATION

Al-Qaida has long considered attacking U.S. Homeland targets using light aircraft. Recent reliable reporting indicates that al-Qaida was in the late stages of planning an aerial suicide attack against the U.S. Consulate in Karachi. Operatives were planning to pack a small fixed-wing aircraft or helicopter with explosives and crash it into the consulate. This plot and a similar plot last year to fly a small explosive-laden aircraft into a U.S. warship in the Persian Gulf demonstrate al-Qaida's continued fixation with using explosive-laden small aircraft in attacks. General aviation aircraft that were loaded with explosives to enhance their destructive potential would make them the equivalent of a medium-sized truck bomb.

Al-Qaida may attempt to use charter or general aviation aircraft to conduct future attacks because of their availability, less stringent protective measures, and destructive potential. The group has a fair sized pilot cadre and the use of small aircraft requires far less skill and training than some larger aircraft.

Charter aircraft also may be attractive because terrorists may only need an established line of credit to gain access to an aircraft and because some agencies allow the use of customer pilots. Security procedures typically are not as rigorous as those for commercial airlines and terrorists would not have to control a large number of passengers.

Reliable information obtained last year indicated al-Qaida might use experienced non-Arab pilots to rent three or four light aircraft under the guise of flying lessons.

In consideration of the above information, the Department of Homeland Security asks members of the General Aviation community to report all unusual and suspicious activities. If your observe persons, aircraft, and operations that do not fit the customary pattern at your airport, you should immediately advise law enforcement authorities.

Your immediate action is requested for these items:

Secure unattended aircraft to prevent unauthorized use.

Verify the identification of crew and passengers prior to departure.

Verify that baggage and cargo are known to the persons on board.

Where identification systems are in place, ensure employees wear proper identification and challenge persons not doing so.

Increased vigilance should be directed toward the following:

Unknown pilots and/or clients for aircraft or helicopter rentals or charters.

Unknown service/delivery personnel.

Aircraft with unusual or unauthorized modifications.

Persons loitering in the vicinity of aircraft or air operations areas.

Persons who appear to be under stress or the control of other persons.

Persons whose identification appears altered or inconsistent.

Persons loading unusual or unauthorized payload onto aircraft.

NOTE: All charter operators subjected to the 12–5 rule, Standard Security Program and the Private Charter Security Program, are reminded to ensure compliance with these security requirements.

Persons should immediately report such activity to local law enforcement and the TSA General Aviation Hotline at 866–GASECUR (866–427–3287).

Mr. NELSON of Florida. Unfortunately, we all have seen what can happen when people come to our country with the specific intent to do us great harm. It has become painfully clear that many of the September 11 hijackers learned to fly the planes they used as deadly weapons at flight schools here in the United States, some in my home State of Florida.

Section 113 of the Aviation and Transportation Security Act, which was enacted in the 107th Congress, requires background checks of all foreign flight school applicants seeking training to operate aircraft weighing 12,500 pounds or more. While this provision should help prevent September 11 style

attacks by U.S. trained pilots using hijacked jets in the future, it does nothing to prevent different types of potential attacks against our domestic security. To rectify this problem, I introduced S. 236 together with Senators CORZINE, ENZI, FEINSTEIN, and THOMAS earlier this year.

Small aircraft can be used by terrorists to attack nuclear facilities, carry explosives, or deliver biological or chemical agents. For example, if a crop duster filled with a combination of fertilizers and explosives were crashed into a filled sporting event stadium thousands of people could be seriously injured or killed. We cannot allow this to happen. We need to ensure that we are not training terrorists to perform these activities. We cannot allow critical warnings to go unheeded.

This bill will close an important loophole and answer these critical warnings by extending the background check requirement to all foreign applicants to U.S. flight schools, regardless of the size aircraft they seek to learn to fly. It also transfers the entire security background check program from the Department of Justice to the Department of Homeland Security, specifically to the Transportation Security Administration. It is my expectation that the Transportation Security Administration, which provided excellent advice in the fine tuning of this legislation, will apply a stringent level of background screening to all foreign nationals who seek flight training here in the United States. We cannot allow anyone to slip through the cracks. We cannot aid anyone who intends to do harm to Americans and to our Nation.

I yield the floor.

Mr. HOLLINGS. Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 909) was agreed to.

AMENDMENT NO. 910

Mr. HOLLINGS. Mr. President, on behalf of the distinguished Senator from Vermont, Mr. JEFFORDS, this amendment takes care of the EAS eligibility up in Vermont.

This has been checked through.

I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], for Mr. JEFFORDS, proposes an amendment numbered 910.

Mr. HOLLINGS. Mr. 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:

(Purpose: To provide a 1 year extension of essential air service to an airport whose eligibility was terminated due to the impact of decreased air travel)

At the appropriate place, insert the following:

SEC. . 1-YEAR EXTENSION OF EAS ELIGIBILITY FOR COMMUNITIES TERMINATED IN 2003 DUE TO DECREASED AIR TRAVEL.

Notwithstanding the rate of subsidy limitation in section 332 of the Department of Transportation and Related Agencies Appropriations Act, 2000, the Secretary of Transportation may not terminate an essential air service subsidy provided under chapter 417 of title 49, United States Code, before the end of calendar year 2004 for air service to a community—

(1) whose calendar year ridership for 2000 was sufficient to keep the per passenger subsidy below that limitation; and

(2) that has received notice that its subsidy will be terminated during calendar year 2003 because decreased ridership has caused the subsidy to exceed that limitation.

Mr. HOLLINGS. Mr. President, let me check with my distinguished colleague from Mississippi. This is a Jeffords amendment.

Mr. LOTT. Mr. President, I wanted to make sure I understood what this amendment is. I had not had a chance to look at it. It is not specific to a particular airport or a particular State.

Mr. HOLLINGS. That is correct.

Mr. LOTT. It does change the formula on how these funds will be spent. Is that correct?

Mr. HOLLINGS. Eligibility; that is right.

Mr. LOTT. We have no objection.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, without objection, the amendment is agreed to.

The amendment (No. 910) was agreed to.

AMENDMENT NO. 911

Mr. HOLLINGS. Mr. President, on behalf of the Senator from Indiana, Mr. BAYH, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], for Mr. BAYH and Mr. LUGAR, proposes an amendment numbered 911.

Mr. HOLLINGS. Mr. 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:

(Purpose: To expand aviation capacity and alleviate congestion in the greater Chicago metropolitan area)

At the end of title II, add the following:

SEC. 217. GARY/CHICAGO AIRPORT FUNDING.

The Administrator of the Federal Aviation Administration shall, for purposes of chapter 471 of title 49, United States Code, give priority consideration to a letter of intent application for funding submitted by the City of Gary, Indiana, or the State of Indiana, for the extension of the main runway at the Gary/Chicago Airport. The letter of intent application shall be considered upon completion of the environmental impact statement and benefit cost analysis in accordance with Federal Aviation Administration requirements. The Administrator shall consider the letter of intent application not later than 90 days after receiving it from the applicant.

Mr. HOLLINGS. Mr. President, does the Senator from Arizona approve of the amendment?

Mr. MCCAIN. Yes.

The PRESIDING OFFICER. Is there further debate on the amendment? Without objection, the amendment is agreed to.

The amendment (No. 911) was agreed to.

AMENDMENT NO. 912

Mr. HOLLINGS. Mr. President, on behalf of the Senator from Connecticut, Mr. DODD, I send an amendment to the desk on the study of the shuttle services at Reagan National Airport. It merely requires a study with respect to housing of gates used by the shuttle services, and as to whether or not that is feasible.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], for Mr. DODD, proposes an amendment numbered 912.

Mr. HOLLINGS. Mr. 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:

(Purpose: To require a study on the housing of the gates used by shuttle services within the same terminal at Ronald Reagan Washington National Airport)

At the appropriate place insert the following:

SEC—. LOCATION OF SHUTTLE SERVICE AT RONALD REAGAN WASHINGTON NATIONAL AIRPORT.

The Airports Authority (as defined in section 49103(1)) of title 49, United States Code) shall in conjunction with the Department of Transportation conduct a study on the feasibility of housing the gates used by all air carriers providing shuttle service from Ronald Reagan Washington National Airport in the same terminal.

Mr. HOLLINGS. Mr. President, if there is no further debate——

Mr. MCCAIN. Mr. President, it is my understanding the Dodd amendment studies the situation at National Airport where there is some distance between both airlines that conduct shuttles along the east coast.

Mr. HOLLINGS. Right.

Mr. MCCAIN. I can see why Senator DODD might want that looked at as he grows older, shuttling himself back and forth from one end of Reagan National Airport to the other, which is a bit of a trial. And I certainly am in support, having undergone that unique experience.

Mr. HOLLINGS. Particularly becoming a recent father, he is wearing down.

Mr. MCCAIN. That is right. Having to carry a small child with him has become a bit of a burden. So on behalf of Senator DODD, and all of us who are aging, I ask that this amendment, which asks the airlines to take a look at the possibility of making these shuttles closer together, be adopted. I think it is appropriate and I support the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

If there is no further debate, without objection, the amendment is agreed to.

The amendment (No. 912) was agreed to.

Mr. McCAIN. I move to reconsider the vote.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCAIN. Mr. President, it is my understanding we have a number of additional amendments which have been agreed to but have not been presented at this time. If the staffs of the Members who have these amendments we have discussed and have agreed to—one is a Nelson amendment. That has already been accepted. One is a Feinstein amendment. We are in agreement with it, but it has not been formally offered. One is a Specter amendment that we are considering now, a Burns amendment concerning general aviation, a Murkowski amendment concerning decision on a tower. We would like to consider those amendments as soon as possible, if the sponsors of those amendments would come here, while we are preparing to debate a Specter amendment at this time.

Mr. President, 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. THOMAS. 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. 913

Mr. THOMAS. Mr. President, I have an amendment I send to the desk.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from Wyoming [Mr. THOMAS] proposes an amendment numbered 913.

Mr. THOMAS. Mr. 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:

(Purpose: To permit Jackson Hole Airport to adopt certain noise reduction measures)

At the end of title V, add the following new section:

SEC. 521. EXEMPTION FOR JACKSON HOLE AIRPORT.

(a) IN GENERAL.—Notwithstanding chapter 475 of title 49, United States Code, or any other provision of law, if the Board of the Jackson Hole Airport in Wyoming and the Secretary of the Interior agree that Stage 3 aircraft technology represents a prudent and feasible technological advance which, if implemented at the Jackson Hole Airport, will result in a reduction in noise at Grand Teton National Park—

(1) the Jackson Hole Airport may impose restrictions on, or prohibit, the operation of Stage 2 aircraft weighing less than 75,000 pounds, with reasonable exemptions for public health and safety;

(2) the notice, study, and comment provisions of subchapter II of chapter 475 of title 49, United States Code, and part 161 of title 14, Code of Federal Regulations, shall not apply to the imposition of the restrictions;

(3) the imposition of the restrictions shall not affect the Airport's eligibility to receive a grant under title 49, United States Code; and

(4) the restrictions shall not be deemed to be unreasonable, discriminatory, a violation of the assurances required by section 47107(a) of title 49, United States Code, or an undue burden on interstate commerce.

(b) DEFINITIONS.—In this section, the terms ''Stage 2 aircraft'' and ''Stage 3 aircraft'' have the same meaning as those terms have in chapter 475 of title 49, United States Code.

Mr. THOMAS. Mr. President, this is a very short, simple amendment. What it deals with is Teton National Park. I think it is probably the only park in the country that has in it a commercial airport.

Some years ago, the airport and the park agreed they could limit noise in the park. They had done so with commercial airlines, but they have not been able to do so with private jets. This would give them that authority.

It has been approved by the Park Service, by the Interior Department, and we would like very much to have the authority for them to be able to deal with the noncommercial jets and the noise they create in Teton National Park.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I thank Senator THOMAS for his sponsorship of this amendment. One of the greatest problems we have today in America is aircraft noise over national parks. We have been fighting it in the Grand Canyon, trying to balance the needs of commercial aircraft—not only those taking off and arriving but air tours—and that of preserving the incredible park experience.

I thank Senator THOMAS for his effort to try to bring about the restoration of that marvelous experience in one of our Nation's crown jewels.

I support the amendment.

Mr. HOLLINGS. Mr. President, the Department of the Interior and the Park Service approved the amendment. We also support its adoption.

The PRESIDING OFFICER. Is there further debate on the amendment?

The question is on agreeing to the amendment.

The amendment (No. 913) was agreed to.

Mr. McCAIN. I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

AMENDMENT NO. 915

Mr. SPECTER. Mr. President, 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 Pennsylvania [Mr. SPECTER] proposes an amendment numbered 915.

Mr. SPECTER. 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 as follows:

At the end of Title V, add the following new section:

(g) MEASUREMENT OF HIGHWAY MILEAGE FOR PURPOSES OF DETERMINING ELIGIBILTY FOR ESSENTIAL AIR SERVICE SUBSIDIES.—

(1) DETERMINATION OF ELIGIBILITY.—Subchapter II of Chapter 417 of title 49, United States Code, (as amended by subsection (f) of this bill) is further amended by adding at the end the following new section:

''§ 41746. Distance requirement applicable to eligibility for essential air service subsidies

''(a) IN GENERAL.—The Secretary shall not provide assistance under this subchapter with respect to a place in the 48 continguous States that—

''(1) is less than 70 highway miles from the nearest hub-airport; or

''(2) requires a rate of subsidy per passenger in excess of $200, unless such place is greater than 210 highway miles from the nearest hub airport.

''(b) DETERMINATION OF MILEAGE.—For purposes of Lancaster, Pennsylvania, the highway mileage between a place and the nearest hub airport is the highway mileage of the most commonly used route between the place and the hub airport. In identifying such route, the Secretary shall—

''(1) promulgate by regulation a standard for calculating the mileage between Lancaster, Pennsylvania and a hub airport, and

''(2) identify the most commonly used route for a community by—

''(A) consulting with the Governor of a State or the Governor's designee; and

''(B) considering the certification of the Governor of a State or the Governor's designee as to the most commonly used route.''.

''(b) CONFORMING AMENDMENT.—The analysis for subchapter II of chapter 417 of title 49, United States Code, (as amended by subsection (f) of this bill) is further amended by inserting after the item relating to section 41745 the following new item:

''41746. Distance requirement applicable to eligibility for essential air service subsidies.''.

(h) REPEAL.—The following provisions of law are repealed:

''(1) Section 332 of the Department of Transportation and Related Agencies Appropriations Act, 2000 (49 U.S.C. 41731 note).

(2) Section 205 of the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (49 U.S.C. 41731 note).

(3) Section 334 of the Department of Transportation and Related Agencies Appropriations Act, 1999 (section 101(g) of division A of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999) (Public Law 105–277; 112 Stat. 2681—471).

(i) SECRETARIAL REVIEW.—

(1) REQUEST FOR REVIEW.—Any community with respect to which the Secretary has, between September 30, 1993, and the date of the enactment of this Act, eliminated subsidies or terminated subsidy eligibility under section 332 of the Department of Transportation and Related Agencies Appropriations Act, 2000 (49 U.S.C. 41731 note), Section 205 of the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (49 U.S.C. 41731 note), or any prior law of similar effect, may request the Secretary to review such action.

(2) ELIGIBILITY DETERMINATION.—Not later than 60 days after receiving a request under subsection (i), the Secretary shall—

(A) determine whether the community would have been subject to such elimination

of subsidies or termination of eligibility under the distance requirement enacted by the amendment made by subsection (g) of this bill to subchapter II of chapter 417 of title 49, United States Code; and

(B) issue a final order with respect to the eligibility of such community for essential air service subsidies under subchapter II of chapter 417 of title 49, United States Code, as amended by this Act.

Mr. SPECTER. Mr. President, this amendment is an accommodation and compromise worked out after discussion with the chairman of the committee and the chairman of the subcommittee. I have already filed amendment No. 904, which is part of the record. This amendment goes to the issue of providing essential air services to Lancaster, Pennsylvania. The existing law provides that essential air services shall be provided if there is a distance of 70 miles or more to the hub of a major airport.

Lancaster is 66 miles from the Philadelphia International Airport, if you travel along Route 30, which is the old Lincoln Highway, where there is a traffic light every other block with the most extraordinary congestion. Nobody who travels from Lancaster to the Philadelphia Airport takes congested Route 30. The commonly used route is to take 222 to the turnpike and then to the Schuylkill Expressway, and that is a distance of some 80 miles. So the route that any rational person would use would be the 80-mile route, not the 66-mile route.

We have worked with the Department of Transportation for several years in trying to work out this arrangement, but they have refused to listen to reason. The City of Lancaster took an expensive appeal to the Court of Appeals for the Third Circuit, and the Court felt bound to honor the discretion of the Secretary of Transportation, even though the discretion was very unwisely used. The Court found itself constrained to let the Secretary determine it.

The amendment I had intended to offer, which has been denominated as 904, provides that the determination of the appropriate mileage would be determined by the Governor or by the Metropolitan Planning Organization. A concern was expressed as to that—to have the State make a determination as to what would be done with the Federal expenditure of funds. Well, that is not all the time, but I am not going to belabor that argument because we have an accommodation.

Mr. LOTT. Will the Senator yield to me at this point?

Mr. SPECTER. Yes.

Mr. LOTT. I note that I have looked at this situation and I am going to support what this amendment is trying to do. I think, in this case, this area he is referring to has been disadvantaged. We do not want to and do not intend to start down the line of making an exception here and there. This is a case where, clearly, you have been disadvantaged by the way it has been interpreted.

I appreciate the Senator being willing to work out a fair solution.

Mr. MCCAIN. Mr. President, I thank the Senator from Pennsylvania. I did have the opportunity to meet with a group of his fellow citizens from Lancaster. They made a very compelling case on the burden they bear. I think this is a fair and equitable solution. I thank the Senator.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, to complete the discussion here regarding giving these essential air services to Lancaster, they had one small airline that serviced Lancaster. They withdrew because, in the absence of a modest subsidy, they could not serve Lancaster anymore. In an era when we are helping airlines with loan guarantees and bailouts and so many other provisions, this is really minimal.

This amendment, as provided, will take care of Lancaster. If I may say for the record—if I may have the attention of the Senator from Mississippi, the chairman of the subcommittee, who will be principal conferee—this provision will be fought for in conference. In the House, the matter has been handled by Congressman JOE PITTS, a very able Congressman who represents the area including Lancaster. I am sure Congressman PITTS will be amenable to this amendment, which gives further assurance and protection to Lancaster, Pennsylvania. So it is in the context of this assurance of our tough position in conference, which ought to prevail, that I have agreed to this accommodation.

I thank the Senator from Mississippi and I thank the Senator from Arizona for working out this issue. I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. HOLLINGS. I thank the Senator from South Carolina for supporting the amendment.

Mr. SPECTER. Mr. President, I associate myself with the last remarks of Senator HOLLINGS. Like the Senator from South Carolina, I thank the Senator from South Carolina.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 915) was agreed to.

Mr. REID. Mr. President, our cloakroom has indicated that Senators have had an all-day-long notice that we are trying to complete this bill today. Statements have been made on the floor by the managers many times to that effect.

On the Democratic side, the only amendments we know of that people wish to offer are by Senators FEINSTEIN, INOUYE, HOLLINGS, and Senator ROCKEFELLER has an amendment. Other than those, we don't know of any other amendments on our side.

On the other side, I have been told there is a Burns amendment, a Murkowski amendment, and a Stevens amendment. Other than that, I don't know of any other amendments.

My point is, within a relatively short period of time, we will ask unanimous consent that these be the only amendments in order. If people are out there with amendments, they should come forward in the next couple of minutes.

Mr. MCCAIN. Mr. President, in about 10 minutes, if that is OK—that will give plenty of time for people who have additional amendments—I will propose that we have a unanimous consent that no further amendments be in order.

I yield the floor.

Mr. SPECTER. Mr. President, I supplement what the Senator from Nevada said. I have already given notice that I have another amendment. If I may inquire of the manager, the Senator from Arizona. I am prepared to proceed at this time with the amendment.

If I may have the attention of the Senator from Arizona, is it agreeable that I may call up my amendment?

Mr. MCCAIN. Yes.

AMENDMENT NO. 905

Mr. SPECTER. Mr. President, I call up amendment No. 905, which has been filed.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER], for himself, Mrs. BOXER, Mr. DURBIN, Mr. DAYTON, proposes an amendment numbered 905.

Mr. SPECTER. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide safety and security with respect to aviation repair stations)

At the end of title IV, add the following:

SEC. 405. FOREIGN REPAIR STATION SAFETY AND SECURITY.

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Federal Aviation Administration.

(2) DOMESTIC REPAIR STATION.—The term ''domestic repair station'' means a repair station or shop that—

(A) is described in section 44707(2) of title 49, United States Code; and

(B) is located in the United States.

(3) FOREIGN REPAIR STATION.—The term ''foreign repair station'' means a repair station or shop that—

(A) is described in section 44707(2) of title 49, United States Code; and

(B) is located outside of the United States.

(4) UNDER SECRETARY.—The term ''Under Secretary'' means the Under Secretary for Border and Transportation Security of the Department of Homeland Security.

(b) APPLICABILITY OF STANDARDS.—Within 180 days after the date of enactment of this Act, the Administrator shall issue regulations to ensure that foreign repair stations meet the same level of safety required of domestic repair stations.

(c) SPECIFIC STANDARDS.—In carrying out subsection (b), the Administrator shall, at a minimum, specifically ensure that foreign repair stations, as a condition of being certified to work on United States registered aircraft—

(1) institute a program of drug and alcohol testing of its employees working on United States registered aircraft and that such a program provides an equivalent level of safety achieved by the drug and alcohol testing requirements that workers are subject to at domestic repair stations;

(2) agree to be subject to the same type and level of inspection by the Federal Aviation Administration as domestic repair stations and that such inspections occur without prior notice to the country in which the station is located; and

(3) follow the security procedures established under subsection (d).

(d) SECURITY AUDITS.—

(1) IN GENERAL.—To ensure the security of maintenance and repair work conducted on United States aircraft and components at foreign repair stations, the Under Secretary, in consultation with the Administrator, shall complete a security review and audit of foreign repair stations certified by the Administrator under part 145 of title 14, Code of Federal Regulations. The review shall be completed not later than 180 days after the date on which the Under Secretary issues regulations under paragraph (6).

(2) ADDRESSING SECURITY CONCERNS.—The Under Secretary shall require a foreign repair station to address the security issues and vulnerabilities identified in a security audit conducted under paragraph (1) within 90 days of providing notice to the repair station of the security issues and vulnerabilities identified.

(3) SUSPENSIONS AND REVOCATIONS OF CERTIFICATES.—

(A) FAILURE TO CARRY OUT EFFECTIVE SECURITY MEASURES.—If the Under Secretary determines as a result of a security audit that a foreign repair station does not maintain and carry out effective security measures or if a foreign repair station does not address the security issues and vulnerabilities as required under subsection (d)(2), the Under Secretary shall notify the Administrator of the determination. Upon receipt of the determination, the Administrator shall suspend the certification of the repair station until such time as the Under Secretary determines that the repair station maintains and carries out effective security measures and has addressed the security issues identified in the audit, and transmits the determination to the Administrator.

(B) IMMEDIATE SECURITY RISK.—If the Under Secretary determines that a foreign repair station poses an immediate security risk, the Under Secretary shall notify the Administrator of the determination. Upon receipt of the determination, the Administrator shall revoke the certification of the repair station.

(4) FAILURE TO MEET AUDIT DEADLINE.—If the security audits required by paragraph (1) are not completed on or before the date that is 180 days after the date on which the Under Secretary issues regulations under paragraph (6), the Administrator may not certify, or renew the certification of, any foreign repair station until such audits are completed.

(5) PRIORITY FOR AUDITS.—In conducting the audits described in paragraph (1), the Under Secretary and the Administrator shall give priority to foreign repair stations located in countries identified by the United States Government as posing the most significant security risks.

(6) REGULATIONS.—Not later than 180 days after the date of enactment of this section, the Under Secretary, in consultation with the Administrator, shall issue final regulations to ensure the security of foreign and domestic repair stations. If final regulations are not issued within 180 days of the date of enactment of this Act, the Administrator may not certify, or renew the certification of, any foreign repair station until such regulations have been issued.

Mr. SPECTER. Mr. President, I am offering this amendment on behalf of myself and Senators BOXER, DURBIN, and DAYTON. Senator INHOFE had indicated some support, but I think he has a little different approach, so I am going to proceed with it on this basis.

The amendment provides for foreign aircraft repair stations to be subject to the same provisions as domestic air stations.

What we have at the present time is a very different set of standards for foreign repair stations than are in effect for domestic stations. In foreign stations, for example, there need not be drug and alcohol testing. In foreign stations, there are not the kinds of requirements and regulations as to the maintenance for safety, and there are no requirements as to security.

I realize this kind of an amendment may result in some higher costs, however, I believe these costs are warranted in the interest of the traveling public so there is an adequate assurance of safety. If you do not have the kinds of requirements that are in effect by the FAA in the United States, then we do not have the maintenance of the same kind of safety standards.

With respect to foreign competition, I think it is a fair requirement to say that you are not requiring ''Buy American,'' but you are saying that the people in the United States who provide these services ought to have the same sort of security standards, the same sort of maintenance standards, and the same sort of drug testing or alcohol testing as in foreign standards. So this goes beyond the idea of protectionism. These requirements that are in effect in the United States are to provide for the safety of the traveling public. If it costs X dollars to provide for the safety of the traveling public, then I think that is what we ought to do, and that is the gravamen and the thrust behind this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

AMENDMENT NO. 914 TO AMENDMENT NO. 905

(Purpose: To require the Administrator of the FAA to conduct a study of safety standards at foreign repair stations)

Mr. LOTT. Mr. President, I send a second-degree amendment to the desk and ask it be read in its entirety.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT] proposes an amendment numbered 914 to amendment No. 905:

At the end of the amendment add the following:

( ) STUDY.—Notwithstanding the preceding provisions of this section—

(1) the Administrator shall conduct a study of the need to establish a program to ensure that foreign repair stations meet the conditions and standards described in subsection (c);

(2) report the results of that study, together with the Administrator's recommendations and conclusions, to the Congress within 180 days after the date of enactment of this Act; and

(3) the Administrator shall not issue regulations under subsection (h).

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, let me explain why I offered this amendment. Senator SPECTER raises some very legitimate concerns, and we need to know what the situation is with regard to safety standards and the conditions of the workers in these foreign repair stations.

First, I was not aware of this amendment or the committee was not aware of this amendment until about an hour ago. We have not had a chance to find out more about what the ramifications are, the need for it, or what we need to do. We have had no hearings on this matter.

There is no question we need to make sure these foreign repair stations for airlines are good ones and the workers at these stations meet certain qualifications. They are doing good work basically.

I am offering this amendment on behalf of Senator INHOFE who has some experience in this area, has been to some of these foreign repair stations and has some concerns. Being a pilot himself, having served on the committee of jurisdiction in the House, this is something we would like to know his feelings about and make sure of what the situation is today.

He thought, though, we needed to look into it and understand what is happening. For instance, we may, by doing this, be imposing more requirements on these foreign repair stations that do not need certain laws or regulations in the various countries. We may be taking actions that would drive up costs. We may be taking actions that would have a dramatic impact on our own domestic airlines, which, by the way, some of the most profitable routes are overseas routes. This is a reason Northwest was Northwest Orient. There is no question American, Delta—the big airlines—do have very important overseas routes.

I would like to know if they think they are getting good service. What problems and what costs are going to be the result of this action?

That is what I say to Senator SPECTER. It is a legitimate concern. We may need to do something more in this area, but I would like to know what the ramifications are before we actually put this requirement in place.

This amendment, as I understand it and as it has been read, says the Administrator has to have a study of the need to establish this program to ensure that foreign repair stations meet the conditions of standards described in other sections of the law, that they report the results of that study, together with the Administrator's recommendations and conclusions, to the Congress within a specified period of time. This is not just an open-ended generic thing. That would also give us

time on the committee to ask questions of all those impacted by the requirement.

I think this is a good solution to a problem we should not ignore, but before we act we need to know what the impact is going to be.

I yield the floor.

Mr. DURBIN. Mr. President, I strongly support the Specter amendment to S. 824, the Aviation Investment and Revitalization Vision Act, that would address safety and security issues at foreign aircraft repair stations working on U.S. aircraft.

For a number of years, I have been working with the AFL–CIO's Transportation Trades Department and its mechanic unions)—the International Association of Machinists, the Transport Workers Union, and the International Brotherhood of Teamsters—to close the safety loopholes that many foreign stations present.

I would like to submit for the RECORD a letter I received from these unions expressing their continued opposition to unsafe foreign stations.

I would also like to submit for the RECORD a letter recently sent from the AFL–CIO and its Transportation Trades Department to the Administration highlighting their concerns about the security at foreign stations.

As these letters clearly demonstrate, we have legitimate concerns with regard to the current rules governing certification and oversight of foreign stations. For these reasons, I am cosponsoring the Specter amendment and urge my colleagues to support it as well.

I ask unanimous consent that the aforementioned letters, dated April 10, 2003, and May 22, 2003, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,

Washington, DC, April 10, 2003.

Hon. NORMAN Y. MINETA,
Secretary of Transportation, Washington, DC.

Hon. MARION BLAKEY,
Administrator, Federal Aviation Administration, Washington, DC.

Hon. JAMES M. LOY,
Under Secretary for Security, Transportation Security Administration, Arlington, VA.

DEAR SECRETARY MINETA, ADMINISTRATOR BLAKEY AND ADMIRAL LOY: On behalf of the 13 million members of the AFL–CIO and the Transportation Trades Department, AFL–CIO (TTD) we urge you to take immediate action to temporarily revoke the certification of certain foreign-based aircraft repair stations until such time as thorough security audits are conducted by responsible agencies and rules are put in place to ensure that these stations do not pose an imminent national and aviation security risk. As you know, there are currently over 600 foreign aircraft repair stations, certified under 14 CFR Part 145 (Subpart C), that are permitted to work on U.S. registered aircraft. Because of the unique combination of national security and economic conditions that currently exist in the aviation industry, as outlined below, we believe that the Department of Transportation (DOT), the Federal Aviation Administration (FAA), and the Transportation Security Administration (TSA) are required to act upon this petition in the interest of aviation safety.

It is well known that this nation continues to be the target of terrorist intentions both domestically and abroad. In fact, the U.S. State Department and other government agencies have frequently warned about threats occurring outside the U.S. but directed at U.S. citizens and interests. We are concerned that certified foreign aircraft repair stations that are eligible to work on U.S. aircraft, could provide terrorists with an opportunity to jeopardize U.S. aviation safety without having to physically enter this country. At a time of heightened alert around the globe, our government must do everything possible to protect against terrorist agents infiltrating foreign repair stations and sabotaging air operations headed back to the United States.

While there is no publicly known evidence that terrorists have pursued this agenda, it makes little sense for the Bush Administration to leave it to chance. In fact, the DOT's Inspector General recently announced that as part of a larger audit of air carriers' use of aircraft repair stations, it found security vulnerabilities at stations located at commercial and general-aviation airports and off airport property. While the IG recommended that the TSA conduct risk-based security assessments as a first-step in determining the actions needed to address repair station security, we would maintain that until the security ''fitness'' of foreign stations can be assured, their FAR 145 rights to work on U.S. aircraft should be suspended.

The security risks posed by foreign stations is compounded by the unprecedented financial distress faced by the commercial aviation industry. Two major carriers have declared bankruptcy, others have announced severe workforce and service cuts, and virtually every airline has been forced to institute dramatic cost cuts to satisfy lenders and to keep flying. In this environment, U.S. carrier will undoubtedly pursue, over the strong objections of the International Association Machinists and Aerospace Workers, the Transport Workers Union and the International Brotherhood of Teamsters, the outsourcing of major overhaul and other repair work to lower cost, potentially substandard third party contractors including those based overseas. A real life illustration of these concerns are the management rights secured by Northwest Airlines in its 2001 collective bargaining agreement with its mechanics union under which the airline can contract out almost 40 percent of repair and overhaul work to outside contractors around the globe. In fact, Northwest Airlines already relies on a Singapore-based repair operation for significant overhaul work on its DC–10 aircraft and the carrier could use the freedoms it secured in its 2001 collective bargaining agreement for mechanics to ship significantly more of that work abroad. And with the lax FAA oversight and surveillance of unknown security procedures at many foreign stations, the potential for terrorist security breaches grows as these stations see more work from the U.S.

It is interesting that in the pursuit of aviation security the FAA and the TSA recently issued rules that require the FAA to revoke the airman certificate, which includes a Part 65 mechanic certification, of any individual who the TSA determines poses a threat to aviation security. But from a practical standpoint these rules will only affect mechanics at domestic stations since only domestic stations, and not foreign stations, are required to have FAA-certified employees on premise. Furthermore, there are a number of oversight activities that occur at domestic facilities, both formally and informally, that simply do not occur at foreign facilities.

Indeed, the AFL-CIO, TTD and its mechanics union affiliates have long been concerned that foreign aircraft repair stations can receive FAA certification and then work on U.S.-registered aircraft without meeting the same safety and security standards imposed on domestic facilities and their employees. In addition to regulatory differences, we know that the oversight of foreign stations pales in comparison to the surveillance performed on domestic stations, especially those managed within major air carrier operations. For example, FAA inspectors, represented by the Professional Airways Systems Specialists (PASS), do not have the same type of access to foreign stations as they do with domestic facilities. This reality is complicated by the fact that insufficient FAA inspector staffing levels do not allow for proper oversight of stations located outside the U.S. Given this situation, it is troubling that the effective date for modifications to Part 145 was recently and inexplicably postponed at the request of industry trade groups and that such postponement was granted without giving the public any notice or opportunity to comment.

For these reasons we urge the DOT, the FAA, and the TSA to issue an emergency order to temporarily prevent certain foreign stations certified under 14 CFR Part 145 from working on U.S. aircraft or components. The FAA should use these temporary revocations to conduct thorough security audits of foreign stations and to promulgate rules that impose security procedures at these facilities. In particular, the FAA should focus on ensuring that mechanics and other workers who come into contact with U.S. aircraft or components do not pose a security risk and that other precautions are taken to ensure the integrity of the aircraft maintenance work performed. We would suggest that Joint Aviation Authority members and certain countries that have current Bilateral Aviation Safety Agreements with the U.S. may already meet many of the security standards needed and would not need to have their FAR 145 rights suspended while rules are being drafted.

As you know, the Secretary of Transportation is charged with the responsibility of ''assigning and maintaining safety as the highest priority in air commerce.'' 49 U.S.C. § 40101(a)(1). Furthermore, when the Administrator is of the ''opinion that an emergency related to safety in air commerce requires immediate action, the Administrator, on the initiative of the Administrator or on complaint, may prescribe regulations and issue orders immediately to meet the emergency . . .'' 49 U.S.C. § 46105(c). We would maintain that a unique confluence of factors described above create a situation that necessitates federal government action in the public interest and to maintain aviation safety.

Thank you for your immediate attention to this matter and we look forward to your response.

Sincerely,

RICHARD L. TRUMKA,
Secretary-Treasurer, AFL–CIO.

SONNY HALL,
President, Transportation Trades Department, AFL–CIO.

TRANSPORTATION TRADES DEPARTMENT, AFL–CIO,

Washington, DC, May 22, 2003.

Hon. RICHARD J. DURBIN,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR DURBIN: On behalf of the Transportation Trades Department, AFL–

CIO (TTD) and its aircraft mechanics unions, we write to ask for your assistance in protecting the safety and security of our aviation system and the jobs of thousands of aircraft mechanics due to deficient federal government policy and efforts by the major airlines to cut costs through outsourcing of maintenance and heavy overhaul work to foreign-based repair stations.

As an original cosponsor of the Aircraft Repair Station Safety Act (S. 1089) in the 105th Congress, legislation strongly supported by AFL–CIO unions, we know that you are well aware of this problem and we appreciate your leadership in protecting aviation safety and U.S. jobs. As we have discussed with you over many years, the Federal Aviation Administration (FAA), pursuant to 14 CFR Part 145 (Subpart C), allows foreign stations to receive certification to work on U.S. aircraft even though these stations do not have to meet the same standards as those located in this country. While AFL–CIO mechanics unions have long argued that this situation threatens mechanics' jobs and the safety of the flying public, the current drive by air carriers to ship work overseas, combined with unique security concerns at these stations, has exacerbated this problem and your help is urgently needed to address this issue.

We know that U.S. carriers will pursue, over the strong objections of the International Association of Machinists and Aerospace Workers, the Transport Workers Union and the International Brotherhood of Teamsters, outsourcing of major overhaul and other repair work to lower cost and potentially substandard third party contractors based overseas. In fact, Northwest Airlines, secured the right in its 2001 collective bargaining agreement with its non-mechanics union (AMFA) to contract out almost 40 percent of repair and overhaul work to outside contractors in Singapore and around the globe. While the mechanics at Northwest are not members of our unions, we are deeply concerned that the carrier will continue to exploit these harmful contract concessions to the detriment of all the nation's professional aircraft mechanics, the vast majority of which are our members. Mechanics at other airlines will face increasing pressure to adopt the dangerous practices of Northwest-AMFA that permit almost four out of 10 jobs to be shipped to foreign contractors. Unless Congress steps in aggressively, aviation safety and security will suffer and the jobs of thousands of workers will be at risk.

For these reasons, we urge you to work with us to address this issue as part of the FAA Reauthorization bill that will be considered by the full Senate in the coming weeks. Together, we can protect the flying public and in the process ensure the future of America's highly skilled and professional aircraft mechanics. Thank you for your attention to this matter.

Sincerely,

ROBERT ROACH,
General Vice President, International Association of Machinists and Aerospace Workers.

SONNY HALL,
International President, Transport Workers Union.

DON TREICHLER,
Director, Airline Division, International Brotherhood of Teamsters.

EDWARD WYTKIND,
Executive Director, Transportation Trades Dept., AFL–CIO.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, the second-degree amendment proposed by the Senator from Mississippi is an improvement over where the record stands at the present time, however, I think it does not go far enough. When he states that he does not know the consequences of my amendment, I would disagree with him.

The amendment provides that there will be standards on the level of inspection, which are of the same type as now promulgated by the Federal Aviation Administration. So if you have that level of inspection, which they have now, there is no question as to its not being onerous, or at least if it is onerous, it is onerous now, however, it is the same.

We should have drug and alcohol testing as a very minimal requirement so we know specifically what is involved there. We know people who are drug addicts or who are unduly influenced by alcohol to be carrying on these inspections.

When it comes to the third factor, security, the amendment I have proposed calls for ensuring the security of maintenance and repair work conducted on U.S. aircraft and components at foreign repair stations by the Under Secretary in consultation with the Administrator.

Those security arrangements are going to be determined by the Department of Transportation. We certainly can rely on them. I think the issue has been joined. I think we understand what is involved.

I ask for the yeas and nays on the pending amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I ask that the vote be delayed until such time—

Mr. REID. Will the Senator yield without losing his right to the floor? The two leaders want these votes to be stacked. They are in a very important Finance Committee meeting which is going on now. I ask this be set aside for a later time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I also note that Senator BOXER wishes to speak on this amendment for up to 10 minutes.

Mr. MCCAIN. Mr. President, I ask unanimous consent that we withhold the vote until such time as the two leaders decide on a time, which I do not think will be very long. We have a couple of other amendments which are pending that we could dispose of, I would imagine, within the next 10 or 15 minutes.

Also, I ask unanimous consent that no further amendments be considered at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCAIN. The pending amendments on our side are a Stevens amendment, a Burns amendment, and a Santorum amendment.

Mr. REID. Mr. President, we want to have a list just as quickly as my friend from Arizona. We do need to have floor staff look at the subject matter of these amendments because we do not know what they could be. We can take the 10 minutes the Senator from Arizona suggested—the only addition I know we have is an amendment by Senator KOHL—and have our staffs look at these amendments while Senator BOXER is speaking for up to 10 minutes.

Following that, I think we would be in a position to look at the amendments and order the closure of the amendment process.

Mr. MCCAIN. I ask unanimous consent that Senator HAGEL be added as a cosponsor of amendment No. 906.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, as part of the agreement, it is my understanding that the Senator from California will be recognized for up to 10 minutes. Is that right?

The PRESIDING OFFICER. No agreement has been propounded.

Mr. REID. Did not the Senator from Arizona ask unanimous consent that the vote be put over until later and that request was propounded at that time? I thought the agreement was that the Senator from California would speak on the amendment that was just set aside for a vote for 10 minutes. I ask the Senator from California, would that be appropriate?

Mrs. BOXER. I am sorry. I was concentrating on my remarks.

Mr. REID. Is 10 minutes sufficient time for the Senator?

Mrs. BOXER. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. I ask unanimous consent that Senator SANTORUM be added as an original cosponsor on the Lancaster amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I understand Senator LOTT has second-degreed Senator SPECTER's amendment, of which I am a proud cosponsor, with a study. Something can be studied and studied but, frankly, this would gut what we are trying to do in our amendment. I do not mind a study, but I think the time for studying this has passed.

I want to show my colleagues an important op-ed that appeared in the USA Today on June 9: ''Evidence Points to FAA's Laxity on Plane Maintenance.''

It specifically cites the overseas gaps that are happening. There are 629 foreign repair stations certified by the FAA to service U.S. aircraft. They point out that they may not be strictly

monitored because of their distance from U.S.-based airline operations, increasing the potential risk for error.

That is an opinion of an expert on safety, Michael Barr, director of the University of Southern California's aviation safety program.

I think all of us want to see safety. One obvious place is making sure that we cut down on the number of aircraft that are overhauled abroad. That is why I think Senator SPECTER's amendment is so important, for the safety and security of the flying public. We all have worked very hard in the Commerce Committee to improve our aviation security, and I do believe our system is more secure than it was.

We have much more to do. My colleagues have heard me speak about the importance of the missile defense system, against shoulder-fired missiles, and there will be a lot more on that subject. But while we are improving our security at our airports in this country and rooting out potential threats among employees in the United States, meaning employees who work for the airlines, there are no security regulations or standards for foreign repair stations that work on U.S. aircraft.

I know the Senate is rushing to get through with this very important bill, but there is a huge gap in our aviation security. There is a huge safety concern that I have that Senator SPECTER's amendment will remedy. It is important to remember that foreign repair stations work on planes that not only fly internationally but planes that serve domestic routes as well.

There is a huge gap in our aviation security, and foreign repair stations do not have the same standards. Senator LOTT wishes to study this matter, and I am glad he wishes to study it, but we all know that the underlying amendment is the one that would bring about the changes. The underlying amendment would require foreign repair stations to meet the same safety standards required at domestic repair stations.

Specifically, under the Specter amendment, foreign repair stations would have to institute a drug and alcohol testing program of its employees if they want to work on American aircraft.

I say to my friends in the Senate, the people at these foreign stations are not even tested for drugs and alcohol, but American workers are required to have drug and alcohol tests.

There is no drug and alcohol testing program of employees on these foreign repair stations. We demand it in our own country. Our employees go through it and we do not have it at these foreign repair stations. We want these foreign repair stations to agree to FAA inspections.

In addition, the Under Secretary of Homeland Security must complete a security review and audit of all foreign repair stations. The foreign repair stations must address security issues identified by the Homeland Security Department within 90 days, and if they do not prove to the FAA and to the Homeland Security Department that they are not meeting our heightened security needs, FAA must revoke the certification of that repair station.

After all of the work that has been undertaken to improve our aviation security, and I must say on both sides of the aisle we have seen this work, we must not allow this loophole to continue. We do not know who is working on our planes at foreign repair stations, and I would hate to be a Senator who voted to study the issue but not to move quickly to solve the problem if, God forbid, there is an accident because some employee in a foreign repair station was either inebriated or high on drugs or perhaps even was terrorist connected.

We owe the American people safe and secure skies, and I think the Specter amendment is critical to preventing terrorism and unnecessary accidents. My colleagues want a study? Then they are saying they do not think this is a problem.

Evidence points to FAA's laxity on plane maintenance, and if we do not adopt Senator SPECTER's amendment, I think we are making a big mistake. These planes not only fly internationally but nationally.

I have a parliamentary inquiry. Are we going to vote on Senator LOTT's second degree at a time certain?

Mr. REID. No.

The PRESIDING OFFICER (Mr. CORNYN). The yeas and nays have been ordered on that amendment but no time has yet been set for that vote.

Mrs. BOXER. Another question. If that fails, will we then be voting on the Specter amendment? And have the yeas and nays been ordered on that?

The PRESIDING OFFICER. That would be the normal course of business, but the yeas and nays have not yet been ordered on the Specter amendment.

Mrs. BOXER. I ask for the yeas and nays.

The PRESIDING OFFICER. It is not in order at this time.

Mr. HOLLINGS. I ask unanimous consent.

The PRESIDING OFFICER. Is there objection?

Mr. LOTT. Parliamentary inquiry. This is a request to have the yeas and nays on the second-degree amendment?

Mr. HOLLINGS. You already got that. This is on the Specter amendment, the yeas and nays on the Specter amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. REID. We are waiting for the unanimous consent request to be typed. I hope during that period of time we will have six or seven more people calling for amendments.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MCCAIN. I ask unanimous consent to set aside the pending amendment so Senator BURNS can be recognized for his two amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 900, AS MODIFIED

Mr. BURNS. Mr. President, I thank the chairman of the committee and the chairman of the subcommittee and the ranking member. I submitted two amendments. One has to do with general aviation and reimbursement to organizations that suffered losses due to September 11. We took care of the airlines and a lot of service industries in and around airports, but we forgot and left out one very important part of the American aviation scene, very important to my State of Montana, those people involved in general aviation, in other words, the charter business, as they were impacted, too, and received no reimbursement in any way to recover the damages or the losses they may have incurred.

We have talked about this. I ask the amendment which is at the desk to be considered. It has been amended and worked on by both sides of the aisle. There is agreement on this amendment.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Montana [Mr. BURNS] proposes an amendment numbered 900, as modified.

Mr. BURNS. 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 provide grants to reimburse general aviation entities for the security costs incurred and revenue foregone as a result of terrorism and the military action against Iraq)

At the appropriate place, insert the following:

SEC. ——. REIMBURSEMENT FOR LOSSES INCURRED BY GENERAL AVIATION ENTITIES.

(a) IN GENERAL.—The Secretary of Transportation may make grants to reimburse the following general aviation entities for economic losses as a result of the restrictions imposed by the Federal Government following the terrorist attacks on the United States that occurred on September 11, 2001:

(1) General aviation entities that operate at Ronald Reagan Washington National Airport.

(2) Airports that are located within 15 miles of Ronald Reagan Washington National Airport and were operating under security restrictions on the date of enactment of this Act and general aviation entities operating at those airports.

(5) Any other general aviation entity that is prevented from doing business or operating by an action of the Federal Government prohibiting access to airspace by that entity.

(b) DOCUMENTATION.—Reimbursement under this section shall be made in accordance with sworn financial statements or other appropriate data submitted by each general aviation entity demonstrating the costs incurred and revenue foregone to the satisfaction of the Secretary.

(c) GENERAL AVIATION ENTITY DEFINED.—In this section, the term ''general aviation entity'' means any person (other than a scheduled air carrier or foreign air carrier, as such terms are defined in section 40102 of title 49, United States Code) that—

(1) operates nonmilitary aircraft under part 91 of title 14, Code of Federal Regulations, for the purpose of conducting its primary business;

(3) provides services necessary for nonmilitary operations under such part 91; or

(4) operates an airport, other than a primary airport (as such terms are defined in such section 40102), that—

(A) is listed in the national plan of integrated airport systems developed by the Federal Aviation Administration under section 47103 of such title; or

(B) is normally open to the public, is located within the confines of enhanced class B airspace (as defined by the Federal Aviation Administration in Notice to Airmen FDC 1/0618), and was closed as a result of an order issued by the Federal Aviation Administration in the period beginning September 11, 2001, and ending January 1, 2002, and remained closed as a result of that order on January 1, 2002.

Such term includes fixed based operators, persons engaged in nonscheduled air taxi service or aircraft rental.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $100,000,000. Such sums shall remain available until expended.

Mr. BURNS. It has been worked on by both sides and I ask for its adoption.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment numbered 900, as modified.

The amendment (No. 900), as modified, was agreed to.

Mr. McCAIN. I move to reconsider the vote.

Mr. BURNS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 899

Mr. BURNS. The second amendment I have has to do with recommendations concerning air travel agents who have been part of a report requested of the Transportation Department. This is only language that requires the Department of Transportation to recommend the changes they see as a result of this report. I ask it be considered at this time.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. BURNS] proposes an amendment numbered 899.

Mr. BURNS. 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 require the Secretary of Transportation to transmit to Congress a report on any actions that should be taken with respect to recommendations made by the National Commission to Ensure Consumer Information and Choice in the Airline Industry on travel agents)

At the appropriate place, insert the following:

SEC. . RECOMMENDATIONS CONCERNING TRAVEL AGENTS.

(a) REPORT.—Not later than 6 months after the date of enactment of this Act, the Secretary of Transportation shall transmit to Congress a report on any actions that should be taken with respect to recommendations made by the National Commission to Ensure Consumer Information and Choice in the Airline Industry on—

(1) the travel agent arbiter program; and

(2) the special box on tickets for agents to include their service fee charges.

(b) CONSULTATION.—In preparing this report, the Secretary shall consult with representatives from the airline and travel agent industry.

Mr. BURNS. I ask the amendment be agreed to.

The PRESIDING OFFICER. Is there no further debate on the amendment?

Mr. BURNS. By the way, it has been cleared by both sides.

The PRESIDING OFFICER. The question is on agreeing to the amendment numbered 899.

The amendment (No. 899) was agreed to.

Mr. BURNS. 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. BURNS. I appreciate the leadership on both sides of the aisle for consideration of the amendments.

I yield the floor.

Mr. STEVENS. Mr. President, sorry to interrupt. I call attention to the Senate that Special Operations is hosting a reception for Members of the Senate and staff tonight from 5:30 to 7:30 in room 106 of the Dirksen Building. General Holland would be honored if Members could stop by. My Defense Subcommittee visited General Holland and saw many of the things that are going to be on display in 106 Dirksen. There will be members of the armed services who worked with the unified commands, Marines, Army, Navy, Air Force. Individual members of the service who actually participated in Afghanistan and Iraq are there to explain to Members of the Senate and staff some of the engagements they were involved in.

I think every Member and members of the staff would find it very interesting. I hope they will stop by.

AMENDMENT NO. 916

Mr. HOLLINGS. Mr. President, I send an amendment to the desk that has been cleared which I ask the clerk to report.

It is a cap on the staffing level of the Transportation Security Administration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] proposes an amendment numbered 916.

The amendment is as follows:

(Purpose: To remove the staffing level limitation imposed on the Transportation Security Administration)

At the appropriate place, insert the following:

SEC. . REMOVAL OF CAP ON TSA STAFFING LEVEL.

The matter appearing under the heading ''AVIATION SECURITY'' in the appropriations for the Transportation Security Administration in the Transportation and Related Agencies Appropriate Act, 2003 (Public Law 108–7; 117 Stat. 386) is amended by striking the fifth proviso.

The PRESIDING OFFICER. The question is on agreeing to the amendment numbered 916.

The amendment (No. 916) was agreed to.

AMENDMENT NO. 917

Mr. HOLLINGS. On behalf of the distinguished Senator, Senator FEINSTEIN, I send an amendment to the desk and ask it be reported. This has to do with air quality on new aircraft.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] for Mrs. FEINSTEIN, proposes an amendment numbered 917.

Mr. HOLLINGS. 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 provide for air quality in aircraft cabins)

Strike section 664 and insert the following:

SEC. 664. AIR QUALITY IN AIRCRAFT CABINS.

(a) IN GENERAL.—The Administrator of the Federal Aviation Administration shall undertake the studies and analysis called for in the report of the National Research Council entitled ''The Airliner Cabin Environment and the Health of Passengers and Crew''.

(b) REQUIRED ACTIVITIES.—In carrying out this section, the Administrator, at a minimum, shall—

(1) conduct surveillance to monitor ozone in the cabin on a representative number of flights and aircraft to determine compliance with existing Federal Aviation Regulations for ozone;

(2) collect pesticide exposure data to determine exposures of passengers and crew;

(3) analyze samples of residue from aircraft ventilation ducts and filters after air quality incidents to identify the contaminants to which passengers and crew were exposed;

(4) analyze and study cabin air pressure and altitude; and

(5) establish an air quality incident reporting system.

(c) REPORT.—Not later than 30 months after the date of enactment of this Act, the Administrator shall transmit to Congress a report on the findings of the Administrator under this section.

Mrs. FEINSTEIN. Mr. President, I rise today to introduce an amendment to improve the air quality on commercial aircraft.

In 1986, in response to a National Research Council Report, the FAA took several actions to improve aircraft cabin air quality on flights, including banning smoking on nearly all domestic flights. However, over 15 years later, many cabin air quality issues remain and new health questions have been raised by passengers and crew.

More recently, the National Research Council released a study of the air quality on commercial airline flights

that was funded by the Federal Aviation Administration. The National Research Council found that:

There is no operational standard for the ventilation of an aircraft cabin, but that such an operation standard should be established to ensure that passenger aircraft are properly ventilated;

Passengers have been exposed to airborne contaminants while onboard aircraft, and that such contaminants can originate outside and inside the aircraft, and within the aircraft's environmental control system itself;

The environmental control system on a passenger aircraft can become contaminated with engine oils, hydraulic fluids, or deicing fluids and those fluid contaminants can enter the passenger cabin through the air supply system;

Contaminants in the air of a passenger aircraft may be responsible for acute and chronic health effects in crew and passengers;

Reduced partial oxygen levels in aircraft air may adversely affect health-compromised passengers, particularly those with cardiopulmonary disease;

Aircraft passengers may be exposed to ozone during flight, and studies suggest that ozone concentrations on some flights can exceed the Federal Aviation Administration and Environmental Protection Agency ozone levels;

Air that contains elevated ozone concentrations is associated with airway irritation, decreased lung function, exacerbation of asthma, and impairments of the immune system;

Since carbon monoxide is an indicator of mechanical fluids contaminating the air supply, the FAA should require aircraft to install monitors and establish procedures for responding to elevated levels of carbon monoxide; and

The FAA should establish a passenger aircraft air quality and health surveillance program to determine compliance with existing FAA regulations and document health effects and complaints so that data is collected in a way that allows analysis of the relationship between health effects and aircraft air quality.

The amendment I rise to introduce today addresses several findings on cabin air quality. It incorporates the original House language plus two additional provisions.

The House language is as follows:

(a) In General.—The Administrator of the Federal Aviation Administration shall undertake the studies and analysis called for in the report of the National Research Council entitled ''The Airliner Cabin Environment and the Health of Passengers and Crew.''

(b) Required Activities.—In carrying out this section, the Administrator, at a minimum, shall—

(1) conduct surveillance to monitor ozone in the cabin on a representative number of flights and aircraft to determine compliance with existing Federal Aviation Regulations for ozone;

(2) collect pesticide exposure data to determine exposures of passengers and crew; and

(3) analyze samples of residue from aircraft ventilation ducts and filters after air quality incidents to identify the contaminants to which passengers and crew were exposed.

(c) Report.—Not later than 30 months after the date of enactment of this Act, the Administrator shall transmit to Congress a report on the findings of the Administrator under this section.

My amendment builds on the above language by adding the following two provisions:

Authorizes an FAA study to analyze cabin air pressure and altitude; and

Requires the FAA to establish an air quality incident reporting system.

Poor air quality in flight cabins poses a health risk for the flying public and crew members who spend most of their working hours onboard commercial aircraft. Passengers should feel confident that they are not endangering their health when they fly, and airline industry workers should not feel their health is threatened as they earn a living. I hope you will join me in supporting this legislation. And finally I want to thank Senator MCCAIN and Senator HOLLINGS for allowing me to introduce this amendment.

Mr. HOLLINGS. This has to do with air quality of new equipment that has been cleared.

I urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California.

The amendment (No. 917) was agreed to.

AMENDMENT NO. 918

Mr. HOLLINGS. On behalf of the distinguished Senator from West Virginia, Senator ROCKEFELLER, I send an amendment to the desk and ask the clerk to report. It has to do with the small carrier sharing and the war supplemental.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], for Mr. ROCKEFELLER, proposes an amendment numbered 918.

Mr. HOLLINGS. 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 require air carriers that received a refund of passenger security fees under title IV of the Emergency Wartime Supplemental Appropriations Act, 2003, to pass-through to their code-share partners that portion of the refund attributable to such fees collected and paid by those partners)

At the appropriate place, insert the following:

SEC. . PASS-THROUGH OF REFUNDED PASSENGER SECURITY FEES TO CODE-SHARE PARTNERS.

(a) IN GENERAL.—Within 30 days after the date of enactment of this Act, each United States flag air carrier that received a payment made under the second proviso of first appropriation in title IV of the Emergency Wartime Supplemental Appropriations Act, 2003 (Pub. L. 108–011; 117 Stat. 604) shall transfer to each air carrier with which it had a code-share arrangement during the period covered by the passenger security fees remitted under that proviso an amount equal to that portion of the remittance under the proviso that was attributable to passenger security fees paid or collected by that code-share air carrier and taken into account in determining the amount of the payment to the United States flag air carrier.

(b) DOT INSPECTOR GENERAL OVERSIGHT.—The Inspector General of the Department of Transportation shall review the compliance of United States flag air carriers with subsection (a), including determinations of amounts, determinations of eligibility of code-share air carriers, and transfers of funds to such air carriers under subsection (a).

(c) CERTIFICATION.—The chief executive officer of each United States flag air carrier to which subsection (a) applies shall certify to the Under Secretary of Homeland Security for Border and Transportation Security, under penalty of perjury, the air carrier's compliance with sub-section (a).

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 918) was agreed to.

AMENDMENT NO. 919

Mr. HOLLINGS. Mr. President, on behalf of the Senator from Hawaii, Senator INOUYE, and the Senator from Ohio, Senator VOINOVICH, I send an amendment to the desk and ask it be reported. It has to do with credit cards, when one of the carriers is in default and the other carrier has to pick up or honor the tickets. Since there is a peculiar situation, this is taking care of that situation. It has been cleared on both sides.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] for Mr. INOUYE and Mr. VOINOVICH, proposes an amendment numbered 919.

(Purpose: To clarify the criteria for air carriers to honor tickets for suspended service)

At the end of subtitle A of title III, insert the following:

SEC. 305. AIR CARRIERS REQUIRED TO HONOR TICKETS FOR SUSPENDED SERVICE.

(a) IN GENERAL.—Section 145(a) of the Aviation and Transportation Security Act of 2001 (49 U.S.C. 40101 note) is amended by adding at the end the following: ''The Secretary of Transportation shall give favorable consideration to waiving the terms and conditions established by this section, including those set forth in the guidance provided by the Department in notices, dated August 8, 2002, November 14, 2002, and January 23, 2003, in cases where remaining carriers operate additional flights to accommodate passengers whose service was suspended, interrupted, or discontinued under circumstances described in the preceding sentence over routes located in isolated areas that are unusually dependent on air transportation.''.

(b) EXTENSION.—Section 145(c) of such Act (49 U.S.C. 40101 note) is amended by striking ''more than'' and all that follows through ''after'' and inserting ''more than 36 months after''.

The PRESIDING OFFICER. If there is no further debate on the amendment, the question is on agreeing to the amendment.

The amendment (No. 919) was agreed to.

Mr. MCCAIN. Mr. President, Senator STEVENS is here to offer an amendment.

First, before that, I ask unanimous consent that following the disposition of the previously mentioned amendments, which we will mention in a minute, the bill be read for the third time, and further, the Senate then proceed to the consideration of H.R. 2115, the House companion bill; provided further that all after the enacting clause be stricken and the text of S. 824, as amended, be inserted in lieu thereof; further, that the bill then be read the third time and the Senate proceed to a vote on passage of the bill, with no intervening action or debate. Finally, I ask unanimous consent that following that vote the Senate then insist on its amendment, request a conference with the House, and that the Chair be authorized to appoint conferees on the part of the Senate with a ratio of 5 to 4. I ask unanimous consent that following the vote, S. 824 be placed back on the calendar.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. MCCAIN. It is my understanding the only amendments also remaining are an amendment by Senator STEVENS, an amendment by Senator SANTORUM, a Finance Committee amendment, and an amendment by Senator MURKOWSKI.

Mr. REID. And Senator HARKIN?

Mr. MCCAIN. An amendment by Senator HARKIN.

I ask unanimous consent that no amendments be considered other than those I just described.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, the subject matter of the amendments has been discussed on both sides so there are no surprises as to the subject matter of the amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alaska.

AMENDMENT NO. 920

(Purpose: To codify the requirement that United States air carriers be effectively controlled by United States citizens)

Mr. STEVENS. 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 Alaska [Mr. STEVENS] proposes an amendment numbered 920:

At the end of title V, insert the following:

SEC. 521. AIR CARRIER CITIZENSHIP.

Section 40102(a)(15)(C) of title 49, United States Code is amended by inserting ''which is under the actual control of citizens of the United States,'' before ''and in which''.

Mr. STEVENS. Mr. President, my amendment codifies the existing requirement that U.S. air carriers be effectively controlled by U.S. citizens. It will ensure reciprocity with countries in the European Union which codified a comparable requirement.

The United States has enforced an effective control standard for decades.

DOT's Inspector General recently identified seven factors that DOT has relied on to determine whether an airline is effectively controlled by foreign entities.

The I.G. identified ''significant contracts'' as one of the key factors in this process.

A DOT administrative law judge is currently considering whether this should be applied to a situation where 7 year guaranteed cost-plus contracts that provide virtually all of a carrier's business are significant contracts leading to foreign control.

Ironically, in this same proceeding one carrier has argued that the effective control test should not apply at all because it has not been codified.

My amendment will codify the existing standard. It leaves the interpretation of effective control up to DOT, but the department can draw from its decades of precedents to reach these conclusions. It is critical that DOT closely examine the effective control of this transaction.

If the present arrangement is allowed to stand, DOT will set a precedent which allows foreign governments to compete with U.S. companies for business which, by statute, is reserved to U.S. carriers.

Mr. MCCAIN. I would like to highlight some changes that Senator STEVENS made to this amendment in response to concerns expressed by the Department of Transportation.

Senator STEVENS changed the term ''effective control'' in his amendment to ''actual control'' to more accurately represent the test that DOT uses in these types of reviews.

In addition, Senator STEVENS removed the limitation of ''at all times'' regarding the actual control test it conform with current DOT practices.

DOT has represented to me that these changes accurately reflect the current state of law regarding citizenship and assures me that this amendment will not in any way affect their determination of what constitutes a citizen of the United States.

I would not have agreed to this amendment without these changes and an understanding that this is simply a reflection of current law. The terms that I have agreed to will not be altered in conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 920) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 907

The PRESIDING OFFICER. The Senator from Alaska.

Ms. MURKOWSKI. Mr. President, 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 Alaska [Ms. MURKOWSKI] proposes an amendment numbered 907.

Ms. MURKOWSKI. 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:

(Purpose: To require the FAA to complete a study and report regarding the feasibility of consolidating the Anchorage Terminal Radar Approach Control and the Anchorage Air Route Traffic Control Center)

At the end of title II, add the following:

SEC. 217. ANCHORAGE AIR TRAFFIC CONTROL.

(a) IN GENERAL.—Not later than September 30, 2004, the Administrator of the Federal Aviation Administration shall complete a study and transmit a report to the appropriate committees regarding the feasibility of consolidating the Anchorage Terminal Radar Approach Control and the Anchorage Air Route Traffic Control Center at the existing Anchorage Air Route Traffic Control Center facility.

(b) APPROPRIATE COMMITTEES.—In this section, the term ''appropriate committees'' means the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

Ms. MURKOWSKI. Mr. President, the amendment I have sent to the desk gives the Federal Aviation Administration a year to complete the study of the consolidation of the Anchorage Terminal Approach Control, TRACON, with the Anchorage Air Route Traffic Control Center at the center's existing facility.

The current physical location will be facing significant demands this decade. In order to expand TRACON's current control room, it needs to be housed in a larger facility. What we are asking is a year to give the FAA ample time to complete this study while the Ted Stevens International Airport is undergoing expansion.

I urge the adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 907) was agreed to.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, as far as I can see, we are waiting for Senator SANTORUM, who has a pending amendment, according to the unanimous consent agreement. Then there will be a Finance Committee amendment after the disposition of that amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the Santorum

amendment be withheld at this time. That will leave us with the Harkin amendment, to my understanding.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. HOLLINGS. 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. 921

Mr. HOLLINGS. Mr. President, on behalf of the distinguished Senator from Iowa, Mr. HARKIN, I send the amendment to the desk and ask it be reported.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], for Mr. HARKIN, for himself, Mr. INHOFE, and Mr. GRASSLEY, proposes an amendment numbered 921.

Mr. HOLLINGS. 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:

(Purpose: To impose a civil penalty for the closure of an airport without sufficient notice)

At the end of title II, insert the following:

SEC. 217. CIVIL PENALTY FOR CLOSURE OF AN AIRPORT WITHOUT PROVIDING SUFFICIENT NOTICE.

(a) IN GENERAL.—Chapter 463 is amended by adding at the end the following:

"SEC. 46319. CLOSURE OF AN AIRPORT WITHOUT PROVIDING SUFFICIENT NOTICE.

''(a) PROHIBITION.—A public agency (as defined in section 47102) may not close an airport listed in the national plan of integrated airport systems under section 47103 without providing written notice to the Administrator of the Federal Aviation Administration at least 30 days before the date of the closure.

''(b) PUBLICATION OF NOTICE.—The Administrator shall publish each notice received under subsection (a) in the Federal Register.

''(c) CIVIL PENALTY.—A public agency violating subsection (a) shall be liable for a civil penalty of $10,000 for each day that the airport remains closed without having given the notice required by this section.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 463 is amended by adding at the end the following:

''46319. Closure of an airport without providing sufficient note.''.

Mr. HOLLINGS. Mr. President, this has to do with the notice, the 60-day notice of the closing of an airport. It has been cleared on both sides. I think.

Mr. HARKIN. Mr. President, I offer an amendment with Senators INHOFE and GRASSLEY that simply requires that an airport on the National Plan of Integrated Airport Systems, (NPIAS), cannot be closed down without giving the FAA 30 days' notice.

That list includes over 3,000 airports including all commercial airports and many of the airports only used by general aviation, that is nonscheduled private aircraft so important to the efficient operation of businesses across our nation.

Chicago's Meigs Field was included in this integrated system of airports until it was dug up in the middle of the night with no notice on March 30, leaving a number of airplanes trapped at the unusable facility. The city government made a unilateral decision to shut down the airport by bulldozing the landing strips, runaway, and taxiways. That action by the city was dangerous and at least one aircraft carrying State employees had to be turned away from the airport since notification that the airport was now closed had not been provided in advance.

I do not dispute that it is within the purview of a local government or other operator evaluate the infrastructure needs of an area and move to close an airport. But, I do believe that they need to give reasonable notice of that intention. I would also note that almost every airport on the NPIAS system has received FAA funding for facilities and equipment.

This provision is not retroactive and would not affect the city of Chicago for the closure of Meigs Field.

I urge adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 921) was agreed to.

AMENDMENT NO. 922

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I propose an amendment on behalf of Mr. GRASSLEY and Mr. BAUCUS and others. I ask for its immediate consideration. I send the amendment to the desk.

The senior assistant bill clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for Mr. GRASSLEY, for himself and Mr. BAUCUS, proposes an amendment numbered 922.

Mr. REID. 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:

(Purpose: To extend the Airport and Airway Trust Fund expenditure authority)

On page 209, after line 13, add the following:

TITLE VII—EXTENSION OF AIRPORT AND AIRWAY TRUST FUND EXPENDITURE AUTHORITY

SEC. 701. EXTENSION OF EXPENDITURE AUTHORITY.

(a) IN GENERAL.—Paragraph (1) of section 9502(d) of the Internal Revenue Code of 1986 (relating to expenditures from Airport and Airway Trust Fund) is amended—

(1) by striking ''October 1, 2003'' and inserting ''October 1, 2006'', and

(2) by inserting before the semicolon at the end of subparagraph (A) the following: ''or the Aviation Investment and Revitalization Vision Act''.

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 9502(f) of the Internal Revenue Code of 1986 is amended by striking ''October 1, 2003'' and inserting ''October 1, 2006''.

Mr. MCCAIN. This is an amendment on behalf of the Finance Committee to make sure all authorizations here are in line with the jurisdiction and proper authorization responsibilities of the Finance Committee. I urge its adoption.

Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 922) was agreed to.

REAGAN NATIONAL AIRPORT

Mr. ALLEN. Mr. President, I rise today to speak to an issue of great importance to the people of the Commonwealth of Virginia, the operations at two airports important to all Senators, and to the issue of local control.

I support the managers' amendment and the legislation before the Senate today. This is an important bill. I was very concerned when this bill passed the Senate Commerce Committee with an amendment that increased the number of flights at Reagan National Airport by 12. Those flights were designated to fly beyond the so-called ''perimeter''—a rule that restricts the length of flights at Reagan National to a maximum 1,250 miles.

Through the managers' amendment today, the language increasing flights at Reagan National has been dropped. I appreciate the chairman of the Commerce Committee's willingness to work with me to see that this provision was not included in the final bill on the Senate floor.

I have several very serious concerns about congress increasing the number of flights beyond the perimeter at National Airport, all of which were detailed in a letter I submitted to the majority leader on May 9, 2003.

There is a critical principle at stake here that cannot be overlooked by the Senate. The right of the people of Virginia to decide what is best for their communities without unwarranted Federal intrusion is at stake here. The responsibility for operating the airports at Reagan National and Dulles is up to the local and regional airport authority, not Congress. Yet each time this body considers FAA reauthorization, we must revisit attempts at Federal intrusion on an issue of local control. There is an extremely delicate balance between how Reagan National is designed to operate in conjunction with the international hub at Dulles Airport. Congressional intervention, even in the form of a few more flights, disrupts that balance and creates a slippery slope that undermines this region's ability to determine for itself what is in our own best interests.

I believe that a permanent solution to this continual Federal intrusion into local affairs needs to be found. The Senate and House of Representatives should strengthen the mandate we have already given to the local airport

authority to make decisions on whether to increase flights at Reagan National or not, especially with respect to flying beyond the perimeter.

Mr. HOLLINGS. Will the Senator yield?

Mr. ALLEN. I would be glad to yield to the Senator from South Carolina.

Mr. HOLLINGS. I thank the Senator. As you know, I voted against this amendment when it came before the Senate Commerce Committee. I agree with the Senator from Virginia that we should not change the slot rules at National whatsoever. It is foolhardy and is bad aviation policy. We should not change the rules just because of politics. They have served the local community well, enabling the expansion of Dulles while protecting those that live near the airport. Short hauls leave from National, and long hauls from Dulles. We may not like to drive all the way out to Dulles, but we built, with Federal airport grant moneys, that highway dedicated to access to Dulles. We used the law to plan for growth. We should not change it now at the behest of some. I yield back to the Senator from Virginia.

Mr. ALLEN. I thank the Senator from South Carolina.

Mr. ROCKEFELLER. Will the Senator yield time?

Mr. ALLEN. I yield time to the Senator from West Virginia.

Mr. ROCKEFELLER. I thank the Senator. Mr. President, I also rise in support of the managers' amendment, and particularly for dropping the provision on adding long-haul flights at National Airport. The current aviation system, as it has evolved, is an intricately connected web of hubs, spokes, and direct flights. Some airlines thrive on the hub and spoke network, and some derive the ability to operate by flying directly between communities. However, I want to make clear a point on why it is so important that we maintain this balance between National Airport and Dulles Airport that was maintained by Congress in 1987, when we leased the facilities to the Metropolitan Washington Airports Authority. The slot rules have been in place since 1968 and should not be changed now.

When the Interstate Highway System was developed in the 1950s, many communities located in the path of the new interstates suddenly prospered by being directly connected to the rest of the Nation. Communities that were once sound economic entities, but were left miles from any access to the interstate system suffered, shuttered their doors and many times just barely survived. The same is true in the aviation system. Not every community in this country can maintain an airport. Not every community can enjoy the economic benefits of a hub. But hub economics dictate that feed from small- and medium-sized communities is necessary for them to survive.

National Airport is an important asset for those, like my constituents in West Virginia, who are trying to reach the capital region. Obviously, however, it can never become an international hub. The airport has only one runway and no ability to expand. National Airport serves a good and valuable purpose. My greatest concern is that by changing National Airport, Congress will hurt this area's ability to serve small- and medium-sized communities on the east coast, including my home State, West Virginia. The slot rule and perimeter rule were put in place at National Airport to maintain its important function while at the same time allowing the DC area to create a major international hub serving both Europe and South America. I would look forward to working with the chairman of the Senate Commerce Committee, the ranking member Senator HOLLINGS and Senators ALLEN and WARNER to find a permanent solution to this issue. I yield back to the Senator from Virginia.

Mr. ALLEN. I thank the Senator from West Virginia and appreciate his support.

Mr. WARNER. Will the Senator yield?

Mr. ALLEN. I yield to the senior Senator from Virginia.

Mr. WARNER. I thank the Senator. Let me just say that I associate myself with the remarks of Senator ALLEN. Three years ago, during debate over this same bill, I stood on the floor of the Senate and fought this battle. I hope that we are not doing this again a few years down the road. I understand that despite the best efforts of counterparts in the House, Congressmen WOLF, DAVIS, MORAN and Delegate NORTON, the House of Representatives has unfortunately approved an FAA reauthorization bill that would increase flights at Reagan National by 12 slots beyond the perimeter and 8 slots within the perimeter. I thank my colleague from Virginia and join him in agreeing to work with the Commerce Committee chairman and ranking member to see that this issue is resolved once and for all at Reagan National Airport. I yield back to my friend from Virginia.

Mr. ALLEN. I appreciate the Senator's comments. In sum, let me just say that this issue is very important to the people of the Commonwealth of Virginia. We have a long and proud tradition of protecting our interests and our ability to govern our own actions. I fought those battles every step of the way in my public life—from my service in the Virginia House of Delegates until now. It is my responsibility as an elected official of the Commonwealth of Virginia to adhere to principles, fight for the will of Virginia, and protect the sovereignty of our people and their rights. I yield back the remainder of my time.

Ms. CANTWELL. Mr. President, I rise this afternoon to strongly support the Aviation Investment and Revitalization Vision Act.

I want to first applaud the tremendous leadership on this bill from my chairman on the Commerce Committee, Senator MCCAIN, and Senator HOLLINGS, the ranking member.

This legislation reaffirms our Government's critical commitment to a safe, efficient, and state-of-the-art airline system for the 21st century—a commitment that is crucially important to my home State.

The Seattle-Tacoma International Airport is the principal airport for the Northwest region, making it the Nation's 16th largest passenger airport, with over 26.5 million passengers annually on almost 40 different airlines going in and out of the Seattle-Tacoma airport.

Washington State is also the home to the ninth largest airline in the country, Alaska Airlines, which employs over 10,000 people and is one of the few airlines in the country actually posting growth rates over the last few years. In addition, Alaska is nationally recognized for its leadership to incorporate technology into its business model.

As the proud home of Boeing's commercial aviation division, Washington State leads the Nation in large civil aircraft manufacturing.

With Boeing and hundreds of smaller businesses in aerospace and aviation, we have over 75,000 workers designing and manufacturing the present and future of U.S. aircraft industry.

Obviously, a solid, well functioning, state-of-the-art national air traffic system and a strong domestic aircraft manufacturing capability are critical to my State and our Nation.

I am proud to say that this bipartisan legislation takes tremendous steps towards this goal in several ways.

First, this bill increases funding for airport infrastructure investments that will help our Nation's airports make the improvements, upgrades and expansions necessary to meet our Nation's airline demands in the 21st century.

The bill also increases the funding that will be used to upgrade the FAA air traffic control system, to ensure that our traffic controllers are given the resources they need to continue getting planes where they need to go—in the safest and most efficient manner.

In addition, this bill addresses a critical resource need facing our Nation's airports since 9/11 increased security updates. The legislation not only provides $500 million in funding for security enhancements, but it ensures that this funding is not taken from the airport trust fund money that is already committed to make important structural upgrades and airport improvements.

Last, in what I think is one of the most important contributions of this bill, the legislation includes a dramatic expansion in our Nation's commitment to aviation research and safety.

Mr. President, a renewed commitment to research and development in the aerospace industry is absolutely necessary—and we need it now.

The Final Report of the Commission on the Future of the United States Aerospace Industry argued that current Federal aerospace R&D is ''insufficient and unfocused'' and recommended in the Federal Government significantly increase its investment in aerospace research to foster an efficient, secure, and safe aerospace transportation system.

We must clearly recognize that if we are not willing to make the commitments to retain leadership in this realm, our allies on the other side of the Atlantic certainly are willing to take our place—in fact, this effort has become European policy.

Indeed, the European Commission has declared in its ''STAR–21'' report that it is willing to explore ''all available means'' to ensure the competitiveness of the European aerospace sector—including Airbus.

This support to the European aerospace sector comes in the form of substantial research and development, but also in direct product development grants, concessionary financing, and other direct subsidies.

While we have chosen, as a matter of Government policy, not to pursue such direct subsidies or provide assistance for product development, we have been able to help the research and development effort through a variety of research programs that both of your agencies have pursued.

It is time for the United States to reinforce our Nation's place as a leader in the aerospace sector—an industry is an absolutely crucial component of our domestic industrial base.

For this reason, I am very proud that this bill includes provisions originally introduced by Senator HOLLINGS, that would establish an Office of Aerospace and Aviation Liaison in the Department of Transportation that will draw upon staff from FAA, NASA, DHS, DOD, DOC, and other appropriate agencies to coordinate Federal research programs, as well as establish goals and priorities for research.

Such an office will be well equipped to meet the challenge of the Aerospace Commission and bring direction and coordination to our Federal support for long-term research and innovation.

In addition, this bill authorizes almost $3 billion over the next 3 years for FAA and NASA research priorities. This is a dramatic expansion of the research agenda, almost five times more than previously authorized funding—previous authorization was approximately $600 million over 3 years.

As part of these research provisions, I am particularly proud to have worked with the committee to include funding and authority for future work on the durability and maintainability of advanced materials, such as composites.

These next generation materials have been called the aluminum of the future. Indeed, given their strength, durability, lightweight and unique properties, composites are currently used in most major defense aircraft.

Composites not only make for stronger, safer materials but also lighter and more efficient aircraft.

Already, the Boeing Company has increased its use of composites in the production of the 777 and Airbus is also using composites in its planes. Additionally, Boeing has plans for even greater use in the production of the next generation of commercial airplanes.

In addition to authorizing funds for general research in advanced materials, this legislation would direct the FAA Administrator to establish a ''Center for Excellence'' that would harness the great engineering research in materials science at path-breaking institutions like the University of Washington, which has taken great strides in pursuing work on how to advance the maintainability and durability of advanced materials and composites in large civilian aircraft.

While we know that these materials hold tremendous potential, we need to be absolutely sure that they are safe and that we have the technologies and processes necessary to maintain the materials and ensure their durability.

Such a center, which I have drafted in partnership with the University of Washington's Department of Engineering, would address these issues by facilitating close, working collaboration among industry, the FAA's Transportation Division, and academic institutions, to ensure that research matches the practical manufacturing needs.

This center will advance efforts to capitalize on the potential of this field.

In closing, Mr. President, as a government, we need to step up to the plate to ensure that our aerospace industry remains competitive and capable of leading the world toward the future for aerospace.

This bill takes an important step in affirming our Nation's leadership in the areas of safety, research, infrastructure, and security, and I am proud to support it.

Mrs. BOXER. Mr. President, I rise today in support of the FAA Authorization Act. However, I must express my serious concerns that two sections in the bill on streamlining, sections 47701 and 47703, may be interpreted in a manner that the committee never intended. The purpose of these sections is to cure delays that have occurred because of interagency wrangling and bureaucratic disputes. These sections call for the relevant agencies to undertake concurrent planning and environmental reviews for critical airport projects in order to ensure that the projects move forward expeditiously. They are not designed to circumvent NEPA and should be so used.

Ms. SNOWE. Mr. President, I rise today in support of the Senate's Federal Aviation Administration, FAA, reauthorization bill, S. 824, the Aviation Investment and Revitalization Vision Act. Further, I share Senate Commerce Committee Chairman MCCAIN's and Ranking Member HOLLINGS' goal of enacting this legislation before the end of this fiscal year. If airports are going to plan for the future, Congress must avoid being forced into passing a series of stopgap measures that make such planning difficult.

This legislation addresses the most critical component of FAA reauthorization—how to finance the operation and development of the nearly 3,500 airports eligible for Federal assistance. S. 824 authorizes a total of $10.5 billion over 3 years for the Airport Improvement Program, AIP, a critical program that funds airport safety and capacity projects, among other programs. Additionally, this bill authorizes $23.2 billion for FAA operations through fiscal year 2006.

At the same time we address the overall aviation funding challenges, I am pleased that this bill takes on the individual issues that go to the heart of securing commercial aviation against another terrorist attack. Installing Explosives Detection System, EDS, machines into airports is a necessity that we must grapple with and is part of a broader debate on the appropriate level of AIP funding that should go towards security-related projects. During fiscal year 2002, airports used over $561 million, or 17 percent of all of AIP funds, for security projects—this compared with an annual average of less than 2 percent through fiscal year 2001. As such, it is encouraging that S. 824 creates an annual $500 million Aviation Security Capital Fund to help airports cope with post-9/11 security requirements like EDS installation. Funding for this capital fund would come out of the security fees currently levied by the Transportation Security Administration, TSA, and not AIP grant funding.

S. 824 would also extend the Government's authority to issue war-risk insurance through fiscal year 2006, which would save the airlines more than $800 million annually. The recently enacted fiscal year 2003 Iraq supplemental bill authorized a 1-year extension of the program—through the end of fiscal year 2004—but by extending it through 2006, we can provide a small measure of financial stability to the airlines and not have to keep coming back every 6 months to revisit the issue.

To try to improve FAA management, S. 824 establishes a committee of outside experts to oversee the operation and modernization of the air traffic control system—which has tripled in cost to an estimated $7.6 billion since 1996. This bill also contains provisions designed to expedite the process for construction of airport capacity and safety projects, by allowing DOT to designate certain airport expansion proposals as National Capacity Projects, which would receive dedicated resources and expedited procedures for environmental reviews. This provision is intended to address the fact that, as the General Accounting Office, GAO, has reported, it takes anywhere between 10 and 14 years for new

runways to be built—and this has an adverse effect on efforts to increase the aviation system's capacity.

As we consider this bill, I want to turn to the issue of small community air service. As we work to address the larger aviation issues, we cannot forget the challenges that small communities in Maine, and throughout the Nation, face in attracting and retaining air service. I have always believed that adequate, reliable air service in our Nation's rural areas is not simply a luxury or a convenience. It is an imperative. And quite frankly, I have serious concerns about the impact deregulation of the airline industry has had on small- and medium-sized cities in rural areas, like Maine. The fact is, since deregulation, many of these communities, in Maine and elsewhere, have experienced a decrease in flights and size of aircraft while seeing an increase in fares. More than 300 have lost air service altogether.

Many air carriers are experiencing an unprecedented financial crisis, and the first routes on the chopping block will be those to small- and medium-sized communities. This will only increase demand for the two existing Federal forms of assistance, Essential Air Service and the Small Community Air Service Grant Program.

Given the challenge faced by small communities in retaining their existing air service, I was pleased that, during our May 1 markup, the Commerce Committee unanimously accepted two amendments I authored to address this issue. The first amendment would create a new Small Community Air Service Ombudsman within DOT. The ombudsman's mission would be to work with carriers and communities to develop air service. This provision is intended to give small communities a seat at the table as DOT crafts national air transportation policy.

The second amendment approved by the committee creates a National Commission on Small Community Air Service. The 9-member commission would report back to Congress after 2 years to describe the problems faced by small communities with regard to access to commercial air service and suggest legislative solutions. I believe that, given the complexity of the issue, having all of the stakeholders sit down and consider what can and can't be done will be extremely helpful as Congress exercises its aviation oversight authority.

I also wanted to address the Essential Air Service, EAS, provisions in the bill. EAS provides subsidized air service to 125 small communities in the country—including 4 in Maine—that would otherwise be cut off from the Nation's air transportation network. As approved by the committee, S. 824 reauthorized and flat-funds the program for 3 years, and includes certain changes to the program, which are drastically scaled back from what the administration proposed earlier this year for EAS ''reform.'' The administration had called for EAS towns to provide up to 25 percent matching contributions to keep their air service. The committee bill creates a number of new programs to help EAS communities grow their ridership, including a marketing incentive program that would financially reward EAS towns for achieving ridership goals. With regard to local cost-sharing—the centerpiece of the administration's EAS proposal—the Commerce bill would create a pilot program to allow for a 10 percent annual community match at no more than 10 airports within 100 miles of a large airport.

While the cost-sharing provisions in the committee bill are much less strict than the administration proposal, and could only be applied to an EAS community under certain specific conditions, I remain concerned about the concept of requiring EAS towns—some of which are cash strapped and economically depressed—from kicking in hundreds of thousands of dollars annually to keep their air service. For example, if Augusta or Rockland, ME, were to be chosen for the cost-sharing pilot program, they would have to come up with over $120,000 annually to retain their air service.

As such, I strongly supported Senator BINGAMAN's amendments to strike the cost-sharing section from the bill and am pleased that it has been approved. The EAS program is not perfect, and Congress certainly need to do all we can to keep subsidy levels as low as possible. I look forward to working with members of the Commerce Committee and the Senate on the issue, but I believe that requiring cost sharing in today's aviation environment is clearly a wrong headed approach.

In short, when considering this legislation, I believe that we need do all we can to help small communities maintain their access to the national transportation system during these difficult times.

Mr. President, in conclusion, I am hopeful that my colleagues will join me in taking this step toward strengthening and improving Federal aviation policy today. S. 824 enhances the Federal investment in our Nation's aviation system, and the funding in the bill is critical to the development of America's airports, big and small. Furthermore, quick passage of this 3-year legislation is key to allow airports to plan for the future. As such, I am pleased to support it.

Mr. ROCKEFELLER. Mr. President, I am pleased to join my friend and colleague, the Senator from Arizona, to bring before you S. 824, the Aviation Investment and Revitalization Vision Act, which reauthorizes the Federal Aviation Administration (FAA) and its programs for the next 3 years.

The reauthorization of the FAA is a vitally important piece of legislation that the Senate must pass this year. It is the first real economic stimulus bill that the Senate has considered this year.

I cannot emphasize the importance of a vibrant and strong aviation industry. It is critical to our Nation's long-term economic growth. It is also vitally important to the economic future of countless small and local communities that are linked to the rest of the nation and world through aviation.

The significance of aviation to our economy cannot be overstated. Over 10 million people are employed directly in the aviation industry. For every job in the aviation industry, 15 related jobs are produced. The aviation industry accounts for over $800 billion of our gross domestic product.

The growth of the modern aviation system has created vast economic efficiencies such as just in time delivery, allowed the air cargo industry to grow exponentially, and has opened up the world to millions of Americans.

Just as the aviation industry is a catalyst of growth for the national economy, airports are a catalyst of growth for their local communities. Airports create over $500 billion in economic activity and directly employ 1.9 million people. Almost 2 million people and 38,000 tons of cargo pass through our nation's airports each day. In my State of West Virginia, aviation represents $3.4 billion of the State's gross domestic product and directly and indirectly employs over 51,000 people.

Aviation also links our Nation's small and rural citizens and communities to the national and world marketplace. My home State of West Virginia has been able to attract firms from Asia and Europe because of reliable access to their West Virginia investments.

Without access to an integrated air transportation network, small communities can not attract the investment necessary to grow or allow home grown businesses to expand. A modern and adequately funded network is fundamental to making sure that all Americans can participate in the economy.

No question exists that since the tragedy of September 11, aviation in this country has been permanently changed.

When the Senate debated the last FAA reauthorization bill, capacity and competition issues were at the forefront of that debate. We have seen a decrease in the demand for air travel, hundreds of thousand of aerospace and aviation employees have lost their jobs and the economic pain has rippled through the economy. We will not have an economic recovery in this country until we have a recovery in the aviation industry.

Even though these issues seem less important today, they will again become serious challenges for the industry. In the drive to expand our aviation infrastructure to meet future needs, the resources for aviation security will also have to increase. More passenger and cargo will add strains to aviation security.

Now is the time to make the investments in air traffic modernization and airport development and research. Aviation security must be ready to

handle the future growth that will occur. We must also continue to develop new aviation security processes and technologies to meet future challenges.

The legislation before us builds upon our commitment to improving the aviation infrastructure of the nation that started with the landmark Aviation Investment and Reform Act for the 21st Century. I believe that this legislation meets the challenges facing the FAA and the aviation industry in the years ahead.

This bill focuses on improving our nation's aviation safety and security, airport and air service development, and aeronautical research. While my distinguished colleague has provided an excellent overview of the bill, I would like to highlight some areas of the bill that I believe are particularly important.

In this bill, we have created a stable stream of funding for security upgrades at our Nation's airports. Not only will these funds allow airports to improve security they will allow airports to improve the efficiency of these security measures.

In addition, the legislation provides for increases in funding for airport safety and capacity projects, which are a true economic stimulus.

I am very proud that the bill expands upon our commitment to making sure small and rural communities have access to air transportation services.

Finally, we have authorized a significant increase in aeronautical and aviation research in order to preserve America's leadership in these industries.

No higher goal exists than the safety and security of the Nation's airports and airspace. Over the past 18 months, we have worked every day to improve security in our airports and on our airplanes. However, until this bill, we have fallen short on providing funding to make sure our Nation's airports have the resources available to make the required improvements.

Airports estimate that they have $3 billion in unmet security infrastructure needs. The administration's Homeland Security proposal did not include any provisions to address this huge need. Airports have been forced to tap their expansion and development funds to pay for security. It makes no sense to raid funds for safety improvements for security improvements. The security of our Nation is a Federal responsibility and the Federal Government must pay for it.

One of the most important provisions in this bill is the creation of a $500 million fund, financed by security fees established by the Aviation and Transportation Security Act to assist airports with capital security costs. This new fund will also stop the diversion of airport development funds meant for safety and capacity enhancements. We will be able to pay for new security requirements while simultaneously improving safety and expanding capacity.

Even in these difficult budgetary times, we were able to modestly increase the Airport Improvement Program funding, which will provide the economy a real stimulus through direct and indirect job creation. Airport development is economic development as airports are economic development for their local communities. It is estimated that U.S. Airports are responsible for nearly $507 billion each year in total economic activity nationwide. Investment in airport infrastructure is a real economic stimulus that creates both immediate jobs and long-term economic development.

In order to facilitate airport development, I am pleased that this bill includes much of the text of the legislation that Senator HUTCHISON and I worked on last Congress to streamline and expedite the airport development process. This country needs to expand its airport infrastructure. Without a substantial increase in this area, aviation delays would increase resulting in billions of dollars of costs to the economy.

Today, we also meet the challenge of making sure our small and rural communities have access to the nation's air transportation network. I am very concerned that air carriers have abandoned small and rural markets disproportionately when reducing their service levels. We cannot let these communities go without adequate and affordable air service—their future depends upon it.

I am enormously pleased that the bill extends and expands the Small Community Air Service Development Program, which I fought for in AIR 21. One hundred forty communities applied for 40 available grants under this initiative. This program has assisted these 40 communities, including Charleston, WV, in attracting new air service. This program has proven an innovative and flexible tool for communities to address air service needs. Under our legislation, another 120 communities will be able to participate.

Many of our most isolated and vulnerable communities whose only service is through the Essential Air Service Program have indicated that they would like to develop innovative and flexible programs similar to those communities who received Small Community Air Service Development grants to improve the quality of their air service.

It is for this reason that I, along with Senator LOTT, developed the Small Community and Rural Air Service Revitalization Act of 2003, which has been included in this legislation. The legislation reauthorizes the Essential Air Service (EAS) program and creates a series of new innovative pilot programs for EAS communities to participate in to stimulate passenger demand for air service in their communities.

Under the bill, communities are given the option on continuing their EAS as is or they may apply to participate in new incentive programs to help them develop new and innovative solutions to increasing local demand for air service. The EAS Marketing and Community Flexibility Programs would provide communities new resources and tools to implement locally developed plans to improve their air service. By providing communities the ability to design their own service proposals, a community has the ability to develop a plan that meets its locally determined needs, improves air service choices, and gives the community a greater stake in the EAS program.

Small and rural communities are the first to bear the brunt of bad economic times and the last to see the benefits of good times. The general economic downturn and the dire straits of the aviation industry have placed exceptional burdens on air service to our most isolated communities. The Federal Government must provide additional resources and tools for small communities to help themselves attract adequate air service. The Federal Government must make sure that our most vulnerable towns and cities are linked to the rest of the nation. This legislation authorizes the tools and resources necessary to attract air service, related economic development, and most importantly expand their connections to the national and global economy.

This bill meets the challenges facing our aviation system—increasing security, expanding airport safety and capacity, and making sure our smallest communities have access to the network. We can all be proud of this bill.

Finally, I would like to again thank Senator MCCAIN, Senator LOTT, and Senator HOLLINGS for all their hard work and commitment to developing and securing passage of this legislation.

Mr. MCCAIN. Mr. President, I understand we are waiting for the possibility of one other amendment. Other than that, we will be prepared, at the discretion of the leaders, to vote on the second-degree amendment to the Specter amendment, and then we would be prepared to go to final passage.

In anticipation of that, I would like to thank all who have been involved with this legislation, and specifically my dear friend from South Carolina. He and I have worked side by side for many years on many issues that have come before the Commerce Committee. I thank him for his usual extreme courtesy, consideration, and efficiency.

I thank the staff on both sides for their excellent work.

Also, I thank Senators LOTT and ROCKEFELLER who really did the hard labor in bringing this legislation to the floor of the Senate. Senator ROCKEFELLER and Senator LOTT worked assiduously during numerous hearings with a full appreciation and understanding of the impact this legislation has on the United States of America. I thank all of them.

Again, I thank our loyal staff for all the great work they have done.

I look forward to swift passage of this legislation.

I yield the floor.

Mr. HOLLINGS. Mr. President, let me also thank the distinguished chairman of our committee who has led the fight on the floor today. He did a most efficient job.

With respect to, of course, Senator LOTT and Senator ROCKEFELLER of the Subcommittee on Aviation of the Commerce Committee, they are the ones who did the lion's share of the work with the hearings and preparing us so that we could handle this with expedition today.

I thank staff on both sides.

Let me add this for my good friend, the Senator from Mississippi. I happen to favor the Specter amendment for the simple reason that I cannot understand the Federal Aviation Administration requiring rules of safety for repair facilities in the United States but not requiring those same rules of safety for repair facilities by the U.S. contractors for U.S. aircraft. I just can't get that separation in my mind. I have listened closely. I hate to not come down on the side of the Senator from Mississippi because he has been our chairman and has led the way all day here.

I say that publicly because, on the Democratic side of the aisle, there could be those who would favor language and the admonition of the Senator from Mississippi in the perfecting amendment.

Senator BOXER has spoken in behalf of Senator SPECTER's amendment. I happen to favor it. Usually we note at the desk the disposition on this side. I don't want to mislead.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, I ask unanimous consent, with the agreement of both sides, that Senator STEVENS be recognized to offer one final amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alaska.

AMENDMENT NO. 923

Mr. STEVENS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 923.

Mr. STEVENS. Mr. 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:

(Purpose: To amend section 41703 of title 49, United States Code, to support the United States presence in the global air cargo industry)

At the end of title V, add the following new section:

SEC. 521. UNITED STATES PRESENCE IN GLOBAL AIR CARGO INDUSTRY.

Section 41703 is amended by adding at the end the following new subsection:

''(e) CARGO IN ALASKA.—

''(1) IN GENERAL.—For the purposes of subsection (c), eligible cargo taken on or off any aircraft at a place in Alaska in the course of transportation of that cargo by any combination of 2 or more air carriers or foreign air carriers in either direction between a place in the United States and a place outside the United States shall not be deemed to have broken its international journey in, be taken on in, or be destined for Alaska.

''(2) ELIGIBLE CARGO.—For purposes of paragraph (1), the term 'eligible cargo' means cargo transported between Alaska and any other place in the United States on a foreign air carrier (having been transported from, or thereafter being transported to, a place outside the United States on a different air carrier or foreign air carrier) that is carried—

''(A) under the code of a U.S. air carrier providing air transportation to Alaska;

''(B) on an air carrier way bill of U.S. air carrier providing air transportation to Alaska; or

''(C) under a term arrangement or block space agreement with an air carrier.''.

(D) under the code of a U.S. air carrier for purposes of transportation within the U.S.

Mr. STEVENS. Mr. President, this amendment deals with protecting existing jobs and creating new jobs on the ground in Alaska in connection with the airport I am honored to have named after me.

Mr. President, as I say, this amendment is about jobs—protecting existing jobs and creating new jobs on the ground in Alaska.

Anchorage is the top-ranked cargo airport in North America: 600 wide body cargo carriers per week; 19 airlines providing all-cargo main deck freighter service through Anchorage; 9 hours by air from 95 percent of the industrialized world; 3000 miles from Tokyo; 3000 miles from New York city; 4000 miles from London; 4000 miles from Frankfurt; 4400 miles from Hong Kong.

Foreign airlines provide much of this international cargo lift to and from the U.S. through Anchorage. Federal law allows these planes to land in Alaska, creating an enormous number of jobs on the ground.

But Federal law, as currently interpreted, does not allow U.S. carriers to use excess capacity on their foreign partners to move international cargo from Anchorage to the lower 48. The foreign carrier must make the full trip by itself. It is prohibited from transferring cargo to or from a U.S. carrier flying the international leg of the journey.

Anchorage is under attack from foreign cargo hubs seeking to exploit this weakness. Cities such as Tashkent, Kharbarovsk, and Anadyr in Asia and Calgary and Vancouver in Canada are aggressively pursuing the cargo carriers that Anchorage now serves.

We are losing U.S. jobs to foreign countries because of it.

This amendment will reverse that decline.

American carriers, both cargo carriers and passenger carriers, which accept cargo will make use of this amendment in various ways: relocation of sort and transfer operations from Asia back to the United States; enhanced service to U.S., Asian, and European cities; increased opportunities for integrated logistics products sold by U.S. companies; more opportunities to strengthen U.S. carriers through international partnering.

This requires a narrow modification of title 49.

My amendment does not create more flights by foreign carriers. It does not reduce the number of flights flown by U.S. carriers. All cargo moving under this authority must be shipped on a U.S. codeshare or similar arrangement, such as a U.S. waybill.

It preserves and creates American jobs in the increasingly important global air cargo sector.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to amendment No. 923.

The amendment (No. 923) was agreed to.

Mr. REID. I move to reconsider the vote.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MCCAIN. Mr. President, I ask unanimous consent that with regard to the amendment that was proposed on behalf of Senators INOUYE and VOINOVICH, that Senator VOINOVICH's name be deleted from that amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the vote on the Lott second-degree amendment take place at 5:45, immediately followed by either a voice vote or recorded vote on the underlying Specter amendment, followed by final passage.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

VOTE ON AMENDMENT NO. 914

Mr. REID. Mr. President, have the yeas and nays been ordered on the Lott amendment?

The PRESIDING OFFICER. They have.

Mr. REID. I thank the Chair.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Mississippi.

The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from West Virginia (Mr. BYRD), the Senator from North Carolina (Mr. EDWARDS), the Senator from Florida (Mr. GRAHAM), the Senator from Vermont (Mr. JEFFORDS), the Senator from Massachusetts (Mr. KERRY) and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from Massachusetts (Mr. KERRY) would vote ''nay''.

The PRESIDING OFFICE (Mr. CHAMBLISS). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 42, nays 52, as follows:

[Rollcall Vote No. 224 Leg.]

YEAS—42

Alexander	DeWine	McCain
Allard	Ensign	McConnell
Allen	Enzi	Miller
Bennett	Fitzgerald	Murkowski
Bond	Frist	Nickles
Brownback	Graham (SC)	Roberts
Bunning	Grassley	Shelby
Burns	Gregg	Smith
Chafee	Hagel	Stevens
Chambliss	Hatch	Sununu
Cochran	Inhofe	Talent
Cornyn	Kyl	Thomas
Craig	Lott	Voinovich
Crapo	Lugar	Warner

NAYS—52

Akaka	Dole	Mikulski
Baucus	Domenici	Murray
Bayh	Dorgan	Nelson (FL)
Biden	Durbin	Nelson (NE)
Bingaman	Feingold	Pryor
Boxer	Feinstein	Reed
Breaux	Harkin	Reid
Campbell	Hollings	Rockefeller
Cantwell	Hutchison	Santorum
Carper	Inouye	Sarbanes
Clinton	Johnson	Schumer
Coleman	Kennedy	Sessions
Collins	Kohl	Snowe
Conrad	Landrieu	Specter
Corzine	Lautenberg	Stabenow
Daschle	Leahy	Wyden
Dayton	Levin	
Dodd	Lincoln	

NOT VOTING—6

Byrd	Graham (FL)	Kerry
Edwards	Jeffords	Lieberman

The Amendment (No. 914) was rejected.

Mr. MCCAIN. Mr. President, I ask unanimous consent to vitiate the yeas and nays on the Specter amendment.

The PRESIDING OFFICER (Mr. CHAMBLISS). Without objection, it is so ordered.

The question is on agreeing to the amendment numbered 905.

The amendment (No. 905) was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee substitute, as amended.

The committee substitute, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. Under the previous order, the clerk will report the House companion bill.

The bill clerk read as follows:

A bill (H.R. 2115) to amend Title 49, United States Code, to reauthorize programs for the Federal Aviation Administration, and for other purposes.

The PRESIDING OFFICER. Under the previous order, the text of the Senate measure is inserted in lieu of the House language and the bill is read the third time.

The PRESIDING OFFICER. The majority leader.

Mr. FRIST. Mr. President, the next vote, final passage of the FAA reauthorization, will be the last vote of the evening. We will have a vote tomorrow morning at 10 a.m.

After that 10 a.m. we will not have further votes until Tuesday. No votes on Monday. We will be going to Medicare prescription drugs on Monday. We will come in early afternoon on Monday for opening statements. We will have no votes on Monday. I believe that is pretty much it for the schedule.

Later tonight, after talking to the Democratic leader, if there is any change in the schedule, we will let people know. The next vote is the last of the evening and we will vote at 10 a.m. tomorrow morning.

Mr. HOLLINGS. I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The bill having been read the third time, the question is, Shall the bill pass?

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from West Virginia (Mr. BYRD), the Senator from North Carolina (Mr. EDWARDS), the Senator from Florida (Mr. GRAHAM), the Senator from Vermont (Mr. JEFFORDS), the Senator from Massachusetts (Mr. KERRY), and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from Massachusetts (Mr. KERRY) would vote ''yea''.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 94, nays 0, as follows:

[Rollcall Vote No. 225 Leg.]

YEAS—94

Akaka	Coleman	Grassley
Alexander	Collins	Gregg
Allard	Conrad	Hagel
Allen	Cornyn	Harkin
Baucus	Corzine	Hatch
Bayh	Craig	Hollings
Bennett	Crapo	Hutchison
Biden	Daschle	Inhofe
Bingaman	Dayton	Inouye
Bond	DeWine	Johnson
Boxer	Dodd	Kennedy
Breaux	Dole	Kohl
Brownback	Domenici	Kyl
Bunning	Dorgan	Landrieu
Burns	Durbin	Lautenberg
Campbell	Ensign	Leahy
Cantwell	Enzi	Levin
Carper	Feingold	Lincoln
Chafee	Feinstein	Lott
Chambliss	Fitzgerald	Lugar
Clinton	Frist	McCain
Cochran	Graham (SC)	McConnell
Mikulski	Roberts	Stabenow
Miller	Rockefeller	Stevens
Murkowski	Santorum	Sununu
Murray	Sarbanes	Talent
Nelson (FL)	Schumer	Thomas
Nelson (NE)	Sessions	Voinovich
Nickles	Shelby	Warner
Pryor	Smith	Wyden
Reed	Snowe	
Reid	Specter	

NOT VOTING—6

Byrd	Graham (FL)	Kerry
Edwards	Jeffords	Lieberman

The bill (H.R. 2115), as amended, was passed.

(The bill will be printed in a future edition of the RECORD.)

Ms. COLLINS. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senate insists on its amendments and requests a conference with the House.

The Presiding Officer (Mr. CHAMBLISS) appointed Mr. MCCAIN, Mr. STEVENS, Mr. BURNS, Mr. LOTT, Mrs. HUTCHISON, Mr. HOLLINGS, Mr. INOUYE, Mr. ROCKEFELLER, and Mr. BREAUX conferees on the part of the Senate.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on today's Executive Calendar:

No. 223 and on the Secretary's Desk, PN443 and PN182.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOMINATION OF JOHN W. WOODCOCK TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF MAINE

Ms. COLLINS. Mr. President, for the information of my colleagues, Executive Item No. 223 is the nomination of John Woodcock to be a District Judge for the District of Maine. I am very pleased to rise tonight to speak on his behalf. Maine's senior Senator, Olympia Snowe, and I are very proud to have recommended John for this prestigious position on the Federal bench.

I have known John Woodcock for many years. John, in fact, recruited me several years ago to serve as a trustee on the board of the Eastern Maine Medical Center, which he has chaired for 23 years. This is typical of John's service to his community. He has devoted countless hours volunteering his time and energy to his alma mater, Bowdoin College; Eastern Maine Charities; the Maine State Commission on Arts and Humanities; the Good Samaritan Agency; and the Bangor Children's Home, to name just a few.

The Woodcock family has a proud tradition of public service that spans generations. In fact, two of John's sons have served as members of my staff.

Jack currently serves on my Governmental Affairs Committee staff, while Patrick works as a college intern in my Bangor office. I once remarked to John—and repeated it at the Judiciary Committee hearing, which the Presiding Officer chaired that day—that his sons' hard work and professional demeanor were proof that the apple does not fall far from the tree. After the hearing, John wrote to me, in his typically gracious and unassuming and self-effacing way, and said in his mind the tree has always been his wife, Beverly.

Lest John's modesty hide his extensive accomplishments, let me take just a moment to share with my colleagues his qualifications to be a Federal judge.

John began practicing law nearly 30 years ago and has built a distinguished career as a litigator. He has served as an assistant district attorney for the State of Maine and has worked in private practice as an associate and as a partner of several law firms in the great State of Maine.

In 1991, he joined several colleagues to form the Bangor law firm of Weatherbee, Woodcock, Burlock & Woodcock.

During his career, John has served as lead counsel in 47 separate appeals to the Maine Supreme Judicial Court on issues ranging from trust law to criminal law.

John has also taken an active role in improving the standards of the legal profession, serving, for example, on the Maine Supreme Judicial Court's Advisory Committee on Professional Responsibility. As a member of this committee, John worked to draft a series of aspirational goals to help guide lawyers who elect to advertise with their professional obligations in this area.

Those of us who are familiar with John Woodcock's sterling character and stellar legal career were not surprised when the American Bar Association's Standing Committee on the Federal Judiciary unanimously rated him as ''well qualified''—the highest possible rating. Indeed, it would be difficult for Senator SNOWE and I to come up with another candidate better suited to serve as a Federal judge in the State of Maine.

The Senate Judiciary Committee also voted unanimously to approve his nomination on June 5.

Mr. President, John has the legal excellence, the temperament, and the integrity to serve on the Federal bench. I have every confidence he will faithfully follow the law as interpreted by higher courts and that he will bring justice to the parties before him.

I wholeheartedly and enthusiastically support John Woodcock's nomination for a Federal district court judgeship, and I urge my colleagues, in voting this evening, to confirm this terrific individual.

Ms. SNOWE. Mr. President, I rise to speak in support of Senate confirmation of Mr. John A. Woodcock, Jr. of Hamden, ME, as Federal judge for the United States District Court for the District of Maine in Bangor.

John's roots run deep in the Bangor community. His family has been there for generations, and John attended John Bapst High School in the heart of downtown. He began his law career in Bangor 26 years ago, and today he is with the Bangor law firm of Woodcock, Weatherbee, Burlock, and Woodcock, having argued 46 cases before the Maine Supreme Judicial Court. He has served on the Maine Supreme Court Advisory Committee on Professional Responsibility, while also giving of himself personally to the community.

Indeed, for about 25 years he has served on the board of Eastern Maine Healthcare Systems and is now president of Eastern Maine Medical Center's Board of Directors. Among other involvements, over the last 7 years John has also served as the attorney-coach for the Hampden Academy Mock Trial Team.

Mr. Woodcock is well-qualified for this position, as evidenced by the unanimous decision of the Senate Judiciary Committee to favorably report his nomination to the full Senate on June 5, 2003. Moreover, the American Bar Association unanimously named John as ''well qualified''—meaning, ''The nominee is at the top of the legal profession in his or her legal community, has outstanding legal ability, breadth of experience, the highest reputation for integrity, and either has demonstrated, or exhibited the capacity for, judicial temperament.''

In Maine, the Federal Judicial Nomination Advisory Committee that Senator COLLINS and I assembled—with over 270 combined years practicing law—selected John Woodcock as their top recommendation. And former Senator and Secretary of Defense Bill Cohen has said of John that, ''In his years of practice, John has developed a statewide reputation as a skilled litigator and an effective counselor. He has deep experience in litigation at trial and appellate levels and is well regarded throughout the Maine Bar.''

As I told the Judiciary Committee when I had the privilege of introducing John to the committee at his hearing on May 22, Maine's U.S. District Court has a long history, as one of the first such courts established in 1789. Should Mr. Woodcock be confirmed, he would become only the 16th judge appointed to the court by the President of the United States over its 213-year history. Moreover, the position for which Mr. Woodcock has been nominated is the lone Federal judge position in northern Maine. With John's record and qualifications, he has the depth of experience, the temperament, and the integrity demanded by the gravity of the office for which he has been chosen. He will uphold and enhance not only Maine's tradition of exceptional trial judges, but he will also reflect the finest ideals and expectations of our Federal judiciary.

As I also told the Judiciary Committee, from a layman's point of view—the best trial judges are distinguished by their ability to balance several, sometimes competitive personal dynamics. They balance broad lie exposure with specific courtroom experience, raw legal aptitude with common sense, patience with firmness, and intellectual curiosity with focused decision-making. John Woodcock embodies all of those traits and characteristics, and with his substantial and broad legal and courtroom experience, as well as his keen intellect and perspective, solid character, and outstanding reputation, I am most proud to recommend to my colleagues that he be confirmed as Federal judge for the United States District Court for the District of Maine.

I ask unanimous consent a copy of Secretary Cohen's letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE COHEN GROUP,
Washington, DC, May 19, 2003.

Hon. ORRIN HATCH,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, DC.

DEAR ORRIN: I have recently learned that John A. Woodcock, Jr., who has been nominated for a U.S. District judgeship for the District of Maine, is scheduled to appear before the Committee on the Judiciary on May 22, 2003. Senator Olympia Snowe recommended Mr. Woodcock for this position in conjunction with the support of Senator Susan Collins.

I have known John Woodcock for many years. He is a native of my hometown, Bangor, and attended my alma mater, Bowdoin College, graduating in 1972. He attended the University of Maine School of Law, graduating in 1976, and has been continuously engaged in the practice of law ever since. In his years of practice, John has developed a statewide reputation as a skilled litigator and an effective counselor. He has deep experience in litigation at trial and appellate levels and is well regarded throughout the Maine Bar.

John has also given his time and energies unstintingly to local civic groups. He has recently completed more than 20 years of service on the board of the Eastern Maine Medical Center, an institution vital to providing quality health care in northern and eastern Maine. John is married to Beverly Woodcock and they have a fine family of three boys, Jack, Patrick, and Chris. Jack now works on the Governmental Affairs Committee for Senator Collins.

The U.S. District Court for the District of Maine has a long practice of excellence in its judicial appointments and the nomination of John Woodcock is in every way consistent with that tradition. I recommend him to you with enthusiasm and without reservation.

With best personal regards, I am

Sincerely,

WILLIAM S. COHEN,
Chairman and CEO.

Mr. HATCH. Mr. President, I rise today to express my enthusiastic support for the nomination of John A. Woodcock to be a United States District Judge for the District of Maine. Mr. Woodcock possesses over 25 years of litigation experience and will serve his country well as a Federal judge.

After graduating from the University of Maine Law School in 1976, Mr. Woodcock joined the law firm of Stearns, Finnegan & Needham where he practiced general civil litigation until 1980. From 1977–1978, Mr. Woodcock was a part-time assistant district attorney. While in the district attorney's office, he handled all criminal appeals from two different counties to the Maine Supreme Judicial Court and was the lead prosecutor in approximately 20 criminal jury trials. In 1980, Mr. Woodcock joined Mitchell & Stearns until forming the smaller law firm of Weatherbee, Woodcock, Burlock & Woodcock in 1991, where he currently practices general civil litigation.

During his career, Mr. Woodcock has been involved in 47 separate appeals to the Maine Supreme Judicial Court on issues ranging from criminal law to trust law. Mr. Woodcock has volunteered his time as a member of several community boards and he is also the attorney-coach for the local high school mock trial team.

After reviewing his record, the ABA gave Mr. Woodcock their highest rating of unanimously well qualified. The committee also received a letter from former Clinton administration Secretary of Defense William Cohen praising Mr. Woodcock's skills as a litigator. He writes, ''I have known John Woodcock for many years. . . . The U.S. District Court for the District of Maine has a long practice of excellence in its judicial appointments and the nomination of John Woodcock is in every way consistent with that tradition.''

I will submit a copy of this letter for the RECORD. These are words of high praise and I applaud Mr. Woodcock on his many accomplishments. I am certain he will bring great credit to the Federal bench and I urge my colleagues to join me in supporting this highly qualified nominee.

I ask unanimous consent that the above-mentioned letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE COHN GROUP,
Washington, DC, May 19, 2003.

Hon. ORRIN HATCH,
Chairman, Committee on the Judiciary,
SD–224,
U.S. Senate,
Washington, D.C.

DEAR ORRIN: I have recently learned that John A. Woodcock, Jr., who has been nominated for a U.S. District judgeship for the District of Maine, is scheduled to appear before the Committee on the Judiciary on May 22, 2003. Senator OLYMPIA SNOWE recommended Mr. Woodcock for this position in conjunction with the support of Senator Susan Collins.

I have known John Woodcock for many years. He is a native of my hometown, Bangor and attended my alma mater, Bowdoin College, graduating in 1972. He attended the University of Maine School of Law, graduating in 1976, and has been continuously engaged in the practice of law ever since. In his years of practice, John has developed a statewide reputation as a skilled litigator and an effective counselor. He has deep experience in litigation at trial and appellate levels and is well regarded throughout the Maine Bar.

John has also given his time and energies unstintingly to local civic groups. He has recently completed more than 20 years of service on the board of the Eastern Maine Medical Center, an institution vital to providing quality health care in northern and eastern Maine. John is married to Beverly Woodcock and they have a fine family of three boys, Jack, Patrick, and Chris. Jack now works on the Governmental Affairs Committee for Senator Collins.

The U.S. District Court for the District of Maine has a long practice of excellence in its judicial appointments and the nomination of John Woodcock is in every way consistent with that tradition. I recommend him to you with enthusiasm and without reservation.

With best personal regards, I am,

Sincerely,

WILLIAM S. COHEN.

Mr. LEAHY. Mr. President, today, we vote to confirm John A. Woodcock, Jr. to a lifetime appointment on the United States District Court for the District of Maine. With this confirmation we will have helped fill the sole vacancy on that court. That vacancy, which arose early this year when Judge Carter took senior status, is important to the people of Maine and New England. I have been glad to work with the Senators from Maine to expedite the confirmation of this nominee and provide bipartisan support. I congratulate the nominee and his family.

The Senate has now confirmed 132 judges nominated by President Bush, including 26 circuit court judges. One hundred judicial nominees were confirmed when Democrats acted as the Senate majority for 17 months from the summer of 2001 to adjournment last year. After today, 32 will have been confirmed in the other 12 months in which Republicans have controlled the confirmation process under President Bush. This total of 132 judges confirmed for President Bush is more confirmations than the Republicans allowed President Clinton in all of 1995, 1996 and 1997—the first 3 years they controlled the Senate process for President Clinton. In those 3 full years, the Republican leadership in the Senate allowed only 111 judicial nominees to be confirmed, which included only 18 circuit judges. We have already exceeded that total by 19 percent and the circuit court total by 40 percent with 6 months remaining to us this year. In truth, we have achieved all this in less than 2 years because of the delays in organizing and reorganizing the Senate in 2001. The Judiciary Committee was not even reassigned until July 10, 2001, so we have now confirmed 132 judges in less than 2 years.

In the first half of this year, the 32 confirmations is more than Republicans allowed to be confirmed in the entire 1996 session, when only 17 district court judges were added to the Federal courts across the nation. In the first half of this year, with 9 circuit court confirmations, we have already exceeded the average of 7 per year achieved by Republican leadership from 1995 through the early part of 2001. That is more circuit court confirmations in 6 months than Republicans allowed confirmed in the entire 1996 session, in which there were none confirmed; in all of 1997, when there were 7 confirmed; in all of 1999, when there were 7 confirmed; or in all of 2000, when there were 8 confirmed. The Senate has now achieved more in fewer than 6 full months for President Bush than Republicans used to allow the Senate to achieve in 4 of the 6 full years they were in control of the Senate when President Clinton was making judicial nominations. We are moving two to three times faster for this President's nominees, despite the fact that the current appellate court nominees are more controversial, divisive and less widely-supported than President Clinton's appellate court nominees were.

If the Senate did not confirm another judicial nominee all year and simply adjourned today, we would have treated President Bush more fairly and would have acted on more of his judicial nominees than Republicans did for President Clinton in 1995–97 or the period 1996–99. In addition, the vacancies on the Federal courts around the country are significantly lower than the 80 vacancies Republicans left at the end of 1997 or the 110 vacancies that Democrats inherited in the summer of 2001. We continue well below the 67 vacancy level that Senator HATCH used to call ''full employment'' for the Federal judiciary. Indeed we have reduced vacancies to their lowest level in the last 13 years. So while unemployment has continued to climb for Americans to 6.1 percent last month, the Senate has helped lower the vacancy rate in Federal courts to an historically low level that we have not witnessed in over a decade. Of course, the Senate is not adjourning for the year and the Judiciary Committee continues to hold hearings for Bush judicial nominees at between two and four times as many as it did for President Clinton's.

For those who are claiming that Democrats are blockading this President's judicial nominees, this is another example of how quickly and easily the Senate can act when we proceed cooperatively with consensus nominees. The Senate's record fairly considered has been outstanding—especially when contrasted with the obstruction of President Clinton's moderate judicial nominees by Republicans between 1996 and 2001.

Ms. COLLINS. Mr. President, I now ask unanimous consent that the nominations be confirmed en bloc, the motions to reconsider be laid upon the table, and that the President be immediately notified of the Senate's action.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

THE JUDICIARY

John A. Woodcock, Jr., of Maine, to be United States District Judge for the District of Maine.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

AIR FORCE

C–PN443 Air Force nominations (23) beginning EUGENE L. CAPONE, and ending ALLEN L. WOMACK, which nominations were received by the Senate and appeared in the Congressional Record of March 24, 2003.

C–PN182 Air Force nominations (104) beginning ELISE A. *AHLSWEDE, and ending PAUL K. *YENTER, which nominations were received by the Senate and appeared in the Congressional Record of January 13, 2003.

Ms. COLLINS. Mr. President, I further ask unanimous consent that at 10 a.m. on Friday, June 13, the Senate proceed to executive session for the consideration of Calendar No. 218, the nomination of R. Hewitt Pate to be an Assistant Attorney General; provided further that the Senate immediately proceed to a vote on the confirmation of the nomination, and that following the vote, the President be immediately notified of the Senate's action, and that the Senate then resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Ms. COLLINS. Mr. President, I now ask unanimous consent that the Senate resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. COLLINS. Mr. President, 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. MCCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BURMA

Mr. MCCONNELL. Mr. President, last night at about this time we passed a Burma sanctions bill 97 to 1, which I hope sent a strong message to the thugs who are running the country at the moment that someday—and hopefully someday soon—they will have to honor the results of the 1990 election, won overwhelmingly by Aung San Suu Kyi and her party.

As I suspect the military junta may be trying to decipher what took place in Washington yesterday, I thought I would take a moment or two to help them out.

The U.S. Senate overwhelmingly condemned and sanctioned the State Peace and Development Council, SPDC, for its May 30 attack against Suu Kyi and her supporters and for its continued repressive actions that violate the human rights and dignity of the people of Burma.

I also had an opportunity to talk today to Secretary Colin Powell, who is going out to Phnom Penh to the ASEAN Regional Forum next week, and I think they can anticipate a strong message from him when he is out in the region at that time.

Fifty-seven Senators cosponsored the legislation that passed last night to impose an import ban, expand visa restrictions, and freeze SPDC assets in the United States. Ninety-seven Senators voted to repudiate the actions of the Burmese junta.

This was a vote for freedom in Burma that demonstrated unequivocal support for Suu Kyi and all democrats in that country.

The generals in Rangoon should take note that a provision was included in the bill that guarantees that every year Burma will come up for discussion and debate in Congress. Every single year, we will have an opportunity to take a look at the fate of freedom in that country.

It is my hope we will not need that opportunity. It is my hope that Suu Kyi and other democrats will be governing Burma and that the only debate on the floor will be about the level of foreign assistance America should provide to a newly free Burma.

If this hope is not realized, within a year we will again discuss the persistent rapes of minority girls and women, the use of child and forced labor, and the manufacturing and trafficking of narcotics.

If the junta continues its repressive rule, we will again examine the number of political prisoners languishing in Burmese jails, efforts taken to counter an exploding HIV/AIDS infection rate, and opportunities to further democracy and the rule of law throughout the country.

If, however, American leadership translates into a full court press on junta, we might be able to celebrate a new dawn for democracy for the people of Burma.

The comments of Secretary of State Colin Powell in the Wall Street Journal today are both welcomed and promising.

As I indicated earlier, he is going to the ASEAN regional meeting next week, and I think the regime in Burma is going to hear a good deal more about the U.S. position on their behavior and activities.

He said this:

By attacking Aung San Suu Kyi and her supporters, the Burmese junta has finally and definitively rejected the efforts of the outside world to bring Burma back into the international community. Indeed, their refusal of the work of Ambassador Razali and of the rights of Aung San Suu Kyi and her supporters could not be clearer. Our response must be equally clear if the thugs who now rule Burma are to understand that their failure to restore democracy will only bring more and more pressure against them and their supporters.

Secretary Powell must work tirelessly to secure the release of Suu Kyi and all other democrats who continue to be detained by the SPDC. U.N. Special Envoy Razali's brief meeting with her does not assuage my fears that she is under intense pressure or that her supporters continue to be tortured or killed. She and her supporters should be released immediately and unconditionally.

In the future, it might behoove Razali to temper his enthusiastic comments to more accurately reflect the climate of fear in Burma. He failed to secure Suu Kyi's release, and I am surprised that he did not say more to condemn the outrageous actions of the thugs in Rangoon.

Let me close by thanking my colleagues—and their staffs—for their support of this legislation. I could ask for no better allies than Senators FEINSTEIN and MCCAIN on this issue, and I look forward to continue to work with them to free Suu Kyi and bring democracy to Burma. Senators FRIST, LUGAR, BIDEN, BAUCUS, GRASSLEY, HAGEL, and BROWNBACK also deserve recognition for their support of freedom in Burma. The people of Burma will count on our support in the future—and we should not, and must not, fail them.

Mr. President, I ask that a copy of Secretary Powell's op-ed and an editorial from today's Baltimore Sun on Burma be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, June 12, 2003]

STANDING FOR FREEDOM

GET TOUGH ON RANGOON

(By Colin L. Powell)

United Nations Special Envoy Razali Ismail has just visited Burma and was able to bring us news that Aung San Suu Kyi, a Nobel Peace Prize winner and the leader of a peaceful democratic party known as the National League for Democracy, is well and unharmed. The thoughts and prayers of free people everywhere have been with her these past two weeks. Our fears for her current state of health are now somewhat lessened.

On May 30, her motorcade was attacked by thugs, and then the thugs who run the Burmese government placed her under ''protective custody.'' We can take comfort in the fact that she is well. Unfortunately, the larger process that Ambassador Razali and Aung San Suu Kyi have been pursuing—to restore democracy in Burma—is failing despite their good will and sincere efforts. It is time to reassess our policy towards a military dictatorship that has repeatedly attacked democracy and jailed its heroes.

There is little doubt on the facts. Aung San Suu Kyi's party won an election in 1990 and since then has been denied its place in Burmese politics. Her party has continued to pursue a peaceful path, despite personal hardships and lengthy periods of house arrest or imprisonment for her and her followers. Hundreds of her supporters remain in prison, despite some initial releases and promises by the junta to release more. The party's offices have been closed and their supporters persecuted. Ambassador Razali has pursued every possible opening and worked earnestly to help Burma make a peaceful transition to democracy. Despite initial statements last year, the junta—which shamelessly calls itself the State Peace and Development Council (SPDC)—has now refused his efforts and betrayed its own promises.

At the end of last month, this rejection manifested itself in violence. After the May

30 attack on Aung San Suu Kyi's convoy, we sent U.S. Embassy officers to the scene to gather information. They reported back that the attack was planned in advance. A series of trucks followed her convoy to a remote location, blocked it and then unloaded thugs to swarm with fury over the cars of democracy supporters. The attackers were brutal and organized; the victims were peaceful and defenseless. The explanation by the Burmese military junta of what happened doesn't hold water. The SPDC has not made a credible report of how many people were killed and injured. It was clear to our embassy officers that the members of the junta were responsible for directing and producing this staged riot.

We have called for a full accounting of what happened that day. We have called for Aung San Suu Kyi to be released from confinement of any kind. We have called for the release of the other leaders of the National League for Democracy who were jailed by the SPDC before and after the attack. We have called for the offices of the National League for Democracy to be allowed to reopen. We are in touch with other governments who are concerned about the fate of democracy's leader and the fate of democracy in Burma to encourage them, too, to pressure the SPDC.

The Bush administration agrees with members of Congress, including Sen. Mitch McConnell, who has been a leading advocate of democracy in Burma, that the time has come to turn up the pressure on the SPDC.

Here's what we've done so far. The State Department has already extended our visa restrictions to include all officials of an organization related to the junta—the Union Solidarity and Development Association—and the managers of state-run enterprises so that they and their families can be banned as well.

The United States already uses our voice and our vote against loans to Burma from the World Bank and other international financial institutions. The State Department reports honestly and frankly on the crimes of the SPDC in our reports on Human Rights, Trafficking in Persons, Drugs, and International Religious Freedom. In all these areas, the junta gets a failing grade. We also speak out frequently and strongly in favor of the National League of Democracy, and against the SPDC. I will press the case in Cambodia next week when I meet with the leaders of Southeast Asia, despite their traditional reticence to confront a member and neighbor of their association, known as Asean.

Mr. McConnell has introduced the Burmese Freedom and Democracy Act in the Senate; Reps. Henry Hyde and Tom Lantos have introduced a similar bill in the House. We support the goals and intent of the bills and are working with the sponsors on an appropriate set of new steps. Those who follow this issue will know that our support for legislation is in fact a change in the position of this administration and previous ones as well. Simply put, the attack on Ms. Suu Kyi's convoy and the utter failure of the junta to accept efforts at peaceful change cannot be the last word on the matter. The junta that oppresses democracy inside Burma must find that its actions will not be allowed to stand.

There are a number of measures that should now be taken, many of them in the proposed legislations. It's time to freeze the financial assets of the SPDC. It's time to ban remittances to Burma so that the SPDC cannot benefit from the foreign exchange. With legislation, we can, and should, place restrictions on travel-related transactions that benefit the SPDC and its supporters. We also should further limit commerce with Burma which enriches the junta's generals. Of course, we would need to ensure consistency with our World Trade Organization and other international obligations. Any legislation will need to be carefully crafted to take into account our WTO obligations and the president's need for waiver authority, but we should act now.

By attacking Aung San Suu Kyi and her supporters, the Burmese junta has finally and definitely rejected the efforts of the outside world to bring Burma back into the international community. Indeed, their refusal of the work of Ambassador Razali and of the rights of Aung San Suu Kyi and her supporters could not be clearer. Our response must be equally clear if the thugs who now rule Burma are to understand that their failure to restore democracy will only bring more and more pressure against them and their supporters.

[From the Baltimore Sun, June 12, 2003]

TIME FOR TYRANTS TO FEAR

A year ago, when the military junta illegally controlling Manmar last released its democratically elected leader, Aung San Suu Kyi, from house arrest, the generals promised a dialogue aimed at national reconciliation.

True dialogue in the nation once known as Burma would lead to a decided weakening, if not the total loss, of the generals' power, so that hasn't happened.

And as of yesterday, Ms. Suu Kyi, a Nobel Peace Prize laureate, remained back in detention after a violent government attack late last month on her and her supporters—and even after a Untied Nations envoy spent days trying to gain her release.

Given that Myanmar's military also has a long record of slave labor and drug trafficking, what more do responsible nations need to now get tougher with this regime?

With that in mind, these days are critical—starting with passage late yesterday of a U.S. senate bill to ban imports from Myanmar, seize the regime leaders' U.S. assets and bar U.S. visas for them.

This ban should give greater weight to heightened U.S. diplomatic effort to isolate these despots.

Virtually all Senate leaders from both parties, led by Kentucky Republican Mitch McConnell and California Democrat Dianne Feinstein, supported the ban. Maryland Sens. Barbara A. Mikulski and Paul S. Sarbanes were among its many co-signers, Mr. Sarbanes having signed on just yesterday after activists complained he hadn't.

A House subcommittee has approved a similar bill. Everything possible should be done to see that this ban—affecting a quarter of Myanmar's exports, worth about $350 million a year—becomes law soon.

But even just Senate passage of the ban gives Secretary of State Colin L. Powell a bigger stick when he attends a meeting of the Association of Southeast Asian Nations (ASEAN) in Cambodia next week—a gathering at which the United States needs to lean even harder on Thailand and Japan to back off aiding this terrible regime.

Time is well past for allowing Myanmar's generals to enslave their own people. As Senator McConnell said yesterday in calling for the import ban vote: ''It's time for tyrants to fear in Burma.''

The import ban likely won't bring down these generals in itself. But it provides a key tool in building an effective worldwide movement—with roles for ASEAN, the European Union and the United Nations—to end their illegal reign.

Mr. MCCONNELL. Mr. President, also the Travel Goods Association of America today came out for the legislation and for an import ban as well. This is an important organization related to this whole issue of import restrictions—an organization that potentially would benefit from continuing imports from Burma. But they said they don't want to make money off of this regime. They, too, have announced their support for a ban today.

I ask unanimous consent that a press release indicating their support be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TGA ANNOUNCES SUPPORT FOR A TOTAL BAN ON U.S. TRAVEL GOODS IMPORTS FROM BURMA—APPLAUDS PASSAGE OF LEGISLATION BY U.S. SENATE

PRINCETON, NJ, June 12, 2003.—Travel Goods Association (TGA) President Anne L. DeCicco announced today that, due to the on-going cruel and repressive nature of the ruling regime in Burma, TGA—the national trade association of the travel goods industry (luggage, handbags, briefcases, backpacks, flatgoods, etc.)—has called for an immediate and total ban on U.S. travel goods imports from that nation (SEE POLICY STATEMENT BELOW). Furthermore, TGA appauds Rep. Tom Lantos (D–CA) and Rep. Peter King (R–NY), and Diane Feinstein (D–CA) and their colleagues in both the House and Senate, for introducing The Burmese Freedom and Democracy Act of 2003 into both houses of the United States Congress. The bills call for a ban on all imports from Burma until it can be determined that the ruling Burmese government has made substantial and measurable progress to end its human rights abuses. The legislation passed the Senate on June 11, 2003 in a 97–1 vote.

''The government of Burma continues to abuse its citizens through force and intimidation, and refuses to respect the basic human rights of its people. TGA believes this unacceptable behavior should be met with condemnation from not only the international public community, but from private industry as well,'' said DeCicco.

According to the U.S. government's ''2002 Country Report on Human Rights Practices'' on Burma, the Burmese government has ''. . . continued to restrict workers rights, ban unions, and use forced labor for public works and for the support of military garrisons. Other forced labor, including child labor, remain a serious problem despite recent ordinances outlawing the practice.''

Additionally, in 2000, the International Labor Organization (ILO)—for the first time in its history—called on all ILO members to impose sanctions on Burma.

''TGA is pleased to learn that Congress, led by the U.S. Senate's historic vote on Wednesday, is taking an important step towards ending the human rights crisis that is happening in Burma today. We hope that Congress' efforts are only the first step towards international condemnation and sanctions on Burma through the United Nations,'' commented TGA Chairman Tom Sandler of Samsonite Corporation. He continued, ''TGA, through its trade policy, promotes best practices to ensure that travel goods are produced in a socially responsible manner by encouraging its members to operate under programs that are compliant with applicable labor laws. Thus, the association and its membership fully support the legislation introduced by Reps. Lantos and King, as well as Senators McConnell and Feinstein and calls upon the U.S. House of Representatives to follow the Senate's lead in the swift and immediate passage of such important legislation.''

The necessity for Congressional action is highlighted by the recent attacks of the country's ruling military junta on Nobel Laureate Aung San Suu Kyi, the leader of Burma's pro-democracy opposition, and her supporters. These attacks illustrate that Burma's regime has grown more oppressive than ever, despite worldwide condemnation.

TGA International Committee Chairman Michael Korchmar of the Leather Specialty Company, noted that, ''TGA also wants to recognize and applaud the efforts of its own members that have already imposed bans on U.S. imports of Burmese travel goods from their own firms. Thanks in large part to the efforts of TGA members, U.S. imports of travel goods from Burma fell an incredible 74 percent between 2001 and 2002.'' Furthermore, TGA applauds the efforts of numerous U.S. and international governmental and non-governmental organizations to force Burma to respect the basic human rights of its citizens.

TRAVEL GOODS ASSOCIATION,
Princeton, NJ, June 12, 2003.

POLICY STATEMENT ON BURMA, JUNE 12, 2003

The Travel Goods Association (TGA)—the national trade association of the travel goods (luggage, briefcases, handbags, backpacks, flatgoods) industry—hereby expresses its strong support for a full and immediate ban on U.S. travel goods imports from Burma and strongly encourages the U.S. government to:

Impose an immediate and total ban on U.S. imports of travel goods from Burma;

Maintain this ban until Burma's rulers demonstrate that they respect and enforce basic human and labor rights for its own citizens;

Continue both unilaterally and through multilateral organizations to exert diplomatic, economic, and political pressure on Burma to respect and enforce basic human rights for its own citizens; and

Sign into law current legislation in Congress to impose such sanctions.

The TGA supports a U.S. ban on Burmese travel goods because Burma's military regime has:

Consistently rejected international demands to stop government-sanctioned forced and child labor practices against its own people;

According to the U.S. government's ''2002 Country Report on Human Rights Practices'' on Burma, ''... continued to restrict worker rights, ban unions, and used forced labor for public works and for the support of military garrisons. Other forced labor, including forced child labor remained a serious problem, despite recent ordinances outlawing the practice;'' and

Repeatedly failed to comply with internationally recognized conventions on labor, including forced and child labor. Due to its ''widespread and systematic'' use of forced labor, the International Labor Organization (ILO) in 2000, for the first time in its history, called on all ILO members to impose sanctions on Burma.

Through its trade policy, TGA:

''Promotes best practices to ensure that goods are produced in a socially responsible manner,'' by ''Encouraging TGA members to operate under programs that foster socially responsible production practices compliant with applicable labor and environmental laws and regulations; Encouraging the United States, other governments and foreign trade associations to recognize and support programs designed to achieve these goals; and Pursuing policies that encourage development of human rights and democratic values in countries in which TGA members conduct business and discourage trade with countries that promote or support terrorism.''

Strongly supports the travel goods industry's use of effective social responsibility programs;

Applauds and supports the efforts of TGA member companies that have already imposed bans on U.S. imports of Burmese travel goods for their own firms;

Recognizes and applauds the efforts of numerous U.S. and international governmental and nongovernmental organizations to force Burma to respect the basic human rights of its citizens.

MORNING BUSINESS

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to a period for morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONTINUING CHALLENGES IN AFGHANISTAN

Mr. LEAHY. Mr. President, although our attention today is focused on the persistent attacks against U.S. Armed Forces in Iraq and the escalation of the bloodshed between Israelis and Palestinians, it is imperative that we not ignore the challenges we continue to face in Afghanistan.

In southeast Afghanistan, U.S. soldiers continue to battle with the remnants of al-Qaida and the Taliban, whose fighters have managed to regroup across the border inside Pakistan. Despite hundreds of millions of dollars in U.S. aid, the national impact has been difficult for many Afghans to see. Afghanistan is such a large, inaccessible, impoverished country that it will take many billions of dollars over many years to recover from decades of war, and that will be possible only if adequate security exists to implement these programs. Security will remain elusive as long as political and economic power outside of Kabul continues to be wielded by regional warlords.

An article by Carlotta Gall in yesterday's New York Times provides a sobering description of the continuing challenges in Afghanistan. I hope officials at USAID, the State Department, the Defense Department, and OMB took the time to read it. As with so many aid programs, we often focus on the trees and lose sight of the forest. We can point to lots of small success stories—new well dug here, a bridge repaired there, more girls enrolled in school. But when you step back the picture looks very different, as Ms. Gall's article shows.

We and our Allies have major stakes in Afghanistan's future, and I am confident that we will remain engaged. But let's do the job that needs to be done, not half measures. Without a more effective strategy to enhance security, strengthen the central government and support civil society, we will fall far short of our goals.

I ask unanimous consent that Ms. Gall's June 11, 2003, article in the New York Times entitled ''In Warlord Land, Democracy Tries Baby Steps'' be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

IN WARLORD LAND, DEMOCRACY TRIES BABY STEPS

KABUL, Afghanistan, June 10.—In the hushed, rose-filled gardens of the royal palace in Kabul, life seems calm and good. Under the chandeliers of the meeting hall upstairs, President Hamid Karzai, just back from a trip to Britain and a meeting with the queen, manages to combine an expression of condolence for German peacekeepers killed in a suicide bomb attack in the capital Saturday with an upbeat assessment of the situation in his country.

The heavily armed American bodyguards who stand in the gardens and by the windows of the palace have become like the wallpaper, so much are they part of the scene now. The Taliban threat in the south and southeast, the car bomber who drove this week right into the city, the persistent factional fighting in the north of the country, all seem far away.

But in the last few months there has been a crisis of confidence in Afghanistan, a sense that the security situation may be spiraling downward and that the rise of regional warlords may be more than a temporary phenomenon. Attacks on peacekeepers and aid workers are increasing. After more than a year of waiting patiently for results, people here are increasingly asking: are the Americans getting it right?

Today, as American forces in Iraq struggle to establish order, as one or two American soldiers seem to fall every day, it seems likely to be a question the United States will soon face in Iraq as well.

Even the most pessimistic Afghanistan watchers acknowledge that this time is different from the sliding chaos of the early 1990's. The Americans are not going to turn their back on Afghanistan the way they did then, and the way they did in Iraq after the Persian Gulf war in 1991. The Americans are here and, by all accounts and appearances, here to stay.

But there is only a year left for Mr. Karzai and his American backers to get things right before his term is up. The Bonn process, which set up the interim administration led by Mr. Karzai, lays out a rapid program for a new constitution to be drawn up and approved by a grand assembly this October, and for national elections to be held next June.

For Afghanistan, one key to establishing order is the disarmament of the factional armies around the country. The United Nations and Afghanistan's new Human Rights Commission have already stressed that if the much delayed disarmament and demobilization program does not go ahead, the drafting of the constitution and national elections could be thrown into jeopardy.

''There is a real, but still avoidable, risk that the Bonn process will stall if security is not extended to the regions, and that Afghans will lose confidence in the central government if it cannot protect them,'' the United Nations special representative to Afghanistan, Lakhdar Brahimi, told the Security Council in New York last month.

Another difficulty is that the allies are tackling the problems in piecemeal fashion, a strategy that will only advance the country by tiny steps, critics say.

United States diplomats and aid officials like to draw attention to a large wall map in their embassy that is covered in a ''blizzard'' of yellow Post-it stickers marking every single project under way in the country. They

trumpet the provincial reconstruction teams, United States military-civil affairs teams that are trying to win hearts and minds in the provinces by building schools, or latrines for schools. And they talk of the program to train the Afghan National Army, which should produce a 9,000-member force by next year.

But the national impact of all of this is virtually nil. As one director of a donor agency, which completed 160 construction projects last year, said, ''The dimension of the destruction is such that people don't see it.''

Compared with the enormous military-political Gordian knot that needs to be cut, the attention to human needs can only be described as paltry, even irrelevant.

Little has been done to disarm and dismantle the power bases of the factions, and as time goes on the armed men who rule the districts, regions and whole provinces are becoming more and more entrenched and increasingly powerful economically. They are likely to dominate politics during the next year, which could fatally erode all public trust in the process and the results. The country could end up being ruled by a mixture of drug lords and fundamentalist mujahedeen—in other words, people not much different from the Taliban.

Everyone has a different idea of what the United States should be doing, but most Afghans and Westerners working here agree that there are two basic requirements for nation-building that the United States cannot afford to ignore—providing security and establishing a functioning political system. They are interconnected, most here agree; in fact, it is impossible to have one without the other.

Only a legitimate, national political system will have the authority to establish a police and justice system with the necessary powers to establish real security. Without real security, there can be no widespread development; American soldiers cannot stand on every street corner, or monitor every business transaction and tax collection.

The problem here, as in Iraq, is that the American military is still running the show and views Afghanistan through the prism of the campaign against terrorism and not according to the country's political and economic demands. But if Afghanistan is to seize the chance this year to start becoming a stable and prosperous society, there is much, much more to be done.

Many are saying that Washington needs to exert more political pressure—on Mr. Karzai to act more decisively on this government to work more proactively, on the police nationwide to ensure law and order, on commanders to disarm, on ministers to reform their ministries and even out the balance of power, on warlords to give up their fiefs and join the government, on Pakistan to stop supporting the Taliban and other opponents of the Bonn process. The list goes on.

All those steps would be a help. But fundamentally, the Americans need to create an atmosphere in which democratic politics can take hold. That means doing more than attending to human needs and offering military training. It means, in the view of many Western officials here and prominent Afghans, putting pressure on the warlords, disarming them and cutting their power bases, leveling the political playing field so that the coming elections are free and fair.

LOCAL LAW ENFORCEMENT ACT OF 2003

Mr. SMITH. Mr. President, I rise today to speak about the need for hate crimes legislation. On May 1, 2003, 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 Champaign, IL. On December 16, 2001, a Muslim Tunisian-American university student was beaten by a mob of several men. Participants in the attack restrained the victim's brother and his friends to prevent them from coming to his aid. The student was beaten by more than six of the men, one of whom broke his nose with a blunt object.

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.

THE INDICTMENT OF CHARLES TAYLOR

Mr. LEAHY. Mr. President, I see that the senior Senator from New Hampshire, Mr. GREGG, is on the floor. Knowing of his longstanding interest in Sierra Leone, I wonder if he wants to speak briefly about the indictment last week of Charles Taylor by the Special Court for Sierra Leone.

Mr. GREGG. I thank the Senator from Vermont. He is correct about my longstanding interest in Sierra Leone. With respect to the Special Court, I am well aware of the events of the past week, where the Prosecutor of the Court, David Crane, unsealed an indictment for Charles Taylor, while Mr. Taylor was in Ghana.

Unfortunately, the international community did not act in time and Mr. Taylor was able to escape to Liberia. In doing so, the world missed a great opportunity to bring to justice one of the world's most notorious war criminals and advance the cause of international justice.

Mr. LEAHY. I agree with the Senator from New Hampshire. I spoke about this subject last week. Since then, it has come to my attention that some officials in the State Department and other governments are upset at Mr. Crane for the timing of this indictment, as they saw it as disruptive to the peace talks in West Africa.

While I can appreciate those concerns, I agree with one of Mr. Crane's statements on this issue, which I will read:

[T]he timing of this announcement was carefully considered in light of the important peace process begun this week. To ensure the legitimacy of these negotiations, it is imperative that the attendees know they are dealing with an indicted war criminal. These negotiations can still move forward, but they must do so without the involvement of this indictee. The evidence upon which this indictment was approved raises serious questions about Taylor's suitability to be a guarantor of any deal, let alone a peace agreement.

I was wondering if Senator GREGG had any thoughts on this issue.

Mr. GREGG. I agree with Mr. Crane's statement about the indictment of Charles Taylor. As much as anyone, I want to bring peace and prosperity to West Africa. But, Mr. Crane has a mandate to bring to justice those most responsible for the atrocities committed in Sierra Leone, and the trail led to Charles Taylor. Not indicting Mr. Taylor would have been outrageous. Justice would not have been served.

I also want to read from a Washington Post editorial, dated June 5, 2003, that summarizes the issue. It said, and I am quoting:

After years of afflicting his own country with the worst kind of brutality and aiding and abetting a cruel civil war in neighboring Sierra Leone, Mr. Taylor is now being pressed on his own soil by rebel movements bent on driving him from power. That he was out of the country this week was no accident. The purpose of his trip to Ghana, organized by the Economic Community of West Africa and a United Nations contact group that includes the United States, was to join peace talks with Liberian opposition groups. Military and political weaknesses, not strength, drove him from his haven in Liberia to the Ghana peace parley. Fear of international justice is what has sent him scurrying back home. . . ..The idea of Mr. Taylor working out an eleventh-hour agreement that restores peace and stability to Liberia strikes many human rights observers as ludicrous given both his record of broken pledges and his overwhelming contribution to that country's misery. Faced with tightening international opposition, he now says he will consider stepping aside if that will bring peace. He's now even making noises about supporting a transitional government of national unity while remaining on the sidelines. Mr. Taylor, as usual, has it all wrong. He is in no position to guarantee any deal, let alone a peace agreement, as Mr. Crane said yesterday. Indicted as a war criminal, Charles Taylor today is nothing more than a wanted man.

In short, I agree with the Post's editorial and commend Mr. Crane for taking decisive action to indict Charles Taylor.

Mr. LEAHY. I share Senator GREGG's sentiments. I would also point out that Mr. Crane's office unsealed the indictment in a responsible way. According to information I received, the Special Court's chief of security was instructed to inform all organizations with personnel in Liberia, including the U.S. Embassy, Freetown, that ''within 24 hours the Special Court was going to take an action that could possibly destabilize Monrovia.'' These actions were undertaken to ensure that all government and humanitarian personnel had notice to withdraw or stay home.

This effectively ''unsealed'' the indictment to governments and humanitarian organizations without tipping Mr. Taylor off. In addition, 3 hours before the press conference and public announcement, and minutes after the Court had confirmation that Ghanaian authorities were served with the arrest

warrant for Mr. Taylor, private letters were hand-delivered to all representatives of a number of key governments in Freetown.

Mr. GREGG. Does the Senator share my view that the United States and other members of the international community should continue to strongly support the Special Court and vigorously pursue Mr. Taylor and other indicted war criminals?

Mr. LEAHY. Yes. In fact, I am going to work with Senator MCCONNELL, with the goal of providing $2 million in the fiscal year 2004 foreign operations bill for additional support to the Court.

Mr. GREGG. I support the efforts of the Senator from Vermont and thank him for discussing this issue with me.

Mr. LEAHY. I thank the Senator from New Hampshire. In closing, I would just add that there have been recent reports of a possible ''deal'' with Mr. Taylor under which he would go into exile in exchange for immunity from the Court. While I want to see an end to the fighting in West Africa, which has claimed many innocent lives, an immunity deal with Mr. Taylor would be a grave mistake. It will undermine peace and reconciliation efforts in the region. It will let a major war criminal escape justice. It would be unacceptable.

HONORING SERGEANT DUANE RIOS

Mr. BAYH. Mr. President, I rise today with great sadness and tremendous gratitude to honor the life of yet another brave Hoosier killed in action in Iraq. Sgt. Duane Rios of Griffith, IN was 25 years old. On Saturday, April 5, 2003, while serving as an engineer with the 1st Marine Expeditionary Force, Duane was mortally wounded. Duane had reached Eastern Baghdad, where he was killed in a firefight. Sgt. Rios was a brave American who left behind family, friends and the comforts of home to defend the principles of democracy and freedom that we all enjoy.

Duane Rios is the fourth Hoosier to be killed while bravely serving our Nation in Operation Iraqi Freedom. Today, I mourn along with Duane's family, friends, fellow Marines and community. While all are very proud of Duane, there is also a tremendous sense of loss. Duane's life was too short, yet he will always be remembered for his heroism and dedication to his country. Such a life shall serve as an inspiration to all as we continue to fight for the liberation of Iraq.

Duane Rios was a charismatic and friendly person who never passed someone without smiling and saying hello. Duane attended Griffith High School, graduating in 1996. After graduation he married his high school sweetheart, Erica. He will be greatly missed by all who knew him. It was with great pride that he left for Iraq, prepared to do his duty and was willing to make the ultimate sacrifice, if fate dictated, for a country he loved dearly.

President Chester Arthur once said: ''Men may die, but the fabrics of free institutions remain unshaken.'' These words force us to see the larger picture and give some solace as we mourn the loss of Duane Rios and honor the sacrifice he made for America and for all humanity.

It is my sad duty to enter the name of Duane Rios in the official record of the U.S. Senate for his service to this country and for his profound commitment to freedom, democracy, and peace. When I think about this just cause in which we are engaged, and the unfortunate pain that comes with the loss of our heroes, I hope that families like Duane's can find comfort in the words of the prophet Isaiah, who said: ''He will swallow up death in victory; and the Lord God will wipe away tears from off all faces.''

May God grant strength and peace to those who mourn the loss of such young lives, and may God bless the United States of America.

VOTE EXPLANATION

Mr. EDWARDS. Mr. President, I was not present for rollcall vote No. 221 on the Graham amendment. Were I present for that vote, I would have voted in favor of the amendment.

Mr. President, I was not present for rollcall vote No. 222 on the Lautenberg amendment. Were I present for that vote, I would have voted in favor of the amendment.

ADDITIONAL STATEMENTS

THE AMERICAN SPA: HISTORIC BATHHOUSES OF HOT SPRINGS, ARKANSAS

• Mr. PRYOR. Mr. President, on May 29, 2003, the National Trust for Historic Preservation named Bathhouse Row in Hot Springs National Park, AR, one of America's 11 Most Endangered Historic Places.

I come to the floor today to applaud the National Trust's efforts to preserve these bathhouses. I also want to bring the dire condition of these historic sites to the Senate's attention and urge my colleagues to support my and Senator LINCOLN's work to provide critical funding this year to save the eight bathhouses in Hot Springs.

During the early 1900s, a variety of bathhouses were built in Hot Springs, AR, to accommodate the thousands of travelers who sought the curative waters from 47 natural thermal springs. These bathhouses were elaborately constructed with remarkable architectural design, including stained-glass skylights and patterned mosaic floors and walls. The bathhouse provided restful baths and services—some peculiar and bizarre—that inspired the resort nickname ''The American Spa.'' In short, Bathhouse Row shaped America's ''Golden Age of Bathing'' and was internationally renowned, with the likes of Babe Ruth and the infamous Al Capone visiting the resort.

Arkansans have long known what the National Trust for Historic Preservation has announced to the Nation: that these one-of-a-kind historic treasures are on the verge of disappearing due to neglect. These amazing buildings are literally falling apart. But the story for the bathhouses doesn't have to end there. We have a plan that works for both preservationists and budget hawks. Reasonable Federal investment into reconditioning these buildings will be leveraged by private leasing agreements. Once restored, private ventures will breathe new life and usher a new generation of use into Bathhouse Row for all Americans to enjoy.

Lastly, I think that it is important to note that Congress has recognized the national importance of Hot Springs for 171 years. On April 20, 1832, the Congress had the foresight to establish Hot Springs Reservation—making it the oldest park currently in the National Park System. On March 4, 1921, Congress changed the name to Hot Springs National Park.

Today, Congress has the opportunity to act again in support of Hot Springs. I believe that our predecessors in Congress intended for the park to protect Bathhouse Row and the unique glimpse that it provides into our Nation's social and historic past.

I urge my colleagues to support funding in the fiscal year 2004 Interior appropriations bill for Bathhouse Row in Hot Springs National Park.•

SALUTING LOUISIANA FAITH IN ACTION GRANTEES

• Mr. BREAUX. Mr. President, I am proud to serve as ranking member of the Senate Special Committee on Aging, a position which allows me to focus on issues important to older Americans. One of the most critical concerns of our Nation's seniors is the need for long-term care services. And though the lack of available long-term care service is a substantial problem today, the demand for long-term care services will overwhelm an already-strained system as our Nation's 77 million baby boomers age.

Family caregivers are the cornerstone of our long-term care system, providing 80 percent of all long-term care in this country. Most older and disabled Americans prefer to remain in their own homes or in the community and many do so, thanks to the support and love of family caregivers. But we all know that family caregivers cannot provide around-the-clock care—many have jobs and children to raise. Caregiving is stressful and it places heavy emotional, physical and financial burdens on caregivers. Research shows that caregivers need a variety of services to support them in their caregiving roles. One innovative and valuable service to family caregivers is the ''Faith in Action'' program sponsored by the Robert Wood Johnson Foundation.

The Robert Wood Johnson Foundation, one of our Nation's leading philanthropic health care organizations, has been supporting creative programs for the delivery of health care for many years. Their Faith in Action program is a faith-based initiative which enables elderly and disabled individuals to continue to live in their homes with the support of coordinated efforts between interfaith coalitions and social service agencies including senior centers, parish councils on aging, area agencies on aging, and hospitals.

The Faith in Action program provides grant money to help these groups provide services, including organizing outreach to the homebound; training group leaders who oversee outreach ministries; locating homebound people who have lost touch with their communities; recruiting volunteers from church congregations and communities; connecting with local medical and social services; and providing emotional support services to community members. All of these organizations share a common goal—to provide long-term care to their neighbors in need.

Next week, the 14 Faith in Action grantees in Louisiana and interested faith and community leaders will join me in New Orleans for an event where we will honor the current grantees and volunteers and encourage other interested groups and individuals to become Faith in Action grantees. Together they can use their expertise and energy to make a real difference in the lives of Louisiana seniors and disabled persons.

Mr. President, today I want to recognize these 14 existing grantees in Louisiana: Rapides Station Community Ministries, Inc., The Shepherd Center, Inter-Faith Caregivers of the Greater Baton Rouge Federation of Churches & Synagogues, The Mental Health Association of Louisiana, Faith in Action of Acadiana, Love Inc., of Acadiana, Volunteers of America Inc., Boys & Girls Club of Minden, Inc., Alzheimer's Disease and Related Disorders Association Northeast/Central Louisiana Chapter, G.T. Consultants Services, Inc., St. Francis Medical Center, Uptown Area Senior Adult Ministry, Inc., H.O.P.E. Ministry, Inc., and Shreveport-Bossier Community Renewal Inc.

Thanks to their contribution to their communities, these grantees have enabled over 1100 elderly and disabled persons in Louisiana to remain at home. Keeping families together and allowing our seniors and disabled persons to live independently saves money, improves quality of life and strengthens our communities. Again, I applaud the Louisiana Faith in Action grantees, community partners and volunteers for their contribution to Louisiana families and to broadening long-term care options for the people of Louisiana.●

ON THE RETIREMENT OF MR. ADRIAN DELL ROBERTS

● Mrs. BOXER. Mr. President. I rise to recognize the life work of Mr. Adrian Dell Roberts as he retires from Riverside Unified School District after more than 38 years of dedicated service, leaving a legacy of community-building and a belief in the potential of young people.

Dell Roberts' ability to promote student safety, teamwork, and self-confidence has been apparent at every stage of his career with Riverside Unified School District; starting with his initial part-time position coaching track and football at Riverside Polytechnic High School in 1965, and culminating with his role as Administrative Assistant for Campus and Community Services. He also served as an administrative aid and assistant principal in charge of discipline at Riverside Polytechnic High School.

As Administrative Assistant for Campus and Community Services, Mr. Roberts has worked to identify and meet the needs of Riverside's youth. He has done much to help students and staff understand the diverse cultural values of the students in the district. Under his leadership, multi-cultural councils were established at high schools and middle schools, facilitating peaceful group problem solving. He also played a leading role in the successful formation of the Black Student Union at Riverside Polytechnic High School and is the founder and coordinator of the statewide Black Student Union.

In addition to his contributions on campus, Mr. Roberts has lent his involvement and leadership to organizations that work to improve the lives of young people and provide enriching educational and recreational resources to the Riverside community. Many, many students have had opportunities that would not have been available to them without Mr. Roberts' hard work to expand their horizons and perceptions of their own potentials.

Mr. Roberts' impressive accomplishments and affiliations are too numerous to mention in their entirety, but we can reflect on the important underlying beliefs that have guided his work. A portion of Mr. Roberts' biography includes his statement that he '' . . . has faith in our youth because they are our present as well as our future.'' Indeed, Mr. Roberts' ability to reach out in friendship and support and to inspire respect between individuals and groups has enriched the lives of countless young people. I invite all of my colleagues to join me in commending Dell Roberts for his years of loving work for the academic and personal advancement of our children.●

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 withdrawals which were referred to the appropriate communities.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON ALL FEDERAL DRUG AND SUBSTANCE ABUSE TREATMENT, PREVENTION, EDUCATION, AND RESEARCH PROGRAMS—PM 39

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on the Judiciary:

To the Congress of the United States:

Consistent with section 2202 of Public Law 107–273, I hereby transmit a report prepared by my Administration detailing the findings of a comprehensive review of all Federal drug and substance abuse treatment, prevention, education, and research programs. The report also presents an inventory of all such programs, indicating the legal authority for each program and the amount of funding in the last 2 fiscal years.

GEORGE W. BUSH.
THE WHITE HOUSE, *June 12, 2003.*

REPORT ON THE ADMINISTRATION OF THE COASTAL ZONE MANAGEMENT ACT (CZMA) FOR FISCAL YEARS 2000 AND 2001—PM 40

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation.

To the Congress of the United States:

I am pleased to transmit the Biennial Report to Congress on the Administration of the Coastal Zone Management Act by the Office of Ocean and Coastal Resource Management, National Ocean Service, National Oceanic and Atmospheric Administration for fiscal years 2000 and 2001. This report is submitted as required by section 316 of the Coastal Zone Management Act of 1972, as amended (16 U.S.C. 1451, et seq.).

The report provides an overview of the Coastal Zone Management Act and describes progress in addressing the major goals of the Act; partnerships to enhance coastal and ocean management; and research, education, and technical assistance.

GEORGE W. BUSH.
THE WHITE HOUSE, *June 12, 2003.*

MESSAGES FROM THE HOUSE

At 12:10 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 that concurrence of the Senate:

H.R. 1320. An act to amend the National Telecommunications and information Administration Organization Act to facilitate the reallocation of spectrum from governments to commercial users.

H.R. 2115. An act to amend title 49, United States Code, to reauthorize programs for the Federal Aviation Administration, and for other purposes.

H.R. 2350. An act to reauthorize the Temporary Assistance for Needy Families block grant program through fiscal year 2003, and for other purposes.

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. 110. Concurrent resolution recognizing the sequencing of the human genome as one of the most significant scientific accomplishments of the past one hundred years and expressing support for the goals and ideals of Human Genome Month and DNA Day.

The message further announced that pursuant to 20 U.S.C. 2004(b), and the order of the House of January 8, 2003, the Speaker appoints the following Member of the House of Representatives to the Board of Trustees of the Harry Truman Scholarship Foundation: Mr. AKIN of Missouri.

At 6:21 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1115. An act to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, to outlaw certain practices that provide inadequate settlements of class members, to assure that attorneys do not receive a disproportionate amount of settlements at the expense of class members, to provide for clearer and simpler information in class action settlement notices, to assure prompt consideration of interstate class actions, to amend title 28, United States Code, to allow the application of the principles of Federal diversity jurisdiction to interstate class actions, and for other purposes.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 1115. An act to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, to outlaw certain practices that provide inadequate settlements for class members, to assure that attorneys do not receive a disproportionate amount of settlements at the expense of class members, to provide for clearer and simpler information in class action settlement notices, to assure prompt consideration of interstate class actions, to amend title 28, United States Code, to allow the application of the principles of Federal diversity jurisdiction to interstate class actions, and for other purposes; to the Committee on the Judiciary.

H.R. 1320. An act to amend the National Telecommunications and Information Administration Organization Act to facilitate the reallocation of spectrum from governmental to commercial users; to the Committee on Commerce, Science, and Transportation.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 110. Concurrent resolution recognizing the sequencing of the human genome as one of the most significant scientific accomplishments of the past one hundred years and expressing support for the goals and ideals of Human Genome Month and DNA Day; to the Committee on the Judiciary.

MEASURE PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 2115. An act to amend title 49, United States Code, to reauthorize programs for the Federal Aviation Administration, and for other purposes.

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–2607. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a certification of a proposed license for the export of defense articles that are firearms controlled under category I of the United States Munitions List sold commercially under a contract in the amount of $100,000,000 or more to Belgium; to the Committee on Foreign Relations.

EC–2698. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: McDonnell Douglas DC 10 30 Airplanes; Docket no. 2002-NM-134 (2120-AA64) (2003-0176)'' received on June 3, 2003; to the Committee on Commerce, Science, and Transportation.

EC–2699. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Eurocopter France Model AS350B, B1, B2, BA, and D Helicopters; Docket no. 2002-SW-37 (2120-AA64) (2003-0177)'' received on June 3, 2003; to the Committee on Commerce, Science, and Transportation.

EC–2700. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: McDonnell Douglas Model MD 11 and 11F Airplanes; Docket no. 2001-NM-56 (2120-AA64) (2003-0199)'' received on June 3, 2003; to the Committee on Commerce, Science, and Transportation.

EC–2701. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Eurocopter France Model AS350B Helicopters; Docket no. 2002-SW-05 (2120-AA64) (2003-0179)'' received on June 3, 2003; to the Committee on Commerce, Science, and Transportation.

EC–2702. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: McDonnell Douglas Model 11 and 11F Airplanes; Docket no. 2001-NM-160 (2120-AA64) (2003-0200)'' received on June 3, 2003; to the Committee on Commerce, Science, and Transportation.

EC–2703. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: McDonnell Douglas Model MD 11 and 11F Airplanes; Docket no. 2001-NM-166 (2120-AA64) (2003-0201)'' received on June 3, 2003; to the Committee on Commerce, Science, and Transportation.

EC–2704. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Eurocopter France Model EC120B Helicopters; Docket no. 2001-SW-52 (2120-AA64) (2003-0175)'' received on June 3, 2003; to the Committee on Commerce, Science, and Transportation.

EC–2705. A communication from the Deputy Assistant Administrator, Regulatory Programs, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Framework Adjustment 37 to the Northeast Multispecies Fishery Management Plan (0648-AQ35)''; to the Committee on Commerce, Science, and Transportation.

EC–2706. A communication from the Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Inseason Adjustment; Opening the Chiniak Gully Research Area in the Gulf of Alaska (GOA) to directed fishing for groundfish using trawl gear from August 1, 2003, through September 20, 2003 because NMFS' Alaska Fisheries Science Center (AFSC) will not conduct research in this area in 2003 (0679)''; to the Committee on Commerce, Science, and Transportation.

EC–2707. A communication from the Deputy Assistant Administrator, Regulatory Programs, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Northeastern United States; 2003 Specifications for the Atlantic Bluefish Fishery (0648-AQ26)''; to the Committee on Commerce, Science, and Transportation.

EC–2708. A communication from the Deputy Assistant Administrator, Regulatory Programs, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Final Rule to implement Corrected Charter Vessel/Headboat Permit Moratorium Amending the Reef Fish Management Plan of the Gulf of Mexico and the Coastal Migratory Pelagics Fishery Management Plan of the South Atlantic and Gulf of Mexico (0648-AQ70)'' received on June 10, 2003; to the Committee on Commerce, Science, and Transportation.

EC–2709. A communication from the Chief, Regulations and Administrative Law, Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Safety/Security Zone Regulations: (Including 12 regulations) [COTP Philadelphia 03-003] [COTP Miami 03-083] [COTP Miami 03-075] [COTP 03-082] [COTP Philadelphia 03-007] [COTP Philadelphia 03-006] [COTP San Francisco Bay 03-010] [COTP Miami 03-081] [COTP Philadelphia 03-004] [COTP Miami 03-073] [CGD13-03-016] [CGD13-03-017] (1625-AA00) (2003-0025)'' received on June 3, 2003; to the Committee on Commerce, Science, and Transportation.

EC–2710. A communication from the Chief, Regulations and Administrative Law, Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Safety/Security Zone Regulations: St. Thomas, U.S. Virgin Islands (COTP San Juan 03-0024) (1625-AA00) (2003-0024)'' received on June 3, 2003; to the Committee on Commerce, Science, and Transportation.

EC–2711. A communication from the Commander (Acting), Regulations and Administrative Law, Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Regulations; Alabama River at Coy, AL (CGD08–03–018) (1625–AA09) (2003–0015)''; to the Committee on Commerce, Science, and Transportation.

EC–2712. A communication from the Commander (Acting), Regulations and Administrative Law, Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Regulations; Manasquan River, NJ (CGD05–02–054) (1625–AA09) (2003–0014)'' received on June 10, 2003; to the Committee on Commerce, Science, and Transportation.

EC–2713. A communication from the Chief, Regulations and Administrative Law, Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Regulated Navigation Area: Hampton Road, VA (CGD05–02–099) (1625–AA11) (2003–0007)''; to the Committee on Commerce, Science, and Transportation.

EC–2714. A communication from the Chief, Regulations and Administrative Law, Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Safety/Security Zone Regulations: (Including 05 regulations) [CGD09–03–215] [COTP Huntington 03–002] [COTP Huntington 03–001] [CGD09–03–216] [CGD09–03–217]'' received on June 10, 2003; to the Committee on Commerce, Science, and Transportation.

EC–2715. A communication from the Regulations Officer, Federal Motor Carrier Safety Administration, transmitting, pursuant to law, the report of a rule entitled ''Transportation of Household Goods; Consumer Protection Regulations (2126–AA32)''; to the Committee on Commerce, Science, and Transportation.

EC–2716. A communication from the Deputy Assistant, Office of the Secretary Transportation, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Participation by disadvantage business enterprises in DOT financial program (2105–AC84)''; to the Committee on Commerce, Science, and Transportation.

EC–2717. A communication from the Acting Director, Office of the Secretary, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Procedures for Transportation Workplace Drug and Alcohol Testing Programs (2105–AD26)''; to the Committee on Commerce, Science, and Transportation.

EC–2718. A communication from the Acting Assistant Secretary of the Army, Civil Works, Department of the Secretary, transmitting, pursuant to law, the report relative to a comprehensive plan for the purpose of restoring, preserving, and protecting the Illinois River Basin, received on May 20, 2003; to the Committee on Environment and Public Works.

EC–2719. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a document entitled ''Regional Haze: Final Revisions to the Regional Haze Rule Incorporating Provisions Related ton Stationary Sources of Sulfur Dioxide for Nine Western States and Eligible Indian Tribes: Fact Sheet'' received on June 3, 2003; to the Committee on Environment and Public Works.

EC–2720. A communication from the Assistant Secretary, Fish, Wildlife and Parks, Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Endangered and Threatened Wildlife and Plants; Designation of Critical Habitat for the Blackburn's Sphinx Moth (1018–AH94)'' received on June 9, 2003; to the Committee on Environment and Public Works.

EC–2721. A communication from the Assistant Secretary, Fish, Wildlife and Parks, Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Endangered and Threatened Wildlife and Plants; Final Designation and nondesignation of critical habitat for 46 Plant Species From the Island of Hawaii, Hawaii (1018–AH02)'' received on June 9, 2003; to the Committee on Environment and Public Works .

EC–2722. A communication from the Assistant Secretary, Fish, Wildlife and Parks, Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Endangered and Threatened Wildlife and Plants; Designation of Critical Habitat for the Preble's Meadow Jumping Mouse (1018–AI46)'' received on June 9, 2003; to the Committee on Environment and Public Works.

EC–2723. A communication from the Deputy Administrator, General Services Administration, transmitting, pursuant to law, the report relative to the building Project Survey for Columbia, MO; to the Committee on Environment and Public Works.

EC–2724. A communication from the Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report relative to the Coer d' Alene Basin, Idaho, Superfund Site; to the Committee on Environment and Public Works.

EC–2725. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Rhode Island Update to Materials Incorporated by Reference (7493–4)''; to the Committee on Environment and Public Works.

EC–2726. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Vermont Update to Materials Incorporated by Reference (7493–5)''; to the Committee on Environment and Public Works.

EC–2727. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plan; Washington (7493–8)'' received on June 5, 2003; to the Committee on Environment and Public Works.

EC–2728. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans; State of Kansas (7510–4)'' received on June 5, 2003; to the Committee on Environment and Public Works.

EC–2729. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of State Plans for Designation Facilities and Pollutants; Large Municipal Waste Combustors; California'' received on June 5, 2003; to the Committee on Environment and Public Works.

EC–2730. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Control of Air Pollution from Motor Vehicles and New Motor Vehicle Engines; Revisions to Regulations Requiring Availability of Information for use of On-Board Diagnostic Systems and Emission-Related Repairs on 1994 and Later Model Year Light-Duty Vehicles and Light-Duty Trucks and 2003 and Later Model Year Heavy-Duty Vehicles and Engines Weighing 14,000 Pounds Gross Vehicle Weight or Less'' received on June 5, 2003; to the Committee on Environment and Public Works.

EC–2731. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Control of Air Pollution from the New Motor Vehicles and New Motor Vehicles and New Motor Vehicle Engines; Modification of Federal On-board Diagnostic Regulations for; Light-Duty Vehicles, Light-Duty Trucks; Medium Duty Passenger Vehicles, Complete Heavy Duty Vehicles and Engines Intended for the Use in Heavy Duty Vehicles weighing 14,000 pounds GVWR or less; Extension of Acceptance of California OBD II Requirements (7492–6)'' received on June 5, 2003; to the Committee on Environment and Public Works.

EC–2732. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Final Authorization of State Hazardous Waste Management Program Revision (7510–1)'' received on June 5, 2003; to the Committee on Environment and Public Works.

EC–2733. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; District of Columbia; Determining Conformity of Federal Actions to State or Federal Implementation Plans (7507–4)''; to the Committee on Environment and Public Works.

EC–2734. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Availability of Allocation of Fiscal Year 2003 and the Environment Training and Employment Program Funds''; to the Committee on Environment and Public Works.

EC–2735. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Clarifications to Existing National Emissions Standards for Hazardous Air Pollutants Delegations Provisions (7508–8)''; to the Committee on Environment and Public Works.

EC–2736. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Methoprene, Watermelon Mosaic Virus–2 Coat Protein, and Zucchini Yellow Mosaic Virus Coat Protein; Final Tolerance Actions (7309–5)''; to the Committee on Environment and Public Works.

EC–2737. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Revisions to the California State Implementation Plan, Bay Area Air Quality (7495–3)''; to the Committee on Environment and Public Works.

EC–2738. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting,

pursuant to law, the report of a rule entitled ''Revisions to the California State Implementation Plan Bay Area Air Quality Management District; San Diego County Air Pollution Control District (7495–1)''; to the Committee on Environment and Public Works.

EC–2739. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''State of Massachusetts; Withdrawal of Direct Final Rule (7509–2)''; to the Committee on Environment and Public Works.

EC–2740. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Thymol and Eucalyptus Oil; Exemption from the Requirement of a Tolerance (7308–1)''; to the Committee on Environment and Public Works.

EC–2741. A communication from the Director, Congressional Affairs, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled ''Event Notification Requirements (3150–AG90)'' received on June 10, 2003; to the Committee on Environment and Public Works.

EC–2742. A communication from the Director, Office of Congressional Affairs, Office of the Chief Financial Officer, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled ''Revision of Fee Schedules; Fee Recovery for FY 2003 (3150–AH14)'' received on June 11, 2003; to the Committee on Environment and Public Works.

EC–2743. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Connecticut, Massachusetts and Rhode Island; Nitrogen Oxides Budget and Allowances Trading Program (7513–2)'' received on June 11, 2003; to the Committee on Environment and Public Works.

EC–2744. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of State Plans for Designated Facilities and Pollutants: Louisiana, New Mexico, Oklahoma, and Bernalillo County, New Mexico; Negative Declarations (7511–4)''; to the Committee on Environment and Public Works.

EC–2745. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Burkholderia Cepacia Complex, Significant New Use Rule (7200–3)'' received on June 11, 2003; to the Committee on Environment and Public Works.

EC–2746. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Partial Withdrawal of Direct Final Rule; Effluent Limitations Guidelines, Pretreatment Standards and New Source Performance Standards for the Pharmaceutical Manufacturing Point Category (7510–6)'' received on June 11, 2003; to the Committee on Environment and Public Works.

EC–2747. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Preliminary Assessment Information Reporting; Addition of Certain Chemical (7306–7)'' received on June 11, 2003; to the Committee on Environment and Public Works.

EC–2748. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Utah: Final Authorization of State Hazardous Waste Management Program Revision (7511–1)'' received on June 11, 2003; to the Committee on Environment and Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GREGG, from the Committee on Health, Education, Labor, and Pensions, without amendment:

S. 1015. A bill to authorize grants through the Centers for Disease Control and Prevention for mosquito control programs to prevent mosquito-borne diseases, and for other purposes (Rept. No. 108–69).

By Mr. HATCH, from the Committee on the Judiciary, without amendment and with a preamble:

S. Res. 141. A resolution recognizing ''Inventing Flight: The Centennial Celebration'', a celebration in Dayton, Ohio of the centennial of Wilbur and Orville Wright's first flight.

S. Res. 163. A resolution commending the Francis Marion University Patriots men's golf team for winning the 2003 National Collegiate Athletic Association Division II Men's Golf Championship.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HATCH for the Committee on the Judiciary.

Eduardo Aguirre, Jr., of Texas, to be Director of the Bureau of Citizenship and Immigration Services, Department of Homeland Security.

David G. Campbell, of Arizona, to be United States District Judge for the District of Arizona.

Richard James O'Connell, of Arkansas, to be United States Marshal for the Western District of Arkansas for the term of four years.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

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 Ms. COLLINS (for herself, Mr. CARPER, Mr. ROCKEFELLER, Mr. VOINOVICH, Mr. FEINGOLD, Mr. SUNUNU, Mr. COLEMAN, Mr. PRYOR, Mr. ALLARD, and Mr. AKAKA):

S. 1245. A bill to provide for homeland security grand coordination and simplification, and for other purposes; to the Committee on Governmental Affairs.

By Mr. ROBERTS:

S. 1246. A bill to amend the Internal Revenue Code of 1986 to provide for collegiate housing and infrastructure grants; to the Committee on Finance.

By Ms. SNOWE (for herself, Mr. KERRY, Mr. BOND, Ms. CANTWELL, Mr. BURNS, Mr. LEVIN, Mr. ENZI, Mr. GRASSLEY, Mr. BAUCUS, Mr. DOMENICI, Mr. BINGAMAN, Mr. KOHL, Mrs. DOLE, Mr. CORZINE, Ms. LANDRIEU, Mr. COLEMAN, Mr. KENNEDY, Mr. DURBIN, Mr. EDWARDS, Mr. DAYTON, and Mr. HARKIN):

S. 1247. A bill to increase the amount to be reserved during fiscal year 2003 for sustainability grants under section 29(1) of the Small Business Act; considered and passed.

By Mr. GREGG (for himself and Mr. KENNEDY):

S. 1248. A bill to reauthorize the Individuals with Disabilities Education Act, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. ENSIGN (for himself and Mrs. LINCOLN):

S. 1249. A bill to amend title XVIII of the Social Security Act to waive the part B late enrollment penalty for military retirees who enroll December 31, 2004, and to provide a special part B enrollment period for such retirees; to the Committee on Finance.

By Mr. BURNS (for himself and Mrs. CLINTON):

S. 1250. A bill to improve, enhance, and promote the Nation's homeland security, public safety, and citizen activated emergency response capabilities through the use of enhanced 911 services, to further upgrade Public Safety Answering Point capabilities and related functions in receiving E–911 calls, and to support the construction and operation of a ubiquitous and reliable citizen activated system, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. CHAFEE:

S. 1251. A bill to deauthorize portions of a Federal channel in Pawtuxet Cove, Rhode Island; to the Committee on Environment and Public Works.

By Mr. DAYTON (for himself, Mr. LIEBERMAN, Mr. KERRY, Mrs. CLINTON, and Mrs. MURRAY):

S. 1252. A bill to provide benefits to domestic partners of Federal employees; to the Committee on Governmental Affairs.

By Ms. MURKOWSKI:

S. 1253. A bill to amend the Internal Revenue Code of 1986 to provide a minimum credit of $200 per month for stay-at-home parents, to allow the dependent care credit to be taken against the minimum tax, and to allow a carryforward of any unused dependent care credit; to the Committee on Finance.

By Mr. KERRY:

S. 1254. A bill to amend the Small Business Act to direct the Administrator of the Small Business Administration to establish a vocational and technical entrepreneurship development program; to the Committee on Small Business and Entrepreneurship.

By Mr. KERRY (for himself, Mr. ENSIGN, Mr. JEFFORDS, Mr. BINGAMAN, Ms. LANDRIEU, Mr. LEAHY, Mr. MILLER, Mr. CRAIG, and Ms. STABENOW):

S. 1255. A bill to amend the Small Business Act to direct the Administrator of the Small Business Administration to establish a pilot program to provide regulatory compliance assistance to small business concerns, and for other purposes; to the Committee on Small Business and Entrepreneurship.

By Mr. HARKIN (for himself and Mr. LUGAR):

S. 1256. A bill to protect the critical aquifers and watersheds that serve as a principal water supply for Puerto Rico, to protect the tropical forests of the Karst Region, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. COLEMAN:

S. 1257. A bill to conduct statewide demonstration projects to improve health care quality and to reduce costs under the medicare program under title XVIII of the Social Security Act and to conduct a study on payment incentives and performance under the

Medicare+Choice program under such title; to the Committee on Finance.

By Mr. BAYH:

S. 1258. A bill to improve United States litigation efforts at the WTO, establish a WTO Dispute Settlement Review Commission, promote reform of the WTO dispute settlement process, and for other purposes; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. CAMPBELL (for himself, Mr. KOHL, Mr. ALLARD, and Mr. SANTORUM):

S. Res. 167. A resolution recognizing the 100th anniversary of the founding of the Harley-Davidson Motor Company, which has been a significant part of the social, economic, and cultural heritage of the United States and many other nations and a leading force for product and manufacturing innovation throughout the 20th century; to the Committee on the Judiciary.

By Mr. CAMPBELL (for himself and Mr. ALLARD):

S. Res. 168. A resolution designating May 2004 as ''National Motorcycle Safety and Awareness Month''; to the Committee on the Judiciary.

By Mrs. CLINTON:

S. Res. 169. A resolution expressing the sense of the Senate that the United States Postal Service should issue a postage stamp commemorating Anne Frank; to the Committee on Governmental Affairs.

By Mr. DODD (for himself and Mr. COCHRAN):

S. Res. 170. A resolution designating the years 2004 and 2005 as ''Years of Foreign Language Study''; to the Committee on the Judiciary.

By Ms. SNOWE (for herself, Mr. KERRY, Mr. MCCAIN, Mr. HOLLINGS, Mr. KENNEDY, Mr. REED, Mr. LIEBERMAN, Mr. DODD, Mr. SMITH, Mr. LEVIN, Mr. AKAKA, Ms. COLLINS, Mr. CHAFEE, Mr. BIDEN, Mr. CORZINE, Mrs. BOXER, Mr. LAUTENBERG, and Mr. COCHRAN):

S. Con. Res. 55. A concurrent resolution expressing the sense of the Congress regarding the policy of the United States at the 55th Annual Meeting of the International Whaling Commission; to the Committee on Foreign Relations.

ADDITIONAL COSPONSORS

S. 139

At the request of Mr. LIEBERMAN, the names of the Senator from Maine (Ms. SNOWE) and the Senator from Washington (Mrs. MURRAY) were added as cosponsors of S. 139, a bill to provide for a program of scientific research on abrupt climate change, to accelerate the reduction of greenhouse gas emissions in the United States by establishing a market-driven system of greenhouse gas tradeable allowances that could be used interchangably with passenger vehicle fuel economy standard credits, to limit greenhouse gas emissions in the United States and reduce dependence upon foreign oil, and ensure benefits to consumers from the trading in such allowances.

S. 436

At the request of Mr. LEAHY, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 436, a bill to amend the Foreign Intelligence Surveillance Act of 1978 to improve the administration and oversight of foreign intelligence surveillance, and for other purposes.

S. 451

At the request of Ms. SNOWE, the names of the Senator from Vermont (Mr. JEFFORDS) and the Senator from Arkansas (Mrs. LINCOLN) were added as cosponsors of S. 451, a bill to amend title 10, United States Code, to increase the minimum Survivor Benefit Plan basic annuity for surviving spouses age 62 and older, to provide for a one-year open season under that plan, and for other purposes.

S. 481

At the request of Mr. ALLEN, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 481, a bill to amend chapter 84 of title 5, United States Code, to provide that certain Federal annuity computations are adjusted by 1 percentage point relating to periods of receiving disability payments, and for other purposes.

S. 499

At the request of Ms. LANDRIEU, the name of the Senator from Colorado (Mr. CAMPBELL) was added as a cosponsor of S. 499, a bill to authorize the American Battle Monuments Commission to establish in the State of Louisiana a memorial to honor the Buffalo Soldiers.

S. 557

At the request of Ms. COLLINS, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 557, a bill to amend the Internal Revenue Code of 1986 to exclude from gross income amounts received on account of claims based on certain unlawful discrimination and to allow income averaging for backpay and frontpay awards received on account of such claims, and for other purposes.

S. 560

At the request of Mr. CRAIG, the names of the Senator from Georgia (Mr. CHAMBLISS) and the Senator from Michigan (Ms. STABENOW) were added as cosponsors of S. 560, a bill to impose tariff-rate quotas on certain casein and milk protein concentrates.

S. 564

At the request of Ms. LANDRIEU, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 564, a bill to facilitate the deployment of wireless telecommunications networks in order to further the availability of the Emergency Alert System, and for other purposes.

S. 678

At the request of Mr. AKAKA, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 678, a bill to amend chapter 10 of title 39, United States Code, to include postmasters and postmasters organizations in the process for the development and planning of certain policies, schedules, and programs, and for other purposes.

S. 684

At the request of Mr. SMITH, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 684, a bill to create an office within the Department of Justice to undertake certain specific steps to ensure that all American citizens harmed by terrorism overseas receive equal treatment by the United States Government regardless of the terrorists' country of origin or residence, and to ensure that all terrorists involved in such attacks are pursued, prosecuted, and punished with equal vigor, regardless of the terrorists' country of origin or residence.

S. 693

At the request of Mr. ALLARD, the name of the Senator from Minnesota (Mr. COLEMAN) was added as a cosponsor of S. 693, a bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to make volunteer members of the Civil Air Patrol eligible for Public Safety Officer death benefits.

S. 752

At the request of Mr. BINGAMAN, the names of the Senator from Oklahoma (Mr. NICKLES) and the Senator from Louisiana (Mr. BREAUX) were added as cosponsors of S. 752, a bill to amend the Internal Revenue Code of 1986 to treat distributions from publicly traded partnerships as qualifying income of regulated investment companies, and for other purposes.

S. 851

At the request of Mr. ENSIGN, the name of the Senator from Alabama (Mr. SHELBY) was added as a cosponsor of S. 851, a bill to amend title 18, United States Code, to prohibit taking minors across State lines in circumvention of laws requiring the involvement of parents in abortion decisions.

S. 875

At the request of Mr. KERRY, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 875, a bill to amend the Internal Revenue Code of 1986 to allow an income tax credit for the provision of homeownership and community development, and for other purposes.

S. 982

At the request of Mrs. BOXER, the name of the Senator from Nebraska (Mr. NELSON) was added as a cosponsor of S. 982, a bill to halt Syrian support for terrorism, end its occupation of Lebanon, stop its development of weapons of mass destruction, cease its illegal importation of Iraqi oil, and hold Syria accountable for its role in the Middle East, and for other purposes.

S. 985

At the request of Mr. DODD, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 985, a bill to amend the Federal Law Enforcement Pay Reform Act of 1990 to adjust the percentage differentials payable to Federal law enforcement officers in certain high-cost areas, and for other purposes.

S. 990

At the request of Ms. LANDRIEU, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 990, a bill to amend title 32, United States Code, to increase the maximum Federal share of the costs of State programs under the National Guard Challenge Program, and for other purposes.

S. 1023

At the request of Mr. HATCH, the names of the Senator from Connecticut (Mr. LIEBERMAN) and the Senator from New Jersey (Mr. CORZINE) were added as cosponsors of S. 1023, a bill to increase the annual salaries of justices and judges of the United States.

S. 1035

At the request of Mr. CORZINE, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S. 1035, a bill to amend title 10, United States Code, to reduce the age for receipt of military retired pay for nonregular service from 60 to 55.

S. 1046

At the request of Mr. STEVENS, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of S. 1046, a bill to amend the Communications Act of 1934 to preserve localism, to foster and promote the diversity of television programming, to foster and promote competition, and to prevent excessive concentration of ownership of the nation's television broadcast stations.

S. 1076

At the request of Mr. HAGEL, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 1076, a bill to authorize construction of an education center at or near the Vietnam Veterans Memorial.

S. 1148

At the request of Mr. JEFFORDS, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 1148, a bill to amend title XVIII of the Social Security Act to provide for the establishment of medicare demonstration programs to improve health care quality.

S. 1153

At the request of Mr. SPECTER, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 1153, a bill to amend title 38, United States Code, to permit medicare-eligible veterans to receive an out-patient medication benefit, to provide that certain veterans who receive such benefit are not otherwise eligible for medical care and services from the Department of Veterans Affairs, and for other purposes.

S. 1196

At the request of Mrs. HUTCHISON, the names of the Senator from Texas (Mr. CORNYN), the Senator from Virginia (Mr. ALLEN) and the Senator from Georgia (Mr. CHAMBLISS) were added as cosponsors of S. 1196, a bill to eliminate the marriage penalty permanently in 2003.

S. 1201

At the request of Mr. GRAHAM of South Carolina, the names of the Senator from Idaho (Mr. CRAPO) and the Senator from Maine (Ms. COLLINS) were added as cosponsors of S. 1201, a bill to promote healthy lifestyles and prevent unhealthy, risky behaviors among teenage youth.

S. 1215

At the request of Mr. MCCONNELL, the names of the Senator from California (Mrs. FEINSTEIN), the Senator from Arizona (Mr. MCCAIN), the Senator from Hawaii (Mr. AKAKA), the Senator from Tennessee (Mr. ALEXANDER), the Senator from Colorado (Mr. ALLARD), the Senator from Virginia (Mr. ALLEN), the Senator from Utah (Mr. BENNETT), the Senator from Delaware (Mr. BIDEN), the Senator from New Mexico (Mr. BINGAMAN), the Senator from California (Mrs. BOXER), the Senator from Louisiana (Mr. BREAUX), the Senator from Kansas (Mr. BROWNBACK), the Senator from Kentucky (Mr. BUNNING), the Senator from Georgia (Mr. CHAMBLISS), the Senator from New York (Mrs. CLINTON), the Senator from Minnesota (Mr. COLEMAN), the Senator from Maine (Ms. COLLINS), the Senator from New Jersey (Mr. CORZINE), the Senator from South Dakota (Mr. DASCHLE), the Senator from Minnesota (Mr. DAYTON), the Senator from North Carolina (Mrs. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Illinois (Mr. DURBIN), the Senator from Wisconsin (Mr. FEINGOLD), the Senator from Tennessee (Mr. FRIST), the Senator from Nebraska (Mr. HAGEL), the Senator from North Dakota (Mr. DORGAN), the Senator from Montana (Mr. BURNS), the Senator from Iowa (Mr. HARKIN), the Senator from Texas (Mrs. HUTCHISON), the Senator from Vermont (Mr. JEFFORDS), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Arizona (Mr. KYL), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Vermont (Mr. LEAHY), the Senator from Michigan (Mr. LEVIN), the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Indiana (Mr. LUGAR), the Senator from Maryland (Ms. MIKULSKI), the Senator from Alaska (Ms. MURKOWSKI), the Senator from Washington (Mrs. MURRAY), the Senator from Nebraska (Mr. NELSON), the Senator from West Virginia (Mr. ROCKEFELLER), the Senator from Pennsylvania (Mr. SANTORUM), the Senator from Maryland (Mr. SARBANES), the Senator from New York (Mr. SCHUMER), the Senator from Oregon (Mr. SMITH), the Senator from Pennsylvania (Mr. SPECTER), the Senator from Michigan (Ms. STABENOW), the Senator from Oregon (Mr. WYDEN), the Senator from Florida (Mr. GRAHAM), the Senator from Montana (Mr. BAUCUS), and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of S. 1215, a bill to sanction the ruling Burmese military junta, to strengthen Burma's democratic forces and support and recognize the National League of Democracy as the legitimate representative of the Burmese people, and for other purposes.

S. 1220

At the request of Mr. ALLARD, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 1220, a bill to amend title XVIII of the Social Security Act to extend reasonable cost contracts under the medicare program, to expand the area in which plans offered under such contracts may operate, to apply certain provisions of the Medicare+Choice program to such plans, and for other purposes.

S. 1231

At the request of Mr. SCHUMER, the name of the Senator from South Carolina (Mr. GRAHAM) was added as a cosponsor of S. 1231, a bill to eliminate the burdens and costs associated with electronic mail spam by prohibiting the transmission of all unsolicited commercial electronic mail to persons who place their electronic mail addresses on a national No-Spam Registry, and to prevent fraud and deception in commercial electronic mail by imposing requirements on the content of all commercial electronic mail messages.

S. 1233

At the request of Ms. MIKULSKI, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 1233, a bill to authorize assistance for the National Great Blacks in Wax Museum and Justice Learning Center.

S. CON. RES. 54

At the request of Mr. COCHRAN, the names of the Senator from Kansas (Mr. BROWNBACK) and the Senator from New York (Mrs. CLINTON) were added as cosponsors of S. Con. Res. 54, a concurrent resolution commending Medgar Wiley Evers and his widow, Myrlie Evers-Williams for their lives and accomplishments, designating a Medgar Evers National Week of Remembrance, and for other purposes.

S. RES. 153

At the request of Mrs. MURRAY, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. Res. 153, a resolution expressing the sense of the Senate that changes to athletics policies issued under title IX of the Education Amendments of 1972 would contradict the spirit of athletic equality and the intent to prohibit sex discrimination in education programs or activities receiving Federal financial assistance.

S. RES. 164

At the request of Mr. ENSIGN, the names of the Senator from Michigan (Mr. LEVIN), the Senator from Massachusetts (Mr. KERRY), the Senator from Michigan (Ms. STABENOW), the Senator from Wisconsin (Mr. FEINGOLD), and the Senator from New York (Mrs. CLINTON) were added as cosponsors of S. Res. 164, a resolution reaffirming support of the Convention on the Prevention and Punishment of the Crime of Genocide and anticipating the commemoration of the 15th anniversary of the enactment of the Genocide Convention Implementation Act of 1987 (the Proxmire Act) on November 4, 2003.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. COLLINS (for herself, Mr. CARPER, Mr. ROCKEFELLER, Mr. VOINOVICH, Mr. FEINGOLD, Mr. SUNUNU, Mr. COLEMAN, Mr. PRYOR, Mr. ALLARD, and Mr. AKAKA):

S. 1245. A bill to provide for homeland security grand coordination and simplification, and for other purposes; to the Committee on Governmental Affairs.

Ms. COLLINS. Mr. President, I rise today to introduce legislation, the Homeland Security Grant Enhancement Act, to streamline and strengthen the way we help our States, communities, and first responders protect our homeland. I am pleased to be joined by a number of my colleagues including Senators CARPER, ROCKEFELLER, VOINOVICH, FEINGOLD, SUNUNU, COLEMAN, PRYOR, ALLARD, and AKAKA.

Last year, the Senate spent nearly three months on the Homeland Security Act, yet the law contains virtually no guidance on how the Department is to assist State and local governments with their homeland security needs. In fact, the 187-page Homeland Security Act mentions the issue of grants to first responders in but a single paragraph. As a result, the Department of Homeland Security currently allocates billions of dollars of grant funds according to formulas borrowed from the USA Patriot Act. The Homeland Security Act left the decisions on how Federal dollars should be spent or how much money should be allocated for another day. Today is that day.

Much of the burden for homeland security has fallen on the shoulders of State and local officials across America, especially our first responders—the firefighters, police officers and ambulance crews on the front lines. Over the past months, the Committee on Governmental Affairs has listened to them describe the challenges associated with constructing effective homeland security strategies. We have also listened to State and local officials as well as Department of Homeland Security Secretary Tom Ridge. This series of three hearings looked at the issues from a variety of perspectives and helped shape the legislation we introduce today.

At our first hearing, we heard from first responders: our firefighters, law enforcement officials, and emergency medical technicians, who discussed the challenges they face protecting our communities.

Arlington Fire Chief Ed Plaugher, the incident commander at the Pentagon on September 11, told the Committee that he had received little homeland security funding since 9–11. Chief Paugher also underscored the gaps in the homeland security planning process. Many law enforcement officials shared Chief Plaughter's concerns. Portland, ME, Police Chief Mike Chitwood, for example, expressed his frustrations about the roadblocks to accessing Federal funding and the lack of coordination by Federal agencies with local jurisdictions.

Secretary Ridge testified at our second hearing. He discussed the ongoing challenges involved in providing Federal resources to States, communities and first responders. He also outlined ways we can improve the efficiency and effectiveness of homeland security grant programs to help first responders get the resources they need.

Secretary Ridge's comments underscored the need to improve the way the Department of Homeland Security's first responder grant programs are organized within the Department, and the way the Department distributes these grants.

The Committee's third hearing featured State and local officials who expressed their support for more flexibility, coordination, and simplification of Federal homeland security grant programs.

Maine's emergency manager, Art Cleaves, said the current maze of homeland security programs has caused so much paperwork that States may be forced to hire additional staff just to deal with a multiplicity of forms and planning documents.

Other witnesses, including Governor Mitt Romney of Massachusetts, outlined the need for coordinating homeland security funding across the Federal Government. Their comments underscored how communities can access funding for interoperable communications equipment through six different Federal programs, including the FIRE Act, COPS, two Department of Health and Human Services' bio-terrorism grant programs, FEMA's Emergency Management Performance Account, and ODP's State homeland security grant program. Despite the unified goals of these grants—to purchase interoperable equipment—Federal agencies are under no requirement to coordinate their efforts.

While State and local officials agreed on the need to coordinate programs and make it easier to apply for grants, Mayor Kwame Kilpatrick and Governor Romney commented on the differences between States and localities regarding how best to allocate funds, through States or directly to the local level.

I am pleased that these hearings have helped to build a consensus on this issue. Yesterday, I received a letter from State and local organizations including the National League of Cities, the National Association of Counties, and the National Governors Association, which have come together in support of our approach, to provide funds through States, but to require that eighty percent be passed through to the local level.

Our legislation will provide a map that will better connect our front-line protectors with the funding they need. It will eliminate duplicative homeland security planning requirements; make it easier to apply for grants; coordinate the many grant programs that provide homeland security funds; and promote a community-based approach to homeland security funding. I would like to briefly describe the approach we have taken.

The first provision of our legislation would promote the same kind of coordination among Federal agencies that we require of our States and localities. It would require Federal agencies to build a clear, well-marked path that would lead our first responders to the funding that enables them to do what they do best: prepare for and respond to emergencies.

Second, the legislation would coordinate government-wide homeland security funding by promoting one-stop-shopping for homeland security funding opportunities. It would establish an information clearinghouse to assist first responders and State and local governments in accessing homeland security grant information and other resources within the new department. The clearinghouse would improve access to homeland security grant information, coordinate technical assistance for vulnerability and threat assessments, provide information regarding homeland security best practices, and compile information regarding homeland security equipment purchased with Federal funds.

The legislation also recognizes the importance of building on existing successful programs, such as the FIRE Act, which provides funding directly to fire departments for equipment and training on a competitive, peer reviewed basis. It would allow the FIRE Act to continue to be administered in its current form, but would coordinate its activities with other Federal programs. For example, it would make sure that two neighboring jurisdictions receiving funding from the FIRE Act are aware of industry standards regarding the interoperability of communications equipment.

The third provision of our legislation would strengthen the Office for Domestic Preparedness's State Homeland Security Grant Program by simplifying the grant process, promoting more local input in homeland security funding, and promoting more flexibility in the use of funds.

The lack of guidance in the Homeland Security Act has forced State and local governments and first responders to engage in a 12-step odyssey to obtain funding from ODP's State homeland security grant program. And this program is just one of several homeland security grant programs to which a State, locality, police, or fire department can apply.

The legislation distills the homeland security grant process from twelve steps to two. First, State and local governments and emergency responders will develop a three-year homeland security plan that outlines vulnerabilities and capabilities, and a process for allocating resources to meet State and local needs. This plan will also require the development of

measurable goals and objectives, such as increasing the number of local jurisdictions participating in local and statewide exercises. Second, States and communities will apply for funds based on this plan, which they can revise each year pending approval from the Secretary.

This legislation would ensure that local government officials and first responders have a louder voice in the homeland security planning process and can access homeland security dollars and equipment in an efficient manner. It would also require that eighty percent of these resources reach the local level within sixty days of the grant allocation.

When I met with the Maine fire chiefs, they expressed concerns about the lack of flexibility in homeland security funding, especially in the area of overtime costs for training. They told me that since homeland security funds cannot be used for most overtime costs, some of Maine's firefighters have been forced to turn down training opportunities at the National Fire Academy. Because there was no funding to pay the overtime costs for someone to fill in while the firefighter trained at the Academy, they had to forego this valuable training opportunity.

Our legislation would address their concerns by allowing funds to be used not only for planning, equipment, exercises, and training, but also for certain overtime costs associated with training activities.

Our legislation also recognizes that certain high threat areas have critical vulnerabilities that must be addressed immediately. This legislation will direct the Secretary to use ten percent of total funding for this program to address these critical vulnerabilities. While this provision provides flexibility, it requires that any direct funding be consistent with the State plan. Furthermore, this legislation formally authorizes the Emergency Management Preparedness Grant, which provides resources to the backbone of our emergency management structure, and ensures an adequate level of funding under this program.

While some States and communities face a more imminent threat, our Nation must provide for the safety of all of our citizens. This grant program maintains the current baseline level of homeland security assistance to each State. It then allocates the bulk of the funds not based solely on population, as is the case now, but on risk assessments undertaken for each State.

Right now, States and localities must complete numerous homeland security plans, each with its own set of questions and benchmarks. Terrorists will not be deterred by paperwork or by communities answering the same question six different ways.

That's why our legislation would streamline the planning process by requiring a single set of cooperatively developed performance standards to help States and localities evaluate homeland security plans.

When I met with officials of Maine's Emergency Management Agency, they told me that the rigid structure of many homeland security grant programs frustrates their efforts to help first responders secure communities across our State.

In past years, for example, the Office for Domestic Preparedness's homeland security grant program allocated the same percentage of each State's funds for training, equipment, exercises, and planning, thus leaving no room to accommodate different States' priorities. In allocating funds this way, the Federal Government effectively said that Maine must spend exactly the same portion of its homeland security dollars on training as Hawaii. Moreover, States cannot transfer surplus funds from one category to another to meet their needs.

As a result, Maine may be forced to return some of the Homeland Security funds allocated for exercises. This one size fits all formula used in past homeland security funding makes no sense. I believe all States and communities should have the flexibility to spend homeland security dollars where they are most needed. That is why this legislation would allow flexibility in homeland security funds that have already been appropriated but remain unspent.

The current homeland security grant structure is unacceptable. Secretary Ridge has done an admirable job distributing billions of dollars of homeland security funds based on borrowed authorities and with no real guidance. It is time to deal the Secretary a full hand of cards and give our States, localities, and first responders a straight path to homeland security programs, not a maze. We must topple the mountain of paperwork. We must help, not hinder, our front-line defenders.

I urge my colleagues to join me in sponsoring this legislation to build a stronger and better homeland security partnership in the months and years ahead.

Mr. CARPER. Mr. President, I rise today to join my friend from Maine, Ms. COLLINS, in introducing the Homeland Security Grant Enhancement Act of 2003, legislation that greatly improves the method currently used to distribute much-needed first responder aid.

When my colleagues and I on the Governmental Affairs Committee worked last year under Senator LIEBERMAN's leadership to create the Department of Homeland Security, we all hoped that what we were setting up would help the Federal Government be better able to prevent and respond to terrorist attacks. As of March 1st of this year, we have in place the skeleton of an organization that aims to pull together under one roof information on threats and vulnerabilities and use that information to improve security and prepare first responders.

As I've pointed out a number of times, however, no matter how well Secretary Ridge does his work on the Federal level, we will not be much safer than we were on September 10, 2001 unless our first responders are better prepared to do their work on the local level. While homeland security should certainly be a shared responsibility, it is vitally important that the Federal Government does its part to provide each State and its first responders with the assistance necessary to ensure that the citizens they serve are adequately protected. The Homeland Security Grant Enhancement Act is an important step toward making this happen.

Today, States, localities and first responders can receive Federal assistance from a number of different aid programs administered by several different agencies. All of the programs serve different purposes and require different applications. The Homeland Security Grant Enhancement Act sets up a process to streamline these programs to allow them to work well together and avoid imposing redundant or duplicative requirements on applicants. The aim is not to eliminate programs, but to ensure that existing homeland security and homeland security-related grant programs are well coordinated and impose as small an administrative burden on applicants as possible.

The Homeland Security Grant Enhancement Act also creates a ''one-stop shop'' for grant information within the Department of Homeland Security by moving the Office of Domestic Preparedness, ODP, the agency within the Department of Homeland Security charged with administering the current state homeland security grant program, from the Directorate for Border and Transportation Security to the Office for State and Local Government Coordination. In its new location, ODP will operate a ''clearinghouse'' for grant information that would offer services such as a toll-free hotline and a list of recommended first responder equipment. ODP will also maintain a compilation of ''best practices'' made up of successful homeland security programs from across the country and offer states technical assistance in developing the terrorism risk assessments that will be a part of the new State grant program.

Most importantly, the Homeland Security Grant Enhancement Act also makes key improvements to the formula for distributing first responder aid among the States. The new formula maintains the requirement that all money go to State governments and that 80 percent of that money be passed through to cities and localities. It also maintains the current small state minimum in which each State receives an equal share of 40 percent of funds made available for state grants. It makes a major improvement, however, by dividing the remaining 60 percent of the money among the states according to an analysis of potential threats in each State.

The current formula for distributing first responder aid ignores the fact that Delaware, though small in population, is located in the Northeast midway between New York and Washington. It ignores the fact that Delaware is home to a major port, oil refineries and chemical plants. It ignores the fact that Delaware every day hosts scores of ships, trains and trucks on their way to destinations up and down the East Coast. It also ignores the fact that Delaware is home to the Dover Air Force Base, a facility that played a crucial role in the recent conflicts in Afghanistan and Iraq.

I understand the need to give larger States, especially those with densely populated urban areas, enough resources to protect their larger populations. No State, however, should be less safe than its neighbors simply because it has a smaller population. The Federal Government should be working to bring every state and locality to the point where they are capable of responding effectively to any potential threat. I am concerned that the current formula, based mostly on population does not prepare all States adequately.

The Homeland Security Grant Enhancement Act still requires that population be taken into account when distributing first responder aid. However, it adds the requirement that the Secretary of Homeland Security also account for threats and risk to critical infrastructure identified in State risk assessments that would be submitted to the department as part of the grant application process. The bill also ensures that all localities within States get their fair share of money by requiring that local leaders be included in the planning and application process in each state and that the distribution method a given state will use once it receives its money is approved by the department before a check is cut.

Finally, the Homeland Security Grant Enhancement Act gives states new flexibility in spending their first responder aid by incorporating provisions from S. 838, legislation Ms. COLLINS and I introduced in April. That bill allows States to apply for a waiver from the Department of Homeland Security so that they can move their first responder aid around between the four categories—equipment, training, exercises and planning—in which it is sent to them. This change will allow States to better meet needs identified in their State terrorism response plans.

I applaud the Senator from Maine for her leadership on these important issues. I look forward to working with her and all of my colleagues in getting this important legislation passed and signed into law as soon as possible.

By Ms. SNOWE (for herself, Mr. KERRY, Mr. BOND, Ms. CANTWELL, Mr. BURNS, Mr. LEVIN, Mr. ENZI, Mr. GRASSLEY, Mr. BAUCUS, Mr. DOMENICI, Mr. BINGAMAN, Mr. KOHL, Mrs. DOLE, Mr. CORZINE, Ms. LANDRIEU, Mr. COLEMAN, Mr. KENNEDY, Mr. DURBIN, Mr. EDWARDS, Mr. DAYTON, and Mr. HARKIN):

S. 1247. A bill to increase the amount to be reserved during fiscal year 2003 for sustainability grants under section 29(1) of the Small Business Act; considered and passed.

Ms. SNOWE. Mr. President, 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. 1247

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 ''Women's Business Centers Preservation Act of 2003''.

SEC. 2. SUSTAINABILITY GRANTS FOR WOMEN'S BUSINESS CENTERS.

Section 29(k)(4)(A)(iv) of the Small Business Act (15 U.S.C. 656(k)(4)(A)(iv)) is amended by striking ''30.2 percent'' and inserting ''36 percent''.

By Mr. GREGG (for himself and Mr. KENNEDY):

S. 1248. A bill to reauthorize the Individuals with Disabilities Education Act, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. GREGG. Mr. President, today, I join my esteemed colleague, the Senator from Massachusetts, Senator KENNEDY, in introducing the Individuals with Disabilities Education Improvement Act of 2003.

In the past, the Individuals with Disabilities Education Act, IDEA, bills received bipartisan votes at the end of a long, divisive and arduous process. What makes today's introduction of a bipartisan IDEA bill so unique is that it is bipartisan in its inception.

The reason this is a bipartisan bill is because it strikes the appropriate balance between protecting the educational rights of children with disabilities while simultaneously making IDEA less litigious and compliance based. Above all, the bill is designed to ensure that IDEA resources are directed to help children with disabilities obtain the same opportunity to succeed as all other students.

The bill streamlines State and local requirements to ensure that paperwork focuses on improved results for children with disabilities. By eliminating the need for an 800+ procedural checklist, these amendments favor the improvement of educational and functional results for children with disabilities over burdensome bureaucratic rules.

The bill responds to concerns that we've heard from both parents and school administrators alike on how the law has evolved into a full employment government program for lawyers. Over and over again, we hear of fights about past procedural issues and technical errors instead of making sure that the children are being well served in the here and now.

The bill includes many common sense provisions to alleviate the stress in disagreements between schools and parents and encourages them to seek out mediation to address their concerns before they move to formal hearings. The bill restores trust by; providing parents with better access to information and resources to understand their rights and work through conflicts; making clear that parents can request an initial evaluation of a child for IDEA services and making it easier for parents to make changes to their child's individual education plan; requiring complaints of either the school or parents to be clear and specific before going to due process; and requiring hearing officers to make decisions based upon substantive grounds not technical issues that have no bearing on a child's education.

This bill currently does not specifically address the issue of full funding, because Senator KENNEDY and I decided at the very outset to postpone that issue to the floor, since that is an issue that merits the attention and active participation of the entire Senate. However, in addition to simplifying funding formulas so that both States and local school districts have a better indication of the funding available, the bill includes 2 key provisions that will provide additional fiscal relief for school districts than what is provided to them under current law.

First, we allow school districts to treat 8 percent of their IDEA funds as local funds. This will allow school districts to better align funding among programs based on local priorities. Second, we require States to reserve 2 percent of their overall IDEA Part B grant to establish risk pool accounts to provide new resources to assist local school districts and charter schools in addressing the costs of providing services to high-need children and unanticipated enrollment of students with disabilities.

Finally, the bill addresses the discipline provisions in current law that schools and parents have found to be confusing, hard to administer, and have resulted in outcomes that were not always fair to every child. The bill simplifies the framework for schools to administer the law, while ensuring the rights and the safety of all children.

Importantly, the bill will require schools to consider whether a child's behavior was the result of their disability when considering disciplinary action, and ensure that individualized education plans contain positive behavioral interventions and supports when a child's behavior impedes his or her own learning, or that of others.

Senator KENNEDY and I were determined to make this a bipartisan process from the beginning. We have crafted a bill that we're confident will be overwhelmingly supported by both Republicans and Democrats—and most importantly by parents, the disabled community and the school community.

Mr. KENNEDY. Mr. President, it is a privilege to join with Senator GREGG to introduce the reauthorization of the Individuals with Disabilities Act. Our goal is a quality education for every disabled child.

We know that education opens the golden door of opportunity for every child, and it is especially important for children with disabilities. Since it was first enacted, IDEA has opened that door and helped millions of children with disabilities to lead independent and productive lives. For them, IDEA has been the difference between dependence and independence, between lost potential and productive careers.

The need for IDEA is greater now than ever. Over 6 million children with disabilities rely on the Act to obtain the same learning opportunities as their non-disabled fellow students.

We know that schools need Federal help to make IDEA work. Over the last two years we have listened to students, parents, teachers, and school administrators. We have weighed thousands of comments on the most effective ways to live up to the great promise of this law.

They told us they needed stronger enforcement of IDEA. This bill provides it, by giving the Secretary of Education and State education agencies greater power and new ways to measure compliance and impose sanctions when schools fail to live up the standards we've set.

They told us they needed stronger accountability. This bill provides it, by requiring schools to meet strict benchmarks for student achievement, by providing better delivery of transition services, and by dealing with the overrepresentation of minorities in IDEA.

They told us they wanted a stronger and more flexible Individualized Education Program. This bill provides it, by requiring that every student's plan contain positive ways to support the child and to increase parental involvement.

They told us they wanted to protect students from being expelled from school because of their disability. This bill provides it, by requiring schools to determine whether a child's behavior is the result of the disability, or the lack of other supports that should have been provided.

They told us they wanted better teachers in the classroom—as well-trained as other teachers. This bill provides it, by requiring all special education teachers to be highly qualified by 2007, and by designating 100 percent of State improvement grants to support professional development of teachers.

They told us they wanted more help for their children in the transition from school to college or to work. This bill provides it, by giving greater access to the vocational rehabilitation system and taking other steps to assist the child in meeting post-secondary goals.

The debate over how best to fund these reforms goes on. Schools urgently need the resources to make the IDEA a reality. It is not enough to provide only some of the promised federal aid. We must find a way to fully fund IDEA, because every dollar lost is another child that slips through the cracks.

We will have an opportunity to debate this issue and others in our committee and in the Senate in the weeks ahead. I look forward to these debates and to working with Senator GREGG and all our colleagues to make this bill even stronger.

By Mr. ENSIGN (for himself and Mrs. LINCOLN):

S. 1249. A bill to amend title XVIII of the Social Security Act to waive the part B late enrollment penalty for military retirees who enroll December 31, 2004, and to provide a special part B enrollment period for such retirees; to the Committee on Finance.

Mr. ENSIGN. Mr. President, I ask unanimous consent that the text of ''The TRICARE Retirees Opportunity Act of 2003'' be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1249

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 ''The TRICARE Retirees Opportunity Act of 2003''.

SEC. 2. WAIVER OF MEDICARE PART B LATE ENROLLMENT PENALTY FOR CERTAIN MILITARY RETIREES; SPECIAL ENROLLMENT PERIOD.

(a) WAIVER OF PENALTY.—

(1) IN GENERAL.—Section 1839(b) of the Social Security Act (42 U.S.C. 1395r(b)) is amended by adding at the end the following new sentence: ''No increase in the premium shall be effected for a month in the case of an individual who is 65 years of age or older, who enrolls under this part during 2001, 2002, 2003, or 2004 and who demonstrates to the Secretary before December 31, 2004, that the individual is a covered beneficiary (as defined in section 1072(5) of title 10, United States Code). The Secretary of Health and Human Services shall consult with the Secretary of Defense in identifying individuals described in the previous sentence.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to premiums for months beginning with January 2001. The Secretary of Health and Human Services shall establish a method for providing rebates of premium penalties paid for months on or after January 2001 for which a penalty does not apply under such amendment but for which a penalty was previously collected.

(b) MEDICARE PART B SPECIAL ENROLLMENT PERIOD.—

(1) IN GENERAL.—In the case of any individual who, as of the date of the enactment of this Act, is 65 years of age or older, is eligible to enroll but is not enrolled under part B of title XVIII of the Social Security Act, and is a covered beneficiary (as defined in section 1072(5) of title 10, United States Code), the Secretary of Health and Human Services shall provide for a special enrollment period during which the individual may enroll under such part. Such period shall begin as soon as possible after the date of the enactment of this Act and shall end on December 31, 2004.

(2) COVERAGE PERIOD.—In the case of an individual who enrolls during the special enrollment period provided under paragraph (1), the coverage period under part B of title XVIII of the Social Security Act shall begin on the first day of the month following the month in which the individual enrolls.

By Mr. BURNS (for himself and Mrs. CLINTON):

S. 1250. A bill to improve, enhance, and promote the Nation's homeland security, public safety, and citizen activated emergency response capabilities through the use of enhanced 911 services, to further upgrade Public Safety Answering Point capabilities and related functions in receiving E–911 calls, and to support the construction and operation of a ubiquitous and reliable citizen activated system and other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. BURNS. Mr. President, 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. 1250

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 ''Enhanced 911 Emergency Communications Act of 2003''.

SEC. 2. FINDINGS.

The Congress finds that—

(1) for the sake of our Nation's homeland security and public safety, a universal emergency telephone number (911) that is enhanced with the most modern and state-of-the-art telecommunications capabilities possible should be available to all citizens in all regions of the Nation;

(2) enhanced emergency communications require Federal, State, and local government resources and coordination;

(3) any funds that are collected from fees imposed on consumer bills for the purposes of funding 911 services or enhanced 911 should go only for the purposes for which the funds are collected; and

(4) enhanced 911 is a high national priority and it requires Federal leadership, working in cooperation with State and local governments and with the numerous organizations dedicated to delivering emergency communications services.

SEC. 3. PURPOSES.

The purposes of this Act are—

(1) to coordinate emergency communications systems, including 911 services and E–911 services, at the Federal, State, and local levels;

(2) to provide stability and resources to State and local Public Safety Answering Points, to facilitate the prompt deployment of enhanced 911 services throughout the United States in a ubiquitous and reliable infrastructure; and

(3) to ensure that funds collected on telecommunications bills for enhancing emergency 911 services are used only for the purposes for which the funds are being collected.

SEC. 4. EMERGENCY COMMUNICATIONS COORDINATION.

(a) IN GENERAL.—Part C of title I of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 901 et seq.) is amended by adding at the end the following:

"SEC. 158. COORDINATION OF EMERGENCY COMMUNICATIONS.

''(a) ESTABLISHMENT OF TASK FORCE.—The Assistant Secretary shall establish an Emergency Communications Task Force to facilitate coordination between Federal, State, and local emergency communications systems,

SEC. 3. PURPOSES.

The purposes of this Act are—

(1) to coordinate emergency communications systems, including 911 services and E–911 services, at the Federal, State, and local levels;

(2) to provide stability and resources to State and local Public Safety Answering Points, to facilitate the prompt deployment of enhanced 911 services throughout the United States in a ubiquitous and reliable infrastructure; and

(3) to ensure that funds collected on telecommunications bills for enhancing emergency 911 services are used only for the purposes for which the funds are being collected.

SEC. 4. EMERGENCY COMMUNICATIONS COORDINATION.

(a) IN GENERAL.—Part C of title I of the National Telecommunicatiions and Information Administration Organization Act (47 U.S.C. 901 et seq.) is amended by adding at the end the following:

"SEC. 158. COORDINATION OF EMERGENCY COMMUNICATIONS.

''(a) ESTABLISHMENT OF TASK FORCE.—The Assistant Secretary shall establish an Emergency Communications Task Force to facilitate coordination between Federal, State, and local emergency communications systems, emergency personnel, and public safety organizations. The task force shall include the following:

''(1) Representatives from Federal agencies, including—

''(A) the Department of Justice;

''(B) the Department of Homeland Security;

''(C) the Department of Defense;

''(D) the Department of the Interior;

''(E) the Department of Transportation; and

''(F) the Federal Communications Commission;

''(2) State and local first responder agencies;

''(3) national 911 and emergency communications leadership organizations;

''(4) telecommunications industry representatives; and

''(5) other individuals designated by the Assistant Secretary.

''(b) PURPOSE OF TASK FORCE.—The task force shall provide advice and recommendations with respect to methods to improve coordination and communications between agencies and organizations involved in emergency communications, including 911 services to enhance homeland security and public safety.

''(c) REPORTS.—The Assistant Secretary shall provide an annual report to Congress by the first day of October of each year on the task force activities and make recommendations on how Federal, State, and local governments and emergency communications organizations can improve coordination and communications.

''(d) MISCELLANEOUS PROVISIONS.—Members of the task force shall serve without special compensation with respect to their activities on behalf of the task force.''.

SEC. 5. GRANTS FOR E–911 ENHANCEMENT.

Part C of title I of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 901), as amended by section 4, is amended by adding at the end:

"SEC. 159. EMERGENCY COMMUNICATIONS GRANTS.

''(a) MATCHING GRANTS.—The Assistant Secretary, after consultation with the Secretary of Homeland Security, shall provide grants to State and local governments and tribal organizations (as defined in section 4(l) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(l))) for the purposes of enhancing emergency communications services through planning, infrastructure improvements, equipment purchases, and personnel training and acquisition.

''(b) MATCHING REQUIREMENT.—The Federal share of the cost of a project eligible for a grant under this section shall not exceed 50 percent. The non-Federal share of the cost shall be provided from non-Federal sources.

''(c) PREFERENCE.—In providing grants under subsection (a), the Assistant Secretary shall give preference to applicants who—

''(1) coordinate their applications with the needs of their public safety answering points; and

''(2) integrate public and commercial communications services involved in the construction, delivery, and improvement of emergency communications, including 911 services.

''(d) CRITERIA.—The Assistant Secretary shall issue regulations within 180 days of the enactment of the Enhanced E–911 Emergency Communications Act of 2003, after a public comment period of not less than 60 days, prescribing the criteria for selection for grants under this section and shall update such regulations as necessary.

''(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Assistant Secretary not more than $500,000,000 for each fiscal year for grants under this section.''.

SECTION 6. STATE AND LOCAL 911 PRACTICES.

(a) CERTIFICATION.—Part IV of title VI of the Communications Act of 1934 (47 U.S.C. 631 et seq.) is amended by adding at the end the following:

"SEC. 642. DIVERSION OF 911 FUNDS.

''(a) IN GENERAL.—

''(1) ASSESSMENT AND AUDIT.—The Commission shall review, no less frequently than twice a year—

''(A) the imposition of taxes, fees, or other charges imposed by States or political subdivisions of States that—

''(i) appear on telecommunications services customers' bills; and

''(ii) are designated or presented as dedicated to improve emergency communications services, including 911 services or enhanced 911 services, or related to emergency communications services operations or improvements; and

''(B) the use of revenues derived from such taxes, fees, or charges.

''(2) CERTIFICATION.—Each State shall certify annually to the Commission that no portion of the revenues derived from such taxes, fees, or charges have been obligated or expended for any purpose other than the purposes for which such taxes, fees, or charges are designated or presented.

''(b) NOTIFICATION OF CONGRESS AND THE PUBLIC.—If the Commission fails to receive the certification described in subsection (a)(2), then, within 30 days after the date on which such certification was due, the Commission shall cause to be published in the Federal Register, and notify the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Energy and Commerce of—

''(1) the identity of each State or political subdivision that failed to make the certification; and

''(2) the amount of revenues obligated or expended by that State or political subdivision for any purpose other than the purposes for which such taxes, fees, or charges were designated or presented.

''(c) WITHHOLDING OF FUNDS.—Notwithstanding any other provision of law, the Assistant Secretary shall withhold any Federal grant funds that would otherwise be made available under section 159 of the National Telecommunications and Information Administration Organization Act to a State or political subdivision identified by the Commission under subsection (b)(1) in an amount not to exceed twice the amount described in subsection (b)(2). In lieu of withholding grant funds under this subsection, the Secretary may require a State or political subdivision to repay to the Secretary the appropriate amount of funds already disbursed to that State or political subdivision.''.

By Ms. MURKOWSKI:

S. 1253. A bill to amend the Internal Revenue Code of 1986 to provide a minimum credit of $200 per month for stay-at-home parents, to allow the dependent care credit to be taken against the minimum tax, and to allow a carryforward of any unused dependent care credit; to the Committee on Finance.

Ms. MURKOWSKI. Mr. President, I have come to the floor today to introduce legislation that will help many young families in America meet the financial challenges associated with raising children. The legislation I am introducing attempts to alleviate some of the financial costs incurred by the more than one out three families when one of the parents decides to leave the work force to raise children at home.

Current tax law recognizes that when both parents remain in the work force, they incur additional child care costs because, in order to keep their jobs, they have to pay for day care services. Current tax law provides a sliding scale tax credit that allows parents to claim a tax credit of up to 35 percent to offset as much as $3,000 of day care costs for one child, $6,000 for two or more children. The maximum $1,050 tax credit, $2,100 for two or more children, phase down as income rises. The minimum, 20 percent credit, applies to families with incomes above $43,000.

I strongly support this dependent care tax credit because it makes it easier for husbands and wives to maintain their careers and provide for their families. However, there are many families that have made the decision that one of the parents will give up a job in order to raise their children. In fact, this is a growing trend. In 2001, 37.7 percent of families had one parent at home raising the child; that's up from 35.3 percent in 1995. And the stay-at-home parent is, overwhelmingly, the mother. Barely 3.6 percent of stay-at-home parents are husbands.

When a working woman makes the decision to interrupt her career to raise her child, the family incurs an immediate financial penalty. And more often than not, the career interruption may damage the woman's future earnings potential, what some have referred to as the ''Mommy Track.''

The immediate loss of income when a parent leaves the workforce significantly changes the family's lifestyle. For example, consider a childless couple where the husband earns $35,000 and

the wife earns $27,000. After paying Federal income and payroll taxes, the family retains slightly more than $50,000 in disposable income. If the family has a child, and both parents continue their careers, after taxes they still will keep more than $49,000 of their earnings, even if they incur child care expenses of $3,000. However, in this example, if the father gives up his job, the family's disposable income drops by nearly 40 percent to less than $32,000. Put another way, the family's monthly income drops from $4,100 to $2,700. That's a difficult adjustment for any family, especially one that has to incur the additional costs of a newborn.

I respect the parents who choose to maintain their careers while raising a family and the parents who make the financial sacrifice to give up their careers to raise a family. But I believe the tax code should treat both equally.

My legislation attempts to alleviate the current inequity in the code by giving stay-at-home moms or dads a $200 a month tax credit. This credit would be indexed for inflation. The credit would apply until the child reaches the age of 6. While this credit could never make up the financial loss that families face when one of the parents stops working, it will provide some important financial relief to these families. In the example I cited earlier, if the father did not work for a full year, the $2,400 tax credit would completely eliminate the family's $1,500 Federal tax bill, giving the family that much more to spend on their living expenses.

In addition, under this proposal, any unused tax credits could be carried forward indefinitely. Many parents who leave the work force to raise their children return to work when their kids enter school. By allowing the carry forward of unused credits, the parent who re-enters the work force will be able to keep more of his or her earnings to make up for the financial sacrifice made when choosing to stay home with the family. I think it is only fair that society recognize the financial sacrifice these parents have made.

Congress recently acted to eliminate the marriage penalty. We should now act to eliminate the penalty imposed on families when a parent leaves the workforce to raise a child at home. It makes sense for our families and it is good tax policy.

I ask unanimous consent that the text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1253

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 ''Stay-At-Home Parents' Tax Credit Act of 2003''.

SEC. 2. MINIMUM CREDIT ALLOWED FOR STAY-AT-HOME PARENTS.

(a) IN GENERAL.—Section 21(e) of the Internal Revenue Code of 1986 (relating to special rules) is amended by adding at the end the following new paragraph:

''(11) MINIMUM CREDIT ALLOWED FOR STAY-AT-HOME PARENTS.—Notwithstanding subsection (d), in the case of any taxpayer with 1 or more qualifying individuals described in subsection (b)(1)(A) under the age of 6 at any time during the taxable year, such taxpayer shall be deemed to have employment-related expenses with respect to such qualifying individuals in an amount equal to the greater of—

''(A) the amount of employment-related expenses incurred for such qualifying individuals for the taxable year (determined under this section without regard to this paragraph), or

''(B) $200 for each month in such taxable year during which such qualifying individual is under the age of 6.''.

(b) CREDIT ALLOWED AGAINST MINIMUM TAX.—

(1) IN GENERAL.—Section 21(c) of the Internal Revenue Code of 1986 is amended—

(A) by striking ''The amount of'' and inserting the following:

''(1) DOLLAR LIMIT.—The amount of'', and

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

''(2) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

''(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

''(B) the sum of credits allowable under this subpart (other than this section and sections 23, 24, and 25B) and section 27 for the taxable year.''.

(2) CONFORMING AMENDMENTS.—

(A) The heading of section 21(c) of such Code is amended to read ''LIMITATIONS.—''.

(B) Section 26(a)(1) of such Code is amended by inserting ''21,'' after ''sections''.

(c) CARRYFORWARD OF CREDIT.—Section 21 of the Internal Revenue Code of 1986 (relating to expenses for household and dependent care services necessary for gainful employment) is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

''(f) CARRYFORWARD OF UNUSED CREDIT.—If the credit allowable under subsection (a) for any taxable year exceeds the limitation imposed by subsection (c)(4) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2003.

By Mr. KERRY:

S. 1254. A bill to amend the Small Business Act to direct the Administrator of the Small Business Administration to establish a vocational and technical entrepreneurship development program; to the Committee on Small Business and Entrepreneurship.

Mr. KERRY. Mr. President, I rise today as Ranking Member of the Committee on Small Business and Entrepreneurship to introduce the Vocational and Technical Entrepreneurship Development Act of 2003, which is the companion bill to H.R. 1387, which bears the same name and was reintroduced in the House by Congressman ROBERT BRADY of Pennsylvania earlier this year.

I want to commend Representative BRADY for his hard work on behalf of small businesses not just from his home State of Pennsylvania but for every trades industry entrepreneur that has ever attempted to open his or her own business.

Often Americans who work in the trade sector—construction, plumbing, electrical work etc.—enter these professions with the goal of one day starting a business; however many of these aspiring business owners who partake in career training or vocational training in certain trades, unfortunately, fail to obtain the necessary education in the successful growth and development of their newly formed business. This initiative would develop a program that allows workers within the trades industry to move toward starting a new business.

The purpose of the Vocational and Technical Entrepreneurship Development Act is to assist in the development of curricula that will encourage the successful growth of small businesses. This legislation passed the House last Congress on October 2, 2001 and was subsequently taken up and passed by this Committee last Congress, but was not taken up by the full Senate.

The bill, in a business-education partnership, establishes a ''vocational entrepreneurship development demonstration program,'' under which the SBA would provide grants, through the Small Business Development Centers program, to provide technical assistance to high school and technical career institutes, Vo-Tech schools, to promote small business ownership in their curriculum.

The SBDC program is designed to deliver such up-to-date counseling, training and technical assistance in all aspects of small business management and is the ideal candidate to provide such a program. Each grant awarded under this program will be worth over $200,000—which, in today's environment where Vo-Tech programs get short-changed in government education budgets, can do a great deal to help rebuild a worker-strapped trades industry.

I urge all of my colleagues to support Vocational and Technical Entrepreneurship Development Act.

By Mr. KERRY (for himself, Mr. ENSIGN, Mr. JEFFORDS, Mr. BINGAMAN, Ms. LANDRIEU, Mr. LEAHY, Mr. MILLER, Mr. CRAIG, and Ms. STABENOW):

S. 1255. A bill to amend the Small Business Act to direct the Administrator of the Small Business Administration to establish a pilot program to provide regulatory compliance assistance to small business concerns, and for other purposes; to the Committee on Small Business and Entrepreneurship.

Mr. KERRY. Mr. President, I am pleased to join with my distinguished colleague from Nevada, Senator JOHN ENSIGN, and the cosponsors of our legislation in reintroducing the National

Small Business Regulatory Assistance Act.

The bill we are reintroducing today is the same Cleland-Kerry legislation that was introduced last Congress, and it is the companion to Congressman SWEENEY's bill, H.R. 205, which bears the same name as our legislation. The Sweeney bill recently passed the House overwhelmingly, 417–4, with the strong support of the House Committee on Small Business, as it did in the 107th. Our Senate version, which is nearly identical to the Sweeney bill, passed the Committee on Small Business and Entrepreneurship last year but was not taken up by the full Senate. Because Senator ENSIGN and I are fully committed to helping small business owners understand and navigate complicated government regulations, we are reintroducing this legislation, the National Small Business Regulatory Assistance Act.

Small businesses, particularly small businesses with very few employees, often face an overwhelming task when seeking advice on how to comply with Federal regulations, especially when implementation varies for different regions of the country, or from state to state. Many small businesses fail to comply with important and needed labor and environmental regulations not because they want to break the law, but because they are unaware of the actions they need to take to comply. Often, small businesses are afraid to seek guidance from Federal agencies for fear of exposing problems at their businesses.

One important way to help small businesses comply with Federal regulations is to provide them with free, confidential advice outside of the normal relationship between a small business and a regulatory agency. The Small Business Administration's, SBA, Small Business Development Centers, SBDCs, are in a unique position to provide this type of assistance.

Our bill establishes a pilot program to award competitive grants to 20 selected SBDCs, two from each SBA region, which would allow these SBDCs to provide regulatory compliance assistance to small businesses. The SBA would be authorized to award grants between $150,000 and $300,000, depending on the population of the SBDC's state.

Under our legislation, the SBDCs would need to form partnerships with Federal compliance programs, conduct educational and training activities and offer free-of-charge compliance counseling to small business owners. Further, the measure would guarantee privacy to those who receive compliance assistance, which is integral to the reaching out to as many small businesses as possible. This privacy provision has also been extended to all small businesses that seek any assistance from their local SBDC.

The legislation we are reintroducing today uses only SBA funds and will serve to complement current small business development assistance as well as existing compliance assistance programs. Versions of this legislation introduced in previous Congresses used Environmental Protection Agency, EPA, enforcement funds to pay for these grants.

Small businesses can succeed when it comes to complying with Federal regulations, if provided with the necessary tools and information. The National Small Business Regulatory Assistance Act will go a long way toward assisting our Nation's small businesses that want to comply with Federal regulations.

I am pleased to say that we have the full support of the Association of Small Business Development Centers, which has been working closely with us since January of last year to draft the Senate version of this legislation, as well as support from National Small Business United, the American Industrial Hygiene Association, and Congressman SWEENEY.

I want to express my sincere thanks to Senator ENSIGN for his hard work and continued support on this issue. I urge all of my colleagues to support this legislation.

By Mr. HARKIN (for himself and Mr. LUGAR);

S. 1256. A bill to protect the critical aquifers and watersheds that serve as a principal water supply for Puerto Rico, to protect the tropical forests of the Karst Region, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. HARKIN. Mr. President, I am proud to introduce, along with Senator LUGAR, the Puerto Rico Karst Conservation Act of 2003.

This very important bill will provide protection for Puerto Rico's karst region by helping to maintain biodiversity within the tropical forest ecosystem and to protect its valuable aquifers and watersheds. The area is threatened by development which, if unabated, could cause permanent damage to its outstanding natural and environmental assets.

Karst is permeable and soluble limestone that originated millions of years ago. The land identified in the bill contains the last remnants of tropical forests that once covered the island. This area, including the habitats of many endangered and threatened species and tropical birds, is home to over 1,300 species of plants and animals.

The area also provides drinking water through subterranean aquifers to many of the island's citizens. Sixty-four percent of Puerto Rico's aquifer area is contained within the northern karst belt. This aquifer area discharges approximately 120 million gallons of water per day, of which the citizens of Puerto Rico consume 52 million gallons per day. The pharmaceutical industry is one of the mainstays of Puerto Rico's economy and it is dependent on the area's fresh water supplies as well.

An August 2001 U.S. Forest Service report, Puerto Rican Karst: A Vital Resource, documents the ecologically unique and scientifically valuable karst region, stating ''the northern limestone contains Puerto Rico's most extensive freshwater aquifer, largest continuous expanse of mature forest, and largest coastal wetlands, estuary,and underground cave system. The karst belt is extremely diverse, and its multiple land forms, concentrated in such a small area, make it unique in the world.'' It should come as no surprise, then, that Forest Service Chief dale Bosworth has expressed his strong support for the protection of the karst.

The Puerto Rico Karst Conservation Act of 2003 authorizes the Secretary of Agriculture to carry out land acquisition by using funds from a Conservation Fund created by the Act, and from the Forest Legacy Program, the Land and Water Conservation Fund and other sources. The legislation also authorizes the Secretary to make grants to and enter into agreements with the Commonwealth of Puerto Rico, other federal agencies, organizations, and corporations for the acquisition, protection, and management of land in the region. In addition, the bill makes this region eligible for inclusion under the Forest Legacy Program.

I want to thank Senator LUGAR for co-sponsoring the Puerto Rico Karst Conservation Act of 2003. His strong support for this legislation and his steadfast commitment to tropical forest conservation is invaluable. It is also important to note that Representative ACEVEDO-VILÁ and Representative DUNCAN have just introduced this measure in the House of Representatives where, I'm told, it has strong bipartisan support.

I am proud to introduce this legislation, and I urge my colleagues to support this important bill. 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. 1256

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 ''Puerto Rico Karst Conservation Act of 2003''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) in the Karst Region of the Commonwealth of Puerto Rico there are—

(A) some of the largest areas of tropical forests in Puerto Rico, with a higher density of tree species than any other area in the Commonwealth; and

(B) unique geological formations that are critical to the maintenance of aquifers and watersheds that constitute a principal water supply for much of the Commonwealth;

(2) the Karst Region is threatened by development that, if unchecked, could permanently damage the aquifers and cause irreparable damage to natural and environmental assets that are unique to the United States;

(3) the Commonwealth has 1 of the highest population densities in the United States, which makes the protection of the Karst Region imperative for the maintenance of the

public health and welfare of the citizens of the Commonwealth;

(4) the Karst Region—

(A) possesses extraordinary ecological diversity, including the habitats of several endangered and threatened species and tropical migrants; and

(B) is an area of critical value to research in tropical forest management; and

(5) coordinated efforts at land protection by the Federal Government and the Commonwealth are necessary to conserve the environmentally critical Karst Region.

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

(1) to authorize and support conservation efforts to acquire, manage, and protect the tropical forest areas of the Karst Region, with particular emphasis on water quality and the protection of the aquifers that are vital to the health and wellbeing of the citizens of the Commonwealth; and

(2) to promote cooperation among the Commonwealth, Federal agencies, corporations, organizations, and individuals in those conservation efforts.

SEC. 3. DEFINITIONS.

In this Act:

(1) COMMONWEALTH.—The term ''Commonwealth'' means the Commonwealth of Puerto Rico.

(2) FOREST LEGACY PROGRAM.—The term ''Forest Legacy Program'' means the program established under section 7 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103c).

(3) FUND.—The term ''Fund'' means the Puerto Rico Karst Conservation Fund established by section 5.

(4) KARST REGION.—The term ''Karst Region'' means the areas in the Commonwealth generally depicted on the map entitled ''Karst Region Conservation Area'' and dated March 2001, which shall be on file and available for public inspection in—

(A) the Office of the Secretary, Puerto Rico Department of Natural and Environmental Resources; and

(B) the Office of the Chief of the Forest Service.

(5) LAND.—The term ''land'' includes land, water, and an interest in land or water.

(6) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture.

SEC. 4. CONSERVATION OF THE KARST REGION.

(a) FEDERAL COOPERATION AND ASSISTANCE.—In furtherance of the acquisition, protection, and management of land in and adjacent to the Karst Region and in implementing related natural resource conservation strategies, the Secretary may—

(1) make grants to and enter into contracts and cooperative agreements with the Commonwealth, other Federal agencies, organizations, corporations, and individuals; and

(2) use all authorities available to the Secretary, including—

(A) the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1641 et seq.);

(B) section 1472 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3318); and

(C) section 12 of the Stevenson–Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a).

(b) FUNDING SOURCES.—The activities authorized by this section may be carried out using—

(1) amounts in the Fund;

(2) amounts in the fund established by section 4(b) of the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1643(b));

(3) funds appropriated from the Land and Water Conservation Fund;

(4) funds appropriated for the Forest Legacy Program; and

(5) any other funds made available for those activities.

(c) MANAGEMENT.—

(1) IN GENERAL.—Land acquired under this Act shall be managed, in accordance with the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1641 et seq.), in a manner to protect and conserve the water quality and aquifers and the geological, ecological, fish and wildlife, and other natural values of the Karst Region.

(2) FAILURE TO MANAGE AS REQUIRED.—In any deed, grant, contract, or cooperative agreement implementing this Act and the Forest Legacy Program in the Commonwealth, the Secretary may require that, if land acquired by the Commonwealth or other cooperating entity under this Act is sold or conveyed in whole or part, or is not managed in conformity with paragraph (1), title to the land shall, at the discretion of the Secretary, vest in the United States.

(d) WILLING SELLERS.—Any land acquired by the Secretary in the Karst Region shall be acquired only from a willing seller.

(e) RELATION TO OTHER AUTHORITIES.—Nothing in this Act—

(1) diminishes any other authority that the Secretary may have to acquire, protect, and manage land and natural resources in the Commonwealth; or

(2) exempts the Federal Government from Commonwealth water laws.

SEC. 5. PUERTO RICO KARST CONSERVATION FUND.

(a) ESTABLISHMENT.—There is established in the Treasury an interest bearing account to be known as the ''Puerto Rico Karst Conservation Fund''.

(b) CREDITS TO FUNDS.—There shall be credited to the Fund—

(1) amounts appropriated to the Fund;

(2) all amounts donated to the Fund;

(3) all amounts generated from the Caribbean National Forest that would, but for this paragraph, be deposited as miscellaneous receipts in the Treasury of the United States, but not including amounts authorized by law for payments to the Commonwealth or authorized by law for retention by the Secretary for any purpose;

(4) all amounts received by the Administrator of General Services from the disposal of surplus real property in the Commonwealth under subtitle I of title 40, United States Code; and

(5) interest derived from amounts in the Fund.

(c) USE OF FUND.—Amounts in the Fund shall be available to the Secretary until expended, without further appropriation, to carry out section 4.

SEC. 6. MISCELLANEOUS PROVISIONS.

(a) DONATIONS.—

(1) IN GENERAL.—The Secretary may accept donations, including land and money, made by public and private agencies, corporations, organizations, and individuals in furtherance of the purposes of this Act.

(2) CONFLICTS OF INTEREST.—The Secretary may accept donations even if the donor conducts business with or is regulated by the Department of Agriculture or any other Federal agency.

(3) APPLICABLE LAW.—Public Law 95–442 (7 U.S.C. 2269) shall apply to donations accepted by the Secretary under this subsection.

(b) RELATION TO FOREST LEGACY PROGRAM.—

(1) IN GENERAL.—All land in the Karst Region shall be eligible for inclusion in the Forest Legacy Program.

(2) COST SHARING.—The Secretary may credit donations made under subsection (a) to satisfy any cost-sharing requirements of the Forest Legacy Program.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

By Mr. COLEMAN

S. 1257. A bill to conduct statewide demonstration projects to improve health care quality and to reduce costs under the medicare program under title XVIII of the Social Security Act and to conduct a study on payment incentives and performance under the Medicare+Choice program under such title; to the Committee on Finance.

Mr. COLEMAN. Mr. President, I ask unanimous consent that the text of the bill I introduce today to improve health care quality and reduce costs under the Medicare program be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1257

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 ''Medicare Payment for Quality and Value Act of 2003''.

SEC. 2. DEMONSTRATION PROJECTS TO IMPROVE HEALTH CARE QUALITY AND REDUCE COSTS UNDER MEDICARE.

(a) DEFINITIONS.—In this section:

(1) DEMONSTRATION PROJECT.—The term ''demonstration project'' means a demonstration project established by the Secretary under subsection (b)(1).

(2) LOW-COST HIGH-QUALITY STATE.—The term ''low-cost high-quality State'' means a State in the top quartile of cost and quality efficiency as measured by the Centers for Medicare & Medicaid Services using 1999 program data.

(3) MEDICARE BENEFICIARY.—The term ''medicare beneficiary'' means an individual who is entitled to (or enrolled for) benefits under part A of the medicare program, enrolled for benefits under part B of the medicare program, or both (including an individual who is enrolled in a Medicare+Choice plan under part C of the medicare program).

(4) MEDICARE PROGRAM.—The term ''medicare program'' means the health benefits program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

(5) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services.

(b) DEMONSTRATION PROJECTS TO IMPROVE HEALTH CARE QUALITY AND REDUCE COSTS UNDER MEDICARE.—

(1) ESTABLISHMENT.—There is established a demonstration program under which the Secretary shall establish demonstration projects in accordance with the provisions of this section for the purpose of improving the quality of care—

(A) provided to medicare beneficiaries with high-volume and high-cost conditions; and

(B) for which payment is made under the medicare program.

(2) REWARDING QUALITY CARE.—Under the demonstration projects, the Secretary shall increase payments under the medicare program by an amount determined by the Secretary for purposes of the demonstration projects to health care providers (as defined by the Secretary) in low-cost high-quality States that demonstrate adherence to quality standards identified by the Secretary for purposes of the demonstration projects.

(c) CONDUCT OF DEMONSTRATION PROJECTS.—

(1) DEMONSTRATION AREAS.—

(A) IN GENERAL.—The Secretary shall conduct demonstration projects in low-cost high-quality States selected on the basis of proposals submitted under subparagraph (B). Each demonstration project shall be conducted on a statewide basis.

(B) PROPOSALS.—The Secretary shall accept proposals to establish the demonstration projects from entities that demonstrate an intent to include multiple public and private payers and a majority of practicing physicians in a low-cost high-quality State.

(2) DURATION.—The Secretary shall complete the demonstration projects by the date that is 5 years after the date on which the first demonstration project is implemented.

(d) REPORT TO CONGRESS.—Not later than the date that is 6 months after the date on which the demonstration projects end, the Secretary shall submit to Congress a report on the demonstration projects together with such recommendations for legislation or administrative action as the Secretary determines is appropriate.

(e) WAIVER OF MEDICARE REQUIREMENTS.—The Secretary shall waive compliance with such requirements of the medicare program to the extent and for the period the Secretary finds necessary to conduct the demonstration projects.

(f) FUNDING.—

(1) DEMONSTRATION PROJECTS.—

(A) IN GENERAL.—Subject to subparagraph (B) and paragraph (2), the Secretary shall provide for the transfer from the Federal Hospital Insurance Trust Fund under section 1817 of the Social Security Act (42 U.S.C. 1395i) and Federal Supplementary Insurance Trust Fund under section 1841 of such Act (42 U.S.C. 1395t), in such proportion as the Secretary determines appropriate, of such funds as are necessary for the costs of carrying out the demonstration projects under this section.

(B) LIMITATION.—In conducting the demonstration projects under this section, the Secretary shall ensure that the aggregate payments made by the Secretary under the medicare program do not exceed the amount which the Secretary would have paid under the medicare program if the demonstration projects under this section were not implemented.

(2) EVALUATION AND REPORT.—There are authorized to be appropriated such sums as are necessary for the purpose of developing and submitting the report to Congress under subsection (d).

SEC. 3. INSTITUTE OF MEDICINE REPORT ON PAYMENT INCENTIVES AND PERFORMANCE UNDER THE MEDICARE+CHOICE PROGRAM.

(a) STUDY.—The Secretary of Health and Human Services shall enter into an arrangement with the Institute of Medicine of the National Academy of Sciences under which the Institute shall conduct a study on clinical outcomes, performance, and quality of care under the Medicare+Choice program under part C of title XVIII of the Social Security Act.

(b) MATTERS STUDIED.—

(1) IN GENERAL.—In conducting the study under subsection (a), the Institute shall review and evaluate the public and private sector experience related to the establishment of performance measures and payment incentives. The review shall include an evaluation of the success, efficiency, and utility of structural process and performance measurements, and different methodologies that link performance to payment incentives. The review shall include the use of incentives—

(A) aimed at plans and their enrollees;

(B) aimed at providers and their patients;

(C) to encourage consumers to purchase based on quality and value; and

(D) to encourage multiple purchasers, providers, beneficiaries, and plans within a community to work together to improve performance.

(2) IDENTIFICATION OF OPTIONS.—As part of the study, the Institute shall identify options for providing incentives and rewarding performance, improve quality, outcomes, and efficiency in the delivery of programs and services under the Medicare+Choice program, including—

(A) periodic updates of performance measurements to continue rewarding outstanding performance and encourage improvements;

(B) payments that vary by type of plan, such as preferred provider organization plans and MSA plans;

(C) extension of incentives in the Medicare+Choice program to the fee for service program under title XVIII of the Social Security Act; and

(D) performance measures needed to implement alternative methodologies to align payments with performance.

(c) REPORT.—Not later than 18 months after the date of the enactment of this Act, the Institute shall submit to Congress and the Secretary a report on the study conducted under subsection (a).

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 167—RECOGNIZING THE 100TH ANNIVERSARY OF THE FOUNDING OF THE HARLEY-DAVIDSON MOTOR COMPANY, WHICH HAS BEEN A SIGNIFICANT PART OF THE SOCIAL, ECONOMIC, AND CULTURAL HERITAGE OF THE UNITED STATES AND MANY OTHER NATIONS AND A LEADING FORCE FOR PRODUCT AND MANUFACTURING INNOVATION THROUGHOUT THE 20TH CENTURY

Mr. CAMPBELL (for himself, Mr. KOHL, Mr. ALLARD, and Mr. SANTORUM) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 167

Whereas in 1903, boyhood friends, hobby designers, and tinkerers William S. Harley, then 21 years old, and Arthur Davidson, then 20 years old, completed the design and manufacture of their first motorcycle, with help from Arthur Davidson's brothers, Walter Davidson and William A. Davidson;

Whereas, also in 1903, Harley and the Davidson brothers completed 2 additional motorcycles in a makeshift ''factory'' shed in the Davidson family's backyard at the corner of 38th Street and Highland Boulevard in Milwaukee, Wisconsin;

Whereas the design features and construction quality of the early Harley-Davidson motorcycles proved significantly more innovative and durable than most other motorcycles of the era, giving Harley-Davidson a distinct competitive advantage;

Whereas in 1905, Walter Davidson won the first of many motorcycle competition events, giving rise to a strong tradition of victory in motorcycle racing that continues today;

Whereas in 1906, Harley-Davidson Motor Company constructed its first building, financed by the Davidsons' uncle James McClay, on the site of the Company's current world headquarters one block north of the Davidson home site, and manufactured 50 motorcycles that year;

Whereas in 1907, Harley-Davidson Motor Company was incorporated and its 18 employees purchased shares;

Whereas in 1908, the first motorcycle for police duty was delivered to the Detroit Police Department, beginning Harley-Davidson's long and close relationship with law enforcement agencies;

Whereas in 1909, to enhance power and performance, Harley-Davidson added a second cylinder to its motorcycle, giving birth to its hallmark 45-degree V-Twin configuration and the legendary Harley-Davidson sound;

Whereas during the years 1907 through 1913, manufacturing space at least doubled every year, reaching nearly 300,000 square feet by 1914;

Whereas Arthur Davidson, during Harley-Davidson's formative years, set up a worldwide dealer network that would serve as the focal point of the company's ''close to the customer'' philosophy;

Whereas Harley-Davidson, early in its history began marketing motorcycles as a sport and leisure pursuit, thus laying the groundwork for long-term prosperity;

Whereas in 1916, Harley-Davidson launched ''The Enthusiast'' magazine, which today is the longest running continuously published motorcycle magazine in the world;

Whereas also in 1916, Harley-Davidson motorcycles saw their first military duty in skirmishes in border disputes along the United States border with Mexico;

Whereas in World War I, Harley-Davidson supplied 17,000 motorcycles for dispatch and scouting use by the Allied armed forces, and whereas the first Allied soldier to enter Germany after the signing of the Armistice was riding a Harley-Davidson motorcycle;

Whereas by 1920, Harley-Davidson was the world's largest motorcycle manufacturer, both in terms of floor space and production, with continual engineering and design innovation;

Whereas during the Great Depression of the 1930s, the company survived when all but 1 other domestic motorcycle manufacturer failed, on the strength of its product quality, the loyalty of its employees, dealers, and customers, steady police and commercial business, and a growing international presence;

Whereas in 1936, Harley-Davidson demonstrated foresight, resolve, and faith in the future by introducing the company's first overhead valve engine, the ''Knucklehead'' as it would come to be known, on its Model EL motorcycle, thus establishing the widely recognized classic Harley Davidson look and the company's reputation for styling;

Whereas Harley-Davidson workers in 1937 elected to be represented by the United Auto Workers of America, thus launching a proud tradition of working with Harley-Davidson to further build the company through advocacy and the development of effective programs and policies;

Whereas William H. Davidson, son of the late founder William A. Davidson, became president of Harley-Davidson in 1942 and would lead the company until 1971;

Whereas Harley-Davidson built more than 90,000 motorcycles for United States and Allied armed forces use during World War II, earning 4 Army-Navy ''E'' Awards for excellence in wartime production;

Whereas Harley-Davidson, during the 1950s and 1960s, recharged its sales and popularity with new models, including the Sportster and the Electra Glide, new engines, and other technological advances;

Whereas the Company developed the concept of the ''factory custom'' motorcycle with the 1971 introduction of the Super Glide and the 1977 Low Rider, under the design leadership of William ''Willie G'' Davidson,

vice president of Styling and grandson of company founder William A. Davidson;

Whereas since 1980, as a national corporate sponsor of the Muscular Dystrophy Association, Harley-Davidson has raised more than $40,000,000 through company, dealer, customer, and supplier contributions, to fund research and health services;

Whereas in 1981, a group of 13 Harley-Davidson executives, led by chairman and CEO Vaughn Beals purchased Harley-Davidson from its then corporate parent AMF Incorporated;

Whereas by 1986, Harley-Davidson, against incredible odds, restored the company's reputation for quality and innovation and returned the company to vitality, thus ensuring a highly successful initial public stock offering;

Whereas throughout the 1980s and 1990s, Harley-Davidson became a national role model for positive labor-management relations, product innovation, manufacturing quality and efficiency and phenomenal growth;

Whereas President Ronald Reagan, President William J. Clinton, and President George W. Bush all have visited Harley-Davidson manufacturing facilities and extolled the example set by Harley Davidson through its practices;

Whereas the Harley Owners Group, with more than 800,000 members and 1,200 chapters worldwide, is celebrating its 20th anniversary year in 2003 as a driving force in the company's heralded ''close to the customer'' operating philosophy; and

Whereas Harley-Davidson Motor Company is today the world's leading seller of large displacement (651 cc plus) motorcycles, with annual revenues in excess of $4,000,000,000, annual motorcycle shipments in excess of 290,000 units, strong international sales, and 17 consecutive years of annual revenue and earnings growth since becoming a publicly held company: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes the achievements of Harley-Davidson Motor Company, widely regarded as a tremendous American business success story and one of the top performing companies in America, as its employees, retirees, suppliers, dealers, customers, motorcycle enthusiasts, and friends worldwide commemorate and celebrate its 100th anniversary milestone;

(2) recognizes the great impact that Harley-Davidson has had on the business, social, and cultural landscape and lives of Americans and citizens of all nations, as a quintessential icon of Americana; and

(3) congratulates the Harley-Davidson Motor Company for this achievement and trusts that Harley-Davidson will have an even greater impact in the 21st century and beyond as a leading force for innovative business practices and products that will continue to provide enjoyment, transportation, and delight for generations to come.

Mr. CAMPBELL. Mr. President, today I am submitting a resolution to pay tribute to the Harley-Davidson Motor Company in honor of this great American company's 100th anniversary. I am pleased to be joined by my colleagues, Senator KOHL, ALLARD and SANTORUM.

As a long-time Harley-Davidson rider, I have enjoyed many years of satisfaction with the company and its legendary machines.

I can tell you that there is no better way to enjoy Colorado's great scenic beauty than from the saddle of a Harley-Davidson, the freedom of the open road and the often imitated, but never duplicated, throaty roar of an American-made machine is something that I have thoroughly enjoyed for countless thousands of miles.

Harley-Davidson not only makes great motorcycles, it also exemplifies the kind of company that I am proud to support. From its humble beginnings in a small 10 foot by 15 foot shed in a Milwaukee backyard in 1903, this company had its share of good times and bad. The Great Depression was a major blow to the American motorcycle industry, and when the dust finally cleared Harley-Davidson was one of only two U.S. motorcycle manufacturers left standing.

And it is a good thing that Harley-Davidson survived because when World War II erupted, our country needed to call on Harley-Davidson to build bikes for U.S. and Allied troops. Many of the military orders and other intelligence messages that were vital to achieving victory would not have been delivered to the front lines if it had not been for brave G.I. messengers riding Harley-Davidson motorcycles.

Following the Allied Victory in War World II, the Harley-Davidson Company refocused on developing new styles of motorcycles for the individual American consumer to enjoy. The company's second generation of management brought fresh ideas that helped usher-in the celebrated ''motorcycle culture'' of the 1950's and 60's.

When Harley-Davidson hit a rough patch of road in the 1980's it was a daring combination of re-found independence, innovation and serious re-engineering that brought this legendary company back from the brink. Harley-Davidson successfully carried out a classic textbook comeback that exemplifies many of our nation's best traits: independence, daring, grit, tenacity, smarts, and a penchant for continuous innovation and progress while remaining firmly rooted in our heritage.

On that note, I conclude my tribute to the people of Harley-Davidson with my congratulations on 100 amazing years. I, and many others, look forward to many more.

I urge my colleagues to join us in supporting passage of this important resolution.

SENATE RESOLUTION 168—DESIGNATING MAY 2004 AS ''NATIONAL MOTORCYCLE SAFETY AND AWARENESS MONTH''

Mr. CAMPBELL (for himself and Mr. ALLARD) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 168

Whereas the United States of America is the world leader in motorcycle safety, promoting education, training, and motorcycle awareness;

Whereas motorcycles occupy a very important position in the history of this Nation and of the world;

Whereas over two-thirds of car-motorcycle crashes and nearly one-half of all motorcycle crashes are caused by car drivers, not by motorcyclists;

Whereas of the 1,400 fatal car-motorcycle crashes in 2001, 36 percent involved another vehicle violating the motorcyclist's right-of-way by turning left while the motorcycle was going straight, passing, or overtaking the vehicle;

Whereas although the motorcycling community has made efforts to mitigate these right-of-way crashes through enhancing motorcycle awareness via billboards, posters, media, and other campaigns, the message to ''watch for motorcycles'' continues to go unheeded by the general motoring public;

Whereas the motorcycling community has invested considerable time and effort to improve its safety record through safety initiatives such as increased rider training and licensing campaigns, but many times demand for rider training exceeds enrollment capacity and the programs often lack support from the larger traffic safety community;

Whereas the larger traffic safety community, highway designers, law enforcement, the medical community, designers of other vehicles, government, researchers working in related areas, insurers, and all road users can accomplish much more toward improving motorcycle safety;

Whereas the motorcycle is an efficient vehicle which conserves fuel, has little impact on our overworked roads and highway system, is an important mode of transportation involving such activities as commuting, touring, and recreation, and promotes friendship by attracting riders from all over the world through various clubs and organizations;

Whereas the month of May marks the traditional start of the motorcycle riding season; and

Whereas, due to the increased number of motorcycles on the road, it is appropriate to set aside the month of May 2004 to promote motorcycle awareness and safety and to encourage all citizens to safely share the roads and highways of this great Nation by paying extra attention to those citizens who ride motorcycles: Now, therefore, be it

Resolved, That the Senate—

(1) designates May 2004 as ''National Motorcycle Safety and Awareness Month''; and

(2) requests that the President issue a proclamation calling upon the people of the United States to observe the month with appropriate ceremonies and activities.

Mr. CAMPBELL. Mr. President, today I submit a resolution to designate May 2004 as National Motorcycle Safety and Awareness Month. As many of you know, the month of May marks the traditional start of the motorcycle riding season.

Motorcycles have become a big part of the American landscape and occupy a very important position in the history of this Nation. The use of motorcycles has served this country well through numerous military campaigns as well as playing a pivotal role in law enforcement. For many Americans, motorcycles have become their sole source of transportation and for others, a form of weekend recreation. According to the National Highway Traffic Safety Administration, there are well over four million motorcycles registered in this country. It is no secret that the United States is viewed as the world's leader in motorcycle safety and motorcycle awareness.

As a motorcycle enthusiast for more than 50 years, I am concerned that

more needs to be done to educate the general motoring public about motorcycle safety and awareness. According to the American Motorcycle Association, over two-thirds of car-motorcycle crashes, and nearly half of all motorcycle crashes are caused by auto drivers, not by motorcyclists. Think of it: Most drivers, when leaving an intersection, look right and left for cars and trucks, not always for motorcycles. Of the 1,400 fatal car-motorcycle crashes in 2001, 36 percent involved another vehicle violating the motorcyclist's right-of-way by turning left while the motorcycle was going straight, passing, or overtaking the vehicle. These statistics can and must be addressed.

The motorcycling community has made efforts to mitigate these right-of-way crashes through enhancing motorcycle awareness via bill boards, posters, media and other campaigns, the message to ''watch for motorcycles'' continues to go unheeded by the general motoring public—not intentionally I am sure.

In addition, the motorcycling community has invested considerable time and effort to improve its safety record through safety initiatives such as increased rider training and licensing campaigns, but the programs are overutilized and underfunded and often lack support from the larger traffic safety community.

Clearly enough is not being done by motorists to take extra care in looking for motorcyclists and conversely, motorcyclists need to take an active roll in protecting themselves as well.

As we continue to move through the riding season, I will continue to work with my colleagues here in the Senate and motorcycle rights groups such as the National Coalition of Motorcyclists, the American Motorcycle Riders Foundation to find solutions to educate the general motoring public about motorcycle safety and awareness. This resolution is a strong, positive step in the right direction to help achieve this goal.

For all the motorcyclists who have been injured through no fault of their own, and for the many thousands of others who will be injured this year and for every year to come for quite some time, I encourage my colleagues to join this effort to help raise the awareness Nationwide of all motorized vehicle operators of motorcycles and those who operate them. To do nothing invites more needless and preventable injury and death to far too many innocent Americans.

I urge my colleagues to join us in supporting passage of this important resolution.

SENATE RESOLUTION 169—EXPRESSING THE SENSE OF THE SENATE THAT THE UNITED STATES POSTAL SERVICE SHOULD ISSUE A POSTAGE STAMP COMMEMORATING ANNE FRANK

Mrs. CLINTON submitted the following resolution; which was referred to the Committee on Governmental Affairs.

S. RES. 169

Whereas Anne Frank and her family fled Nazi persecution of Jews in Germany and sought safety by moving to Amsterdam, the Netherlands;

Whereas subsequent Nazi occupation of the Netherlands forced the Frank family to go into hiding in an annex located above the office of Anne's father;

Whereas Anne Frank and her family spent 25 months in hiding, during which time Anne Frank kept a diary of her life and experiences;

Whereas Anne Frank and her family were eventually betrayed to the Nazis;

Whereas Anne Frank died in March 1945 in the Bergen-Belsen Nazi concentration camp;

Whereas Anne Frank was 1 of approximately 1,500,000 Jewish children who died at the hands of the Nazis during World War II;

Whereas Anne Frank's diary, published by her father after the end of the war, has become 1 of the most widely read memoirs of the Holocaust;

Whereas ''The Diary of Anne Frank'' has been translated into more than 67 languages and has sold more than 31,000,000 copies worldwide;

Whereas ''The Diary of Anne Frank'' is the first educational encounter with the Holocaust for many American students;

Whereas the story of Anne Frank has been repeatedly portrayed in motion pictures and theatrical productions;

Whereas millions of Americans have come to identify with Anne Frank and she has become an inspiration to children of all faiths;

Whereas Anne Frank is thought of as a representative of children throughout the world who find themselves in situations of war, subjugation, and oppression;

Whereas Anne Frank represents the victims of the Holocaust and serves as an enduring symbol of bravery, hope, and tolerance in the face of harsh and brutal conditions;

Whereas ''The Diary of Anne Frank'' has proven beneficial in assisting young people in dealing with issues of discrimination, bigotry, and hate crimes; and

Whereas Anne Frank would have been 75 years old in 2004: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the United States Postal Service should issue a postage stamp commemorating Anne Frank; and

(2) the Citizens' Stamp Advisory Committee should recommend to the Postmaster General that such a stamp be issued.

Mrs. CLINTON. Mr. President, Today is Anne Frank's birthday. If she had survived the horror of the Bergen-Belsen concentration camp, then she would have been 74 years old. But she did not survive and because of her moving and thoughtful diary, the world got to know her and understand what it was like living in that apartment during the Nazis' reign of terror. Anne Frank's diary has educated generations around the world about tolerance and dignity. It has left a mark in a way that few books can, and the world is a better place because of Anne Frank's story.

That is why I am proud to submit a resolution expressing the sense of the Senate that the United States Postal Service should issue a postage stamp commemorating Anne Frank and the Citizens' Stamp Advisory Committee should recommend to the Postmaster General that such a stamp be issued.

Anne Frank was born on June 12, 1929, in Frankfurt, Germany to a German-Jewish family. She and her family fled the Nazi persecution of Jews in Germany and sought safety by moving to Amsterdam, the Netherlands. Following the Nazi occupation of the Netherlands, Anne Frank and her family were forced into hiding in an annex located above her father's office. The family spent 25 months in hiding which Anne Frank described in her diary.

The family was betrayed and turned over to the Nazis. Anne Frank was imprisoned in the Bergen-Belsen Nazi concentration camp, where she died in March 1945. She was one of approximately 1,500,000 Jewish children who died at the hands of the Nazis during World War II. In the midst of this unthinkable horror, her diary survived, and was published by her father after the end of the war. It has become one of the most widely read memoirs of the Holocaust experience. It has been translated into more than 67 languages and has touched people around the world.

The Diary of Anne Frank holds a special place of honor in the United States. It is the first educational encounter with the Holocaust for many American students. It has been repeatedly dramatized in motion pictures and in the theater. Millions of Americans have come to identify with Anne Frank. She has become an inspiration to children of all faiths and assists young people deal with important issues such as discrimination, bigotry and hate crimes.

Anne Frank serves as an enduring symbol of bravery, hope, and tolerance in the face of harsh and brutal conditions. A commemorative postage stamp would be a meaningful way for Americans to honor Anne Frank's inextinguishable courage and dignity. I urge my colleagues to co-sponsor this resolution and assist our efforts to convince the Citizens' Stamp Advisory Committee to recommend the issuance of a postage stamp commemorating Anne Frank.

SENATE RESOLUTION 170—DESIGNATING THE YEARS 2004 AND 2005 AS ''YEARS OF FOREIGN LANGUAGE STUDY''

Mr. DODD (for himself and Mr. COCHRAN) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. Res. 170

Whereas according to the European Commission Directorate General for Education

and Culture, 52.7 percent of Europeans speak both their native language and another language fluently;

Whereas the Elementary and Secondary Education Act of 1965 names foreign language study as part of a core curriculum that includes English, mathematics, science, civics, economics, arts, history, and geography;

Whereas according to the Joint Center for International Language, foreign language study increases a student's cognitive and critical thinking abilities;

Whereas according to the American Council on the Teaching of Foreign Languages, foreign language study increases a student's ability to compare and contrast cultural concepts;

Whereas according to a 1992 report by the College Entrance Examination Board, students with 4 or more years in foreign language study scored higher on the verbal section of the Scholastic Aptitude Test (SAT) than students who did not;

Whereas the Higher Education Act of 1965 labels foreign language study as vital to secure the future economic welfare of the United States in a growing international economy;

Whereas the Higher Education Act of 1965 recommends encouraging businesses and foreign language study programs to work in a mutually productive relationship which benefits the Nation's future economic interest;

Whereas according to the Centers for International Business Education and Research program, foreign language study provides the ability to both gain a comprehensive understanding of and interact with the cultures of United States trading partners, and thus establishes a solid foundation for successful economic relationships;

Whereas Report 107–592 of the Permanent Select Committee on Intelligence of the House of Representatives concludes that American multinational corporations and nongovernmental organizations do not have the people with the foreign language abilities and cultural exposure that are needed.

Whereas the 2001 Hart-Rudman Report on National Security in the 21st Century names foreign language study and requisite knowledge in languages as vital for the Federal Government to meet 21st century security challenges properly and effectively;

Whereas the American intelligence community stresses that individuals with proper foreign language expertise are greatly needed to work on important national security and foreign policy issues, especially in light of the terrorist attacks on September 11, 2001;

Whereas a 1998 study conducted by the National Foreign Language Center concludes that inadequate resources existed for the development, publication, distribution, and teaching of critical foreign languages (such as Arabic, Vietnamese, and Thai) because of low student enrollment in the United States; and

Whereas a shortfall of experts in foreign languages has seriously hampered information gathering and analysis within the American intelligence community as demonstrated by the 2000 Cox Commission noting shortfalls in Chinese proficiency, and the National Intelligence Council citing deficiencies in Central Eurasian, East Asian, and Middle Eastern languages: Now, therefore, be it

Resolved,

SECTION 1. DESIGNATION OF YEARS OF LANGUAGE.

(a) SENSE OF THE SENATE.—It is the sense of the Senate that foreign language study makes important contributions to a student's cognitive development, our national economy, and our national security.

(b) DESIGNATION AND PROCLAMATION.—The Senate—

(1) designates the years 2004 and 2005 as ''Years of Foreign Language Study'', during which foreign language study is promoted and expanded in elementary schools, secondary schools, institutions of higher learning, businesses, and government programs; and

(2) requests that the President issue a proclamation calling upon the people of the United States to—

(A) encourage and support initiatives to promote and expand the study of foreign languages; and

(B) observe the ''Years of Foreign Language Study'' with appropriate ceremonies, programs, and other activities.

SENATE CONCURRENT RESOLUTION 55—EXPRESSING THE SENSE OF THE CONGRESS REGARDING THE POLICY OF THE UNITED STATES AT THE 55TH ANNUAL MEETING OF THE INTERNATIONAL WHALING COMMISSION

Ms. SNOWE (for herself, Mr. KERRY, Mr. MCCAIN, Mr. HOLLINGS, Mr. KENNEDY, Mr. REED, Mr. LIEBERMAN, Mr. DODD, Mr. SMITH, Mr. LEVIN, Mr. AKAKA, Ms. COLLINS, Mr. CHAFEE, Mr. BIDEN, Mr. CORZINE, Mrs. BOXER, Mr. LAUTENBERG, and Mr. COCHRAN) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 55

Whereas whales have very low reproductive rates, making whale populations extremely vulnerable to pressure from commercial whaling;

Whereas whales migrate throughout the world's oceans and international cooperation is required to successfully conserve and protect whale stocks;

Whereas in 1946 a significant number of the nations of the world adopted the International Convention for the Regulation of Whaling, which established the International Whaling Commission to provide for the proper conservation of whale stocks;

Whereas the Commission adopted a moratorium on commercial whaling in 1982 in order to conserve and promote the recovery of whale stocks, many of which had been hunted to near extinction by the commercial whaling industry;

Whereas the Commission has designated the Indian Ocean and the ocean waters around Antarctica as whale sanctuaries to further enhance the recovery of whale stocks;

Whereas many nations of the world have designated waters under their jurisdiction as whale sanctuaries where commercial whaling is prohibited, and additional regional whale sanctuaries have been proposed by nations that are members of the Commission;

Whereas one nation has joined the Commission under questionable authority and claims it has a reservation to the moratorium that is not recognized by all other Commission members;

Whereas two member nations currently have reservations to the Commission's moratorium on commercial whaling, and one member nation is currently conducting commercial whaling operations in spite of the moratorium and the protests of other nations;

Whereas the Commission has adopted several resolutions at recent meetings asking member nations to halt commercial whaling activities conducted under reservation to the moratorium and to refrain from issuing special permits for research involving the killing of whales;

Whereas one member nation of the Commission has taken a reservation to the Commission's Southern Ocean Sanctuary and also continues to conduct unnecessary lethal scientific whaling in the Southern Ocean and in the North Pacific Ocean;

Whereas whale meat and blubber are being sold commercially from whales killed pursuant to such unnecessary lethal scientific whaling, further undermining the moratorium on commercial whaling;

Whereas the Commission's Scientific Committee has repeatedly expressed serious concerns about the scientific need for such lethal research and recognizes the importance of demonstrating and expanding the use of non-lethal scientific research methods;

Whereas one member nation in the past unsuccessfully sought an exemption allowing commercial whaling of up to 50 minke whales, now uses a scientific permit for these same vessels to take 50 minke whales, and continues to seek avenues to allow lethal takes of whales by vessels from specific communities in a manner that would undermine the moratorium on commercial whaling;

Whereas more than 7,500 whales have been killed in lethal scientific whaling programs since the adoption of the commercial whaling moratorium and the lethal take of whales under scientific permits has increased both in quantity and species, with species now including minke, Bryde's, sei, and sperm whales, and a new proposal has been offered to include fin whales for the first time;

Whereas the first international trade of whale meat in 15 years occurred last year between two member countries, and other member countries have stated their intentions to engage in international trade of whale products, despite a ban on such trade under the Convention on International Trade in Endangered Species; and

Whereas engaging in commercial whaling under reservation and lethal scientific whaling undermines the conservation program of the Commission: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) at the 55th Annual Meeting of the International Whaling Commission the United States should—

(A) remain firmly opposed to commercial whaling;

(B) initiate and support efforts to ensure that all activities conducted under reservations to the Commission's moratorium or sanctuaries are ceased;

(C) not recognize the reservation to the moratorium against commercial whaling claimed by one nation that has joined the Commission under questionable authority;

(D) oppose the lethal taking of whales for scientific purposes unless such lethal taking is specifically authorized by the Scientific Committee of the Commission to be necessary for scientific purposes, seek support for expanding the use of non-lethal research methods, and seek to end the sale of whale meat and blubber from whales killed for unnecessary lethal scientific research;

(E) seek the Commission's support for specific efforts by member nations to end trade in whale meat;

(F) support the permanent protection of whale populations through the establishment of whale sanctuaries in which commercial whaling is prohibited; and

(G) support efforts to expand data collection on whale populations, monitor and reduce whale bycatch and other incidental impacts, create a Conservation Committee, and otherwise expand whale conservation efforts;

(2) at the 13th Conference of the Parties to the Convention on International Trade in Endangered Species, the United States should oppose all efforts to reopen international trade in whale meat or downlist any whale population;

(3) the United States should make full use of all appropriate diplomatic mechanisms, relevant international laws and agreements, and other appropriate mechanisms to implement the goals set forth in paragraphs (1) and (2); and

(4) if the Secretary of Commerce certifies to the President, under section 8(a)(2) of the Fishermen's Protective Act of 1967 (22 U.S.C. 1978(a)(2)), that nationals of a foreign country are engaging in trade or a taking which diminishes the effectiveness of the Convention, then the United States should take appropriate steps at its disposal pursuant to Federal law to convince such foreign country to cease such trade or taking.

Mr. KERRY. Mr. President, As Ranking Member of the Oceans, Fisheries and Coast Guard Subcommittee of the Committee on Commerce, Science and Transportation, I am pleased to join the Chair of the Subcommittee, Senator SNOWE, in submitting a resolution regarding the policy of the United States at the upcoming 55th Annual Meeting of the International Whaling Commission, IWC. I wish to also thank my colleagues Mr. HOLLINGS, Mr. MCCAIN, Mr. KENNEDY, Mr. AKAKA, Mr. REED, Ms. COLLINS, Mr. DODD, Mr. SMITH, Mr. LEVIN, Mr. CHAFEE, Mr. BIDEN, Mr. CORZINE, Mrs. BOXER, Mr. LAUTENBERG, Mr. COCHRAN, and Mr. LIEBERMAN for cosponsoring as well.

The IWC will meet in Berlin from June 16–19, 2003. The IWC was formed in 1946 under the International Convention for the Regulation of Whaling, in recognition of the fact that whales are highly migratory and that international cooperation is necessary for their preservation. In 1982, due to the severe impacts of whaling on the populations of large whale species, the IWC agreed on an indefinite moratorium on all commercial whaling beginning in 1985.

Whales are already under enormous pressure world wide from collisions with ships, entanglement in fishing gear, coastal pollution, noise emanating from surface vessels and other sources. The need to conserve and protest these magnificent mammals is clear.

Despite the IWC moratorium on commercial whaling, significant whaling has continued. First, pursuant to its reservation to the moratorium. Norway has continued to commercially harvest whales. Second, Japan has been using a provision in the Convention—which allows countries to issue themselves permits for whaling under scientific purposes—to kill whales in the name of science, and later sell the meat commercially. More than 7500 whales have been killed in lethal scientific whaling programs since the adoption of the commercial whaling moratorium, and the lethal take of whales under scientific permits has increased both in quantity and species, with species now including minke, Bryde's sei, and sperm whales.

The IWC Scientific Committee has not requested any of the information obtained by killing these whales and has stated that the scientific whaling data obtained through this so-called research is not required for management. Iceland, which joined the IWC last year under questionable legal authority—subject to the condition that it can unilaterally begin commercial whaling after 2006—has recently indicated its intent to lethally hunt hundreds of whales, including endangered species such as fin whales, pursuant to this same scientific whaling exception.

Despite a ban under the Convention on International Trade in Endangered Species, the first international trade of whale meat in 15 years occurred last year between Norway and Iceland, both member countries of the IWC. Reports indicate that Norway is seeking to broaden such trade.

One positive development expected to be addressed at the meeting is a proposal from Mexico to establish a conservation committee under the IWC. Such a committee would strengthen the focus of the IWC on conservation measures that are critically important for the survival of cetaceans.

This resolution calls for the U.S. delegation to the IWC to remain firmly opposed to commercial whaling. In addition, this resolution calls for the U.S. oppose the lethal taking of whales for scientific purposes unless such lethal taking is specifically authorized by the Scientific Committee of the Commission. It also calls on the U.S. to seek to end the sale of whale meat and blubber from whales killed for unnecessary lethal scientific research to remove this perverse incentive. The resolution calls for the U.S. delegation to support an end to the illegal trade of whale meat and to support the permanent protection of whale populations through the establishment of whale sanctuaries in which commercial whaling is prohibited. It further calls on the U.S. to support the establishment of a Conservation Committee, and to otherwise expand whale conservation efforts. Finally, the resolution directs the U.S. to make full use of all appropriate mechanisms to encourage a change in the behavior of other nations which are undermining the protection of these great creatures.

AMENDMENTS SUBMITTED AND PROPOSED

SA 886. Mr. CAMPBELL proposed an amendment to the bill S. 14, to enhance the energy security of the United States, and for other purposes.

SA 887. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 14, supra; which was ordered to lie on the table.

SA 888. Mr. BAYH (for himself and Mr. LUGAR) submitted an amendment intended to be proposed by him to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; which was ordered to lie on the table.

SA 889. Mr. MCCAIN proposed an amendment to the bill S. 824, supra.

SA 890. Mr. DORGAN proposed an amendment to the bill S. 824, supra.

SA 891. Mr. REID (for himself and Mr. ENSIGN) proposed an amendment to the bill S. 824, supra.

SA 892. Mr. MCCAIN proposed an amendment to the bill S. 824, supra.

SA 893. Mr. LAUTENBERG (for himself and Mr. JOHNSON) proposed an amendment to the bill S. 824, supra.

SA 894. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 824, supra.

SA 895. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 824, supra.

SA 896. Mr. INHOFE (for himself, Mr. KYL, Mr. THOMAS, Mr. BROWNBACK, Mr. GRASSLEY, Mr. ENZI, and Mr. MCCAIN) submitted an amendment intended to be proposed by him to the bill S. 824, supra.

SA 897. Ms. MURKOWSKI submitted an amendment intended to be proposed by her to the bill S. 14, to enhance the energy security of the United States, and for other purposes; which was ordered to lie on the table.

SA 898. Mr. COCHRAN (for himself and Mr. BYRD) proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes.

SA 899. Mr. BURNS submitted an amendment intended to be proposed by him to the bill S. 824, supra.

SA 900. Mr. BURNS submitted an amendment intended to be proposed by him to the bill S. 824, supra.

SA 901. Mr. WYDEN submitted an amendment intended to be proposed by him to the bill S. 824, supra; which was ordered to lie on the table.

SA 902. Mrs. LINCOLN submitted an amendment intended to be proposed by her to the concurrent resolution S. Con. Res. 48, supporting the goals and ideals of ''National Epilepsy Awareness Month'' and urging support for epilepsy research and service programs; which was referred to the Committee on the Judiciary.

SA 903. Mr. BUNNING (for himself and Mrs. BOXER) submitted an amendment intended to be proposed by him to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes.

SA 904. Mr. SPECTER (for himself, Mr. SANTORUM, and Mr. DASCHLE) submitted an amendment intended to be proposed by him to the bill S. 824, supra; which was ordered to lie on the table.

SA 905. Mr. SPECTER (for himself, Mrs. BOXER, Mr. DURBIN, and Mr. DAYTON) submitted an amendment intended to be proposed by him to the bill S. 824, supra.

SA 906. Mr. BINGAMAN (for himself, Mr. INHOFE, Ms. SNOWE, Mr. JEFFORDS, Ms. COLLINS, Mr. SPECTER, Mr. HARKIN, Mrs. CLINTON, Mr. SCHUMER, Mr. PRYOR, Mr. NELSON, of Nebraska, Mrs. LINCOLN, Mr. GRASSLEY, Mr. HAGEL, and Mr. BROWNBACK) proposed an amendment to the bill S. 824, supra.

SA 907. Ms. MURKOWSKI submitted an amendment intended to be proposed by her to the bill S. 824, supra.

SA 908. Mr. HOLLINGS (for Mr. WYDEN) proposed an amendment to the bill S. 824, supra.

SA 909. Mr. HOLLINGS (for Mr. NELSON, of Florida) proposed an amendment to the bill S. 824, supra.

SA 910. Mr. HOLLINGS (for Mr. JEFFORDS (for himself and Mr. LEAHY)) proposed an amendment to the bill S. 824, supra.

SA 911. Mr. HOLLINGS (for Mr. BAYH (for himself and Mr . LUGAR)) proposed an amendment to the bill S. 824, supra.

SA 912. Mr. HOLLINGS (for Mr. DODD) proposed an amendment to the bill S. 824, supra.

SA 913. Mr. THOMAS proposed an amendment to the bill S. 824, supra.

SA 914. Mr. LOTT proposed an amendment to amendment SA 905 submitted by Mr. SPECTER (for himself, Mrs. BOXER, Mr. DURBIN, and Mr. DAYTON) to the bill S. 824, supra.

SA 915. Mr. SPECTER (for himself and Mr. SANTORUM) proposed an amendment to the bill S. 824, supra.

SA 916. Mr. HOLLINGS proposed an amendment to the bill S. 824, supra.

SA 917. Mr. HOLLINGS (for Mrs. FEINSTEIN) proposed an amendment to the bill S. 824, supra.

SA 918. Mr. HOLLINGS (for Mr. ROCKEFELLER) proposed an amendment to the bill S. 824, supra.

SA 919. Mr. HOLLINGS (for Mr. INOUYE) proposed an amendment to the bill S. 824, supra.

SA 920. Mr. STEVENS proposed an amendment to the bill S. 824 , supra.

SA 921. Mr. HOLLINGS (for Mr. HARKIN (for himself, Mr. INHOFE, and Mr. GRASSLEY)) proposed an amendment to the bill S. 824, supra.

SA 922. Mr. McCAIN (for Mr. GRASSLEY (for himself and Mr. BAUCUS)) proposed an amendment to the bill S. 824, supra.

SA 923. Mr. STEVENS proposed an amendment to the bill S. 824 , supra.

SA 924. Mr. McCONNELL (for Mrs. LINCOLN) proposed an amendment to the concurrent resolution S. Con. Res. 48, supporting the goals and ideals of ''National Epilepsy Awareness Month'' and urging support for epilepsy research and service programs.

SA 925. Mr. McCONNELL (for Mrs. LINCOLN) proposed an amendment to the concurrent resolution S. Con. Res. 48, supra.

SA 926. Mr. McCONNELL (for Mrs. LINCOLN) proposed an amendment to the concurrent resolution S. Con. Res. 48, supra.

TEXT OF AMENDMENTS

SA 886. Mr. CAMPBELL proposed an amendment to the bill S. 14, to enhance the energy security of the United States, and for other purposes; as follows:

Page 101, strike line 1 and all that follows through page 128, line 24, and insert:

''(4) electrify Indian tribal land and the homes of tribal members.''

(b) CONFORMING AMENDMENTS.—

(1) The table of contents of the Department of Energy Organization Act (42 U.S.C. prec. 7101) is amended—

(A) in the item relating to section 209, by striking ''Section'' and inserting ''Sec.''; and

(B) by striking the items relating to sections 213 through 216 and inserting the following:

''Sec. 213. Establishment of policy for National Nuclear Security Administration.

''Sec. 214. Establishment of security, counterintelligence, and intelligence policies.

''Sec. 215. Office of Counterintelligence.

''Sec. 216. Office of Intelligence.

''Sec. 217. Office of Indian Energy Policy and Programs.

(2) Section 5315 of title 5, United States Code, is amended by inserting ''Director, Office of Indian Energy Policy and Programs, Department of Energy.'' after ''Inspector General, Department of Energy.''.

SEC. 303. INDIAN ENERGY.

(a) Title XXVI of the Energy Policy Act of 1992 (25 U.S.C. 3501 et seq.) is amended to read as follows:

''TITLE XXVI—INDIAN ENERGY

''SEC. 2601. DEFINITIONS.

''For purposes of this title:

''(1) The term 'Director' means the Director of the Office of Indian Energy Policy and Programs, Department of Energy.

''(2) The term 'Indian land' means—

''(A) any land located within the boundaries of an Indian reservation, pueblo, or rancheria;

''(B) any land not located within the boundaries of an Indian reservation, pueblo, or rancheria, the title to which is held—

''(i) in trust by the United States for the benefit of an Indian tribe;

''(ii) by an Indian tribe, subject to restriction by the United States against alienation; or

''(iii) by a dependent Indian community; and

''(C) land conveyed to a Native Corporation under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.).

''(3) The term 'Indian reservation' includes—

''(A) an Indian reservation in existence in any State or States as of the date of enactment of this paragraph;

''(B) a public domain Indian allotment.

''(C) a former reservation in the State of Oklahoma;

''(D) a parcel of land owned by a Native Corporation under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.); and

''(E) a dependent Indian community located within the borders of the United States, regardless of whether the community is located—

''(i) on original or acquired territory of the community; or

''(ii) within or outside the boundaries of any particular State.

''(4) The term 'Indian tribe' has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

''(5) The term 'Native Corporation' has the meaning given the term in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602).

''(6) The term 'organization' means a partnership, joint venture, limited liability company, or other unincorporated association or entity that is established to develop Indian energy resources.

''(7) The term 'Program' means the Indian energy resource development program established under section 2602(a).

''(8) The term 'Secretary' means the Secretary of Interior.

''(9) The term 'tribal energy resource development organization' means an organization of 2 or more entities, at least 1 of which is an Indian tribe, that has the written consent of the governing bodies of all Indian tribes participating in the organization to apply for a grant, loan, or other guarantee authorized by sections 2602 or 2603 of this title.

''(10) The term 'tribal land' means any land or interests in land owned by any Indian tribe, band nation, pueblo, community, rancheria, colony or other group, title to which is held in trust by the United States or which is subject to a restriction against alienation imposed by the United States.

''(11) The term 'vertical integration of energy resources' means any project or activity that promotes the location and operation of a facility (including any pipeline, gathering system, transportation system or facility, or electric transmission facility) on or near Indian land to process, refine, generate electricity from, or otherwise develop energy resources on, Indian land.

''SEC. 2602. INDIAN TRIBAL ENERGY RESOURCE DEVELOPMENT.

''(a) DEPARTMENT OF THE INTERIOR PROGRAM.—

''(1) To assist Indian tribes in the development of energy resources and further the goal of Indian self-determination, the Secretary shall establish and implement an Indian energy resource development program to assist Indian tribes and tribal energy resource development organizations in achieving the purposes of this title.

''(2) In carrying out the Program, the Secretary shall—

''(A) provide development grants to Indian tribes and tribal energy resource development organizations for use in developing or obtaining the managerial and technical capacity needed to develop energy resources on Indian land, and to properly account for resulting energy production and revenues;

''(B) provide grants to Indian tribes and tribal energy resource development organizations for use in carrying out projects to promote the vertical integration of energy resources, and to process, use, or develop those energy resources, on Indian land; and

''(C) provide low-interest loans to Indian tribes and tribal energy resource development organizations for use in the promotion of energy resource development and vertical integration or energy resources on Indian land.

''(3) There are authorized to be appropriated to carry out this subsection such sums as are necessary for each of fiscal years 2004 through 2014.

''(b) INDIAN ENERGY EDUCATION PLANNING AND MANAGEMENT ASSISTANCE.—

''(1) The Director shall establish programs to assist Indian tribes in meeting energy education, research and development, planning, and management needs.

''(2) In carrying out this section, the Director may provide grants, on a competitive basis, to an Indian tribe or tribal energy resource development organization for use in carrying out—

''(A) energy, energy efficiency, and energy conservation programs;

''(B) studies and other activities supporting tribal acquisitions of energy supplies, services, and facilities.

''(C) planning, construction, development, operation maintenance, and improvement of tribal electrical generation, transmission, and distribution facilities located on Indian land; and

''(D) development, construction, and interconnection of electric power transmission facilities located on Indian land with other electric transmission facilities.

''(3)(A) The Director may develop, in consultation with Indian tribes, a formula for providing grants under this section.

''(B) In providing a grant under this subsection, the Director shall give priority to an application received from an Indian tribe with inadequate electric service (as determined by the Director).

''(4) The Secretary of Energy may promulgate such regulations as necessary to carry out this subsection.

''(5) There is authorized to be appropriated to carry out this subsection $20,000,000 for each of fiscal years 2004 through 2011.

''(c) LOAN GUARANTEE PROGRAM.—

''(1) Subject to paragraph (3), the Secretary of Energy may provide loan guarantees (as defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)) for not more than 90 percent of the unpaid principal and interest due on any loan made to any Indian tribe for energy development.

''(2) A loan guarantee under this subsection shall be made by—

''(A) a financial institution subject to examination by the Secretary of Energy; or

''(B) an Indian tribe, from funds of the Indian tribe.

''(3) The aggregate outstanding amount guaranteed by the Secretary of Energy at any time under this subsection shall not exceed $2,000,000,000.

''(4) The Secretary may promulgate such regulations as the Secretary of Energy determines are necessary to carry out this subsection.

''(5) There are authorized to be appropriated such sums as are necessary to carry out this subsection, to remain available until expended.

''(6) Not later than 1 year from the date of enactment of this section, the Secretary of Energy shall report to the Congress on the financing requirements of Indian tribes for energy development on Indian land.

''(d) INDIAN ENERGY PREFERENCE.—

''(1) In purchasing electricity or any other energy product or byproduct, a Federal agency or department may give preference to an energy and resource production enterprise, partnership, consortium, corporation, or other type of business organization the majority of the interest in which is owned and controlled by 1 or more Indian tribes.

''(2) In carrying out this subsection, a Federal agency or department shall not—

''(A) pay more than the prevailing market price for an energy product or byproduct; and

''(B) obtain less than prevailing market terms and conditions.''.

''SEC. 2603. INDIAN TRIBAL ENERGY RESOURCE REGULATION.

''(a) GRANTS.—The Secretary may provide to Indian tribes and tribal energy resource development organizations, on an annual basis, grants for use in developing, administering, implementing, and enforcing tribal laws (including regulations) governing the development and management of energy resources on Indian land.

''(b) USE OF FUNDS.—Funds from a grant provided under this section may be used by an Indian tribe or tribal energy resource development organization for—

''(1) the development of a tribal energy resource inventory or tribal energy resource on Indian land;

''(2) the development of a feasibility study or other report necessary to the development of energy resources on Indian land;

''(3) the development and enforcement of tribal laws and the development of technical infrastructure to protect the environment under applicable law; or

''(4) the training of employees that—

''(A) are engaged in the development of energy resources on Indian land; or

''(B) are responsible for protecting the environment.

''(c) OTHER ASSISTANCE.—To the maximum extent practicable, the Secretary and the Secretary of Energy shall make available to Indian tribes and tribal energy resource development organizations scientific and technical data for use in the development and management of energy resources on Indian land.

''SEC. 2604. LEASES, BUSINESS AGREEMENTS, AND RIGHTS-OF-WAY INVOLVING ENERGY DEVELOPMENT OR TRANSMISSION.

''(a) LEASES AND AGREEMENTS.—Subject to the provisions of this section—

''(1) an Indian tribe may, at its discretion, enter into a lease or business agreement for the purpose of energy development, including a lease or business agreement for—

''(A) exploration for, extraction of, processing of, or other development of energy resources on tribal land; and

''(B) construction or operation of an electric generation, transmission, or distribution facility located on tribal land; or a facility to process or refine energy resources developed on tribal land; and

''(2) such lease or business agreement described in paragraph (1) shall not require the approval of the Secretary under section 2103 of the Revised Statutes (25 U.S.C. 81) or any other provision of law, if—

''(A) the lease or business agreement is executed in accordance with a tribal energy resource agreement approved by the Secretary under subsection (e);

''(B) the term of the lease or business agreement does not exceed—

''(i) 30 years; or

''(ii) in the case of a lease for the production of oil and gas resources, 10 years and as long thereafter as oil or gas is produced in paying quantities; and

''(C) the Indian tribe has entered into a tribal energy resource agreement with the Secretary, as described in subsection (e), relating to the development of energy resources on tribal land (including an annual trust asset evaluation of the activities of the Indian tribe conducted in accordance with the agreement).

''(b) RIGHTS-OF-WAY FOR PIPELINES OR ELECTRIC TRANSMISSION OR DISTRIBUTION LINES.—An Indian tribe may grant a right-of-way over tribal land for a pipeline or an electric transmission or distribution line without specific approval by the Secretary if—

''(1) the right-of-way is executed in accordance with a tribal energy resource agreement approved by the Secretary under subsection (e);

''(2) the term of the right-of-way does not exceed 30 years;

''(3) the pipeline or electric transmission or distribution line serves—

''(A) an electric generation, transmission, or distribution facility located on tribal land; or

''(B) a facility located on tribal land that processes or refines energy resources developed on tribal land; and

''(4) the Indian tribe has entered into a tribal energy resource agreement with the Secretary, as described in subsection (e), relating to the development of energy resources on tribal land (including an annual trust asset evaluation of the activities of the Indian tribe conducted in accordance with the agreement).

''(c) RENEWALS.—A lease or business agreement entered into or a right-of-way granted by an Indian tribe under this section may be renewed at the discretion of the Indian tribe in accordance with this section.

''(d) VALIDITY.—No lease, business agreement, or right-of-way relating to the development of tribal energy resources pursuant to the provisions of this section shall be valid unless the lease, business agreement, or right-of-way is authorized in accordance with a tribal energy resource agreement approved by the Secretary under subsection (e)(2).

''(e) TRIBAL ENERGY RESOURCE AGREEMENTS.—

''(1) On promulgation of regulations under paragraph (8), an Indian tribe may submit to the Secretary for approval a tribal energy resource agreement governing leases, business agreements, and rights-of-way under this section.

''(2)(A) Not later than 180 days after the date on which the Secretary receives a tribal energy resource agreement submitted by an Indian tribe under paragraph (1) (or such later date as may be agreed to by the Secretary and the Indian tribe), the Secretary shall approve or disapprove the tribal energy resource agreement.

''(B) The Secretary shall approve a tribal energy resource agreement submitted under paragraph (1) If—

''(i) the Secretary determines that the Indian tribe has demonstrated that the Indian tribe has sufficient capacity to regulate the development of energy resources of the Indian tribe; and

''(ii) the tribal energy resource agreement includes provisions that, with respect to a lease, business agreement, or right-of-way under this section—

''(I) ensure the acquisition of necessary information from the applicant for the lease, business agreement, or right-of-way;

''(II) address the term of the lease or business agreement or the term of conveyance of the right-of-way;

''(III) address amendments and renewals;

''(IV) address consideration for the lease, business agreement, or right-of-way;

''(V) address technical or other relevant requirement;

''(VI) establish requirements for environmental review in accordance with subparagraph (C);

''(VII) ensure compliance with all applicable environmental laws;

''(VIII) identify final approval authority;

''(IX) provide for public notification of final approvals;

''(X) establish a process for consultation with any affected States concerning potential off-reservation impacts associated with the lease, business agreement, or right-of-way; and

''(XI) describe the remedies for breach of the lease, agreement, or right-of-way.

''(C) Tribal energy resource agreements submitted under paragraph (1) shall establish, and include provisions to ensure compliance with, an environmental review process that, with respect to a lease, business agreement, or right-of-way under this section, provides for—

''(i) the identification and evaluation of all significant environmental impacts (as compared with a no-action alternative), including effects on cultural resources;

''(ii) the identification of proposed mitigation;

''(iii) a process for ensuring that the public is informed of and has an opportunity to comment on the environmental impacts of the proposed action before tribal approval of the lease, business agreement, or right-of-way; and

''(iv) sufficient administrative support and technical capability to carry out the environmental review process.

''(D) A tribal energy resource agreement negotiated between the Secretary and an Indian Tribe in accordance with this subsection shall include—

''(i) provisions requiring the Secretary to conduct an annual trust asset evaluation to monitor the performance of the activities of the Indian tribe associated with the development of energy resources on tribal land by the Indian tribe; and

''(ii) in the case of a finding by the Secretary of imminent jeopardy to a physical trust asset, provisions authorizing the Secretary to reassume responsibility for activities associated with the development of energy resources on tribal land.

''(3) The Secretary shall provide notice and opportunity for public comment on tribal energy resource agreements submitted under paragraph (1). The Secretary's review of a tribal energy resource agreement under the National Environmental Policy Act (42 U.S.C. 4321 et seq.) shall be limited to the direct effects of that approval.

''(4) If the Secretary disapproves a tribal energy resource agreement submitted by an Indian tribe under paragraph (1), the Secretary shall—

''(A) notify the Indian tribe in writing of the basis for the disapproval;

''(B) identify what changes or other actions are required to address the concerns of the Secretary; and

''(C) provide the Indian tribe with an opportunity to revise and resubmit the tribal energy resource agreement.

''(5) If an Indian tribe executes a lease or business agreement or grants a right-of-way

in accordance with a tribal energy resource agreement approved under this subsection, the Indian tribe shall, in accordance with the process and requirements set forth in the Secretary's regulations adopted pursuant to subsection (e)(8), provide to the Secretary—

''(A) a copy of the lease, business agreement, or right-of-way document (including all amendments to and renewals of the document); and

''(B) in the case of a tribal energy resource agreement or a lease, business agreement, or right-of-way that permits payment to be made directly to the Indian tribe, documentation of those payments sufficient to enable the Secretary to discharge the trust responsibility of the United States as appropriate under applicable law.

''(6)(A) Nothing in this section shall absolve the United States from any responsibility to Indians or Indian tribes, including those which derive from the trust relationship or from any treaties, Executive Orders, or agreements between the United States and any Indian tribe.

''(B) The Secretary shall continue to have a trust obligation to ensure that the rights of an Indian tribe are protected in the event of a violation of federal law or the terms of any lease, business agreement or right-of-way under this section by any other party to any such lease, business agreement or right-of-way.

''(C) Notwithstanding subparagraph (A), the United States shall not be liable to any party (including any Indian tribe) for any of the terms of, or any losses resulting from the terms of, a lease, business agreement, or right-of-way executed pursuant to and in accordance with a tribal energy resource agreement approved under subsection (e)(2).

''(7)(A) In this paragraph, the term 'interested party' means any person or entity the interests of which have sustained or will sustain a significant adverse environmental impact as a result of the failure of an Indian tribe to comply with a tribal energy resource agreement of the Indian tribe approved by the Secretary under paragraph (2).

''(B) After exhaustion of tribal remedies, and in accordance with the process and requirements set forth in regulations adopted by the Secretary pursuant to subsection (e)(8), an interested party may submit to the Secretary a petition to review compliance of an Indian tribe with a tribal energy resource agreement of the Indian tribe approved under this subsection.

''(C) If the Secretary determines that an Indian tribe is not in compliance with a tribal energy resource agreement approved under this subsection, the Secretary shall take such action as is necessary to compel compliance, including—

''(i) suspending a lease, business agreement, or right-of-way under this section until an Indian tribe is in compliance with the approved tribal energy resource agreement; and

''(ii) rescinding approval of the tribal energy resource agreement and reassuming the responsibility for approval of any future leases, business agreements, or rights-of-way associated with an energy pipeline or distribution line described in subsections (a) and (b).

''(D) If the Secretary seeks to compel compliance of an Indian tribe with an approved tribal energy resource agreement under subparagraph (C)(ii), the Secretary shall—

''(i) make a written determination that describes the manner in which the tribal energy resource agreement has been violated;

''(ii) provide the Indian tribe with a written notice of the violations together with the written determination; and

''(iii) before taking any action described in subparagraph (C)(ii) or seeking any other remedy, provide the Indian tribe with a hearing and a reasonable opportunity to attain compliance with the tribal energy resource agreement.

''(E)(i)) An Indian tribe described in subparagraph (D) shall retain all rights to appeal as provided in regulations promulgated by the Secretary.

''(ii) The decision of the Secretary with respect to an appeal described in clause (i), after any agency appeal provided for by regulation, shall constitute a final agency action.

''(8) Not later than 180 days after the date of enactment of the Indian Tribal Energy Development and Self-Determination Act of 2003, the Secretary shall promulgate regulations that implement the provisions of this subsection, including—

''(A) criteria to be used in determining the capacity of an Indian tribe described in paragraph (2)(B)(i), including the experience of the Indian tribe in managing natural resources and financial and administrative resources available for use by the Indian tribe in implementing the approved tribal energy resource agreement of the Indian tribe; and

''(B) a process and requirements in accordance with which an Indian tribe may—

''(i) voluntarily rescind an approval tribal energy resource agreement approved by the Secretary under this subsection; and

''(ii) return to the Secretary the responsibility to approve any future leases, business agreements, and rights-of-way described in this subsection.

''(f) NO EFFECT ON OTHER LAW.—Nothing in this section affects the application of—

''(1) any Federal environment law;

''(2) the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1201 et seq.); or

''(3) except as otherwise provided in this title, the Indian Mineral Development Act of 1982 (25 U.S.C. 2101 et seq.) and the National Environmental Policy Act (42 U.S.C. 4321 et seq.).

"SEC. 2605. FEDERAL POWER MARKETING ADMINISTRATIONS.

''(a) DEFINITIONS.—In this section:

''(1) The term 'Administrator' means the Administrator of the Bonneville Power Administration and the Administrator of the Western Area Power Administration.

''(2) The term 'power marketing administration' means—

''(A) the Bonneville Power Administration;

''(B) the Western Area Power Administration; and

''(C) any other power administration the power allocation of which is used by or for the benefit of an Indian tribe located in the service area of the administration.

''(b) ENCOURAGEMENT OF INDIAN TRIBAL ENERGY DEVELOPMENT.—Each Administrator shall encourage Indian tribal energy development by taking such actions as are appropriate, including administration of programs of the Bonneville Power Administration and the Western Area Power Administration, in accordance with this section.

''(c) ACTION BY THE ADMINISTRATOR.—In carrying out this section, and in accordance with existing law—

''(1) each Administrator shall consider the unique relationship that exists between the United States and Indian tribes.

''(2) power allocations from the Western Area Power Administration to Indian tribes may be used to meet firming and reserve needs of Indian-owned energy projects on Indian land;

''(3) the Administrator of the Western Area Power Administration may purchase power from Indian tribes to meet the firming and reserve requirements of the Western Area Power Administration; and

''(4) each Administrator shall not pay more than the prevailing market price for an energy product nor obtain less than prevailing market terms and conditions.

''(d) ASSISTANCE FOR TRANSMISSION SYSTEM USE.—

''(1) An Administrator may provide technical assistance to Indian tribes seeking to use the high-voltage transmission system for delivery of electric power.

''(2) The costs of technical assistance provided under paragraph (1) shall be funded by the Secretary of Energy using nonreimbursable funds appropriated for that purpose, or by the applicable Indian tribes.

''(e) POWER ALLOCATION STUDY.—Not later than 2 years after the date of enactment of the Indian Tribal Energy Development and Self-Determination Act of 2003, the Secretary of Energy shall submit to the Congress a report that—

''(1) describes the use by Indian tribes of Federal power allocations of the Western Area Power Administration (or power sold by the Southwestern Power Administration) and the Bonneville Power Administration to or for the benefit of Indian tribes in service areas of those administrations; and

''(2) identifies—

''(A) the quantity of power allocated to Indian tribes by the Western Area Power Administration;

''(B) the quantity of power sold to Indian tribes by other power marketing administrations; and

''(C) barriers that impede tribal access to and use of Federal power, including an assessment of opportunities to remove those barriers and improve the ability of power marketing administrations to facilitate the use of Federal power by Indian tribes.

''(f) AUTHORIZATION OF APPROPRIATIONS.—there is authorized to be appropriated to carry out this section $750,000, which shall remain available until expended and shall not be reimbursable.

"SEC. 2606. INDIAN MINERAL DEVELOPMENT REVIEW.

''(a) IN GENERAL.—The Secretary shall conduct a review of all activities being conducted under the Indian Mineral Development Act of 1982 (25 U.S.C. 2101 et seq.) as of that date.

''(b) REPORT.—Not later than 1 year after the date of enactment of the Indian Tribal Energy Development and Self-Determination Act of 2003, the Secretary shall submit to the Congress a report that includes—

''(1) the results of the review;

''(2) recommendations to ensure that Indian tribes have the opportunity to develop Indian energy resources; and

''(3) an analysis of the barriers to the development of energy resources on Indian land (including legal, fiscal, market, and other barriers), along with recommendations for the removal of those barriers.

"SEC. 2607. WIND AND HYDROPOWER FEASIBILITY STUDY.

''STUDY.—The Secretary of Energy, in coordination with the Secretary of the Army and the Secretary, shall conduct a study of the cost and feasibility of developing a demonstration project that would use wind energy generated by Indian tribes and hydropower generated by the Army Corps of Engineers on the Missouri River to supply firming power to the Western Area Power Administration.

''(b) SCOPE OF STUDY.—The study shall—

''(1) determine the feasibility of the blending of wind energy and hydropower generated from the Missouri River dams operated by the Army Corps of Engineers;

''(2) review historical purchase requirements and projected purchase requirements for firming and the patterns of availability and use of firming energy;

''(3) assess the wind energy resource potential on tribal land and projected cost savings

through a blend of wind and hydropower over a 30-year period;

''(4) determine seasonal capacity needs and associated transmission upgrades for integration of tribal wind generation; and

''(5) include an independent tribal engineer as a study team member.

''(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary and Secretary of the Army shall submit to Congress a report that describes the results of the study, including—

''(1) an analysis of the potential energy cost or benefits to the customers of the Western Area Power Administration through the blend of wind and hydropower;

''(2) an evaluation of whether a combined wind and hydropower system can reduce reservoir fluctuation, enhance efficient and reliable energy production, and provide Missouri River management flexibility;

''(3) recommendations for a demonstration project that could be carried out by the Western Area Power Administration in partnership with an Indian tribal government or tribal energy resource development organization to demonstrate the feasibility and potential of using wind energy produced on Indian land to supply firming energy to the Western Area Power Administration or any other Federal power marketing agency; and

''(4) an identification of—

''(A) the economic and environmental costs or benefits to be realized through such a Federal-tribal partnership; and

''(B) the manner in which such a partnership could contribute to the energy security of the United States.

''(d) FUNDING.—

''(1) There is authorized to be appropriated to carry out this section $500,000, to remain available until expended.

''(2) Costs incurred by the Secretary in carrying out this section shall be nonreimbursable.''.

(b) CONFORMING AMENDMENTS.—The table of contents for the Energy Policy Act of 1992 (25 U.S.C. 3501 et seq.) is amended by striking items relating to Title XXVI, and inserting:

''Sec. 2601. Definitions.
''Sec. 2602. Indian tribal energy resource development.
''Sec. 2603. Indian tribal energy resource regulation.
''Sec. 2604. Leases, business agreements, and rights-of-way involving energy development or transmission.
''Sec. 2605. Federal Power Marketing Administrations.
''Sec. 2606. Indian mineral development review.
''Sec. 2607. Wind and hydropower feasibility study.

SA 887. Mrs. HUTCHINSON submitted an amendment intended to be proposed by her to the bill S. 14, to enhance the energy security of the United States, and for other purposes; which was ordered to lie on the table as follows:

On page 466, after line 22, insert the following:

Subtitle ____—Transmission Facilities

SEC. ____. TRANSMISSION FACILITIES.

(a) EXISTING FACILITIES.—The Secretary of Energy (acting through the Western Area Power Administration, the Southwestern Power Administration, or the Southeastern Power Administration) may design, develop, construct, operate, and maintain, or participate with other entities in designing, developing, constructing, operating, and maintaining, an electric power transmission facility and related facilities needed to upgrade existing transmission facilities owned or operated by the applicable Federal power marketing agency if the Secretary of Energy determines that the proposed project is—

(1) necessary or advisable to accommodate an actual or projected increase in electric power transmission demand on, or to increase the reliability of, any part of the Federal or non-Federal electric power grid; and

(2) in the public interest.

(b) NEW FACILITIES.—The Secretary of Energy (acting through the Western Area Power Administration, the Southwestern Power Administration, or the Southeastern Power Administration) may design, develop, construct, operate, and maintain, or participate with other entities in designing, developing, constructing, operating, and maintaining, a new electric power transmission facility and related facilities located within any State in which the applicable Power Administration operates if the Secretary determines that the proposed facility—

(1)(A) is located in an interstate congestion area and will reduce congestion of electric transmission in interstate commerce; or

(B) is necessary or advisable to accommodate an actual or projected increase in demand for electric transmission capacity;

(2) is consistent with—

(A) a plan approved by the appropriate regional transmission organization, if such an organization exists and is conducting such planning functions; and

(B) efficient and reliable operation of the transmission grid;

(3) would not duplicate the functions of transmission facilities proposed to be constructed, or operated, by any other transmitting utility; and

(4) would be operated by or in conformance with the rules of the appropriate regional transmission organization, if such an organization exists.

(c) OTHER FUNDS.—

(1) IN GENERAL.—In carrying out a project under subsection (a) or (b), the Secretary of Energy may accept and use funds contributed by another entity for the purpose of carrying out the project.

(2) AVAILABILITY.—The funds shall be available for expenditure for the purpose of carrying out the project—

(A) without fiscal year limitation; and

(B) as if the funds had been appropriated specifically for that purpose.

(3) ALLOCATION OF COSTS.—In carrying out a project under subsection (a) or (b), any costs of the project not paid for by contributions from another entity shall be allocated equitably among the project beneficiaries, including any non-Federal project participants and existing transmission users of the applicable Federal power marketing agency.

(d) RELATIONSHIP TO OTHER LAWS.—Nothing in this section affects any requirement of—

(1) any Federal environmental law, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); or

(2) any Federal or State law relating to the siting of energy facilities.

SA 888. Mr. BAYH (for himself and Mr. LUGAR) submitted an amendment intended to be proposed by him to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; which was ordered to lie on the table as follows:

At the end of title II, add the following:

SEC. 217. GARY/CHICAGO AIRPORT FUNDING.

The Administrator of the Federal Aviation Administration shall, for purposes of chapter 471 of title 49, United States Code, give priority consideration to a letter of intent application for funding submitted by the City of Gary, Indiana, or the State of Indiana, for the extension of the main runway at the Gary/Chicago Airport. The letter of intent application shall be considered upon completion of the environmental impact statement and benefit cost analysis in accordance with Federal Aviation Administration requirements. The Administrator shall consider the letter of intent application not later than 90 days after receiving it from the applicant.

SA 889. Mr. MCCAIN proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

On page 68, after the item relating to section 107, insert the following:

Sec. 108. Whistle-blower protection under Acquisition Management System.

On page 68, after the item relating to section 205 and insert the following:

Sec. 205. Secretary of Transportation to identify airport congestion-relief projects.

On page 68 strike the item relating to section 211 and insert the following:

Sec. 211. Noise disclosure.

On page 68, after the item relating to section 216, insert the following:

Sec. 217. Share of airport project costs.
Sec. 218. Pilot program for purchase of airport development rights.

On page 68, after the item relating to section 304, insert the following:

Sec. 305. Air carriers required to honor tickets for suspended air service.

On page 68, after the item relating to section 354, insert the following:

Subtitle C—Financial Improvement Effort and Executive Compensation Report

Sec. 371. GAO report on airlines actions to improve finances and on executive compensation.

On page 68, after the item relating to section 513 and redesignate the items relating to sections 514 through 520 as relating to sections 513 and 519.

On page 68, after the item relating to section 520, as redesignated, insert the following:

Sec. 520. Certain interim and final rules.

On page 83, beginning in line 23, strike ''chair and vice chair,'' and insert ''chair,''.

On page 84, line 1, strike ''chairperson'' and insert ''chair''.

On page 84, line 6, strike ''chairperson'' and insert ''chair''.

On page 84, line 13, strike ''chairperson'' and insert ''chair''.

On page 84, line 23, strike ''chairperson'' and insert ''chair''.

On page 89, between lines 15 and 16, insert the following:

SEC. 108, WHISTLE-BLOWER PROTECTION UNDER ACQUISITION MANAGEMENT SYSTEM.

Section 40110(d)(2)(C) is amended by striking ''355).'' and inserting ''355), except for section 315 (41 U.S.C. 265). For the purpose of applying section 315 of that Act to the system, the term ''exective agency'' is deemed to refer to the Federal Aviation Administration.''.

On page 104, beginning with line 4, strike through line 7 on page 105 and insert the following:

SEC. 205. SECRETARY OF TRANSPORTATION TO IDENTIFY AIRPORT CONGESTION-RELIEF PROJECTS.

(a) IN GENERAL.—Within 90 days after the date of enactment of this Act, the Secretary of Transportation shall provide to the Senate Committee on Commerce, Science, and

Transportation, and to the House of Representatives Committee on Transportation and Infrastructure—

(1) a list of planned air traffic and airport-capacity projects at congested airport capacity benchmark airports the completion of which will substanially relieve congestion at these airports; and

(2) a list of options for expanding capacity at the 8 airports on the list at which the most severe delays are occurring.

(b) 2-YEAR UPDATE.—The Secretary shall provide updated lists under subsection (a) to the Committees 2 years after the date of enactment of this Act.

(c) DELISTING OF PROJECTS.—The Secretary shall remove a project from the list provided to the Committees under this section upon the request, in writing, of an airport operator if the operator states in the request that construction of the project will not be completed within 10 years from the date of the request.

On page 110, line 17, strike ''non-hub airport (as defined in section 47102'' and insert ''nonhub airport (as defined in section 41762(11)''.

On page 112, beginning with line 21, strike through line 12 on page 116, and insert the following:

SEC. 211. NOISE DISCLOSURE.

(a) NOISE DISCLOSURE SYSTEM IMPLEMENTATION STUDY.—The Administrator of the Federal Aviation Administration shall conduct a study to determine the feasibility of developing a program under which prospective home buyers of property located in the vicinity of an airport could be notified of information derived from noise exposure maps that may affect the use and enjoyment of the property. The study shall assess the scope, administration, usefulness, and burdensome of any such program, the costs and benefits of such a program, and whether participation in such a program should be voluntary or mandatory.

(b) PUBLIC AVAILABILITY OF NOISE EXPOSURE MAPS.—The Federal Aviation Administration shall make copies or facsimiles of noise exposure maps available to the public via the Internet on its website in an appropriate format.

(c) NOISE EXPOSURE MAP.—In this section, the term ''noise exposure map'' means a noise exposure map prepared under section 47503 of title 49, United States Code.

On page 121, line 23, strike ''47114(d)(2)(A)'' and insert ''47114(d)(3)(A)''.

On page 123, between line 3 and 4, insert the following:

(c) TERMINAL DEVELOPMENT COSTS.—Section 47119(a)(1)(C) is amended by striking ''3 years'' and inserting ''1 year''.

SEC. 217. SHARE OF AIRPORT PROJECT COSTS.

(a) IN GENERAL.—Section 47109 of title 49, United States Code, is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following:

''(c) GRANDFATHER RULE.—

''(1) IN GENERAL.—In the case of any project approved after September 30, 2001, at an airport that has less than .25 percent of the total number of passenger boardings at all commercial service airports, and that is located in a State containing unappropriated and unreserved public lands and nontaxable Indian lands (individual and tribal) of more than 5 percent of the total area of all lands in the State, the Government's share of allowable costs of the project shall be increased by the same ratio as the basic share of allowable costs of a project divided into the increased (Public Lands States) share of allowable costs of a project as shown on documents of the Federal Aviation Administration dated August 3, 1979, at airports for which the general share was 80 percent on August 3, 1979. This subsection shall apply only if—

''(A) the State contained unappropriated and unreserved public lands and nontaxable Indian lands of more than 5 percent of the total area of all lands in the State on August 3, 1979; and

''(B) the application under subsection (b), does not increase the Government's share of allowable costs of the project

''(2) LIMITATION.—The Government's share of allowable project costs determined under this subsection shall not exceed the lesser of 93.75 percent or the highest percentage Government share applicable to any project in any State under subsection (b).''.

(b) CONFORMING AMENDMENT.—Subsection (a) of Section 47109, title 49, United States Code, is amended by striking ''Except as provided in subsection (b)'', and inserting in lieu thereof ''Except as provided in subsection (b) or subsection (c)''.

SEC. 218. PILOT PROGRAM FOR PURCHASE OR AIRPORT DEVELOPMENT RIGHTS.

(a) IN GENERAL.—Chapter 471 is amended by adding at the end the following:

''§ 47141. Pilot program for purchase of airport development rights

''(a) IN GENERAL.—The Secretary of Transportation shall establish a pilot program to support the purchase, by a State or political subdivision of a State, of development rights associated with, or directly affecting the use of, privately owned public use airports located in that State. Under the program, the Secretary may make a grant to a State or political subdivision of a State from funds apportioned under section 47114 for the purchase of such rights.

''(b) GRANT REQUIREMENTS.—

''(1) IN GENERAL.—The Secretary may not make a grant under subsection (a) unless the grant is made—

''(A) to enable the State or political subdivision to purchase development rights in order to ensure that the airport property will continue to be available for use as a public airport; and

''(B) subject to a requirement that the State or political subdivision acquire an easement or other appropriate covenant requiring that the airport shall remain a public use airport in perpetuity.

''(2) MATCHING REQUIREMENT.—The amount of a grant under the program may not exceed 90 percent of the costs of acquiring the development rights.

''(c) GRANT STANDARDS.—The Secretary shall prescribe standards for grants under subsection (a), including—

''(1) grant application and approval procedures; and

''(2) requirements for the content of the instrument recording the purchase of the development rights.

''(d) RELEASE OF PURCHASED RIGHTS AND COVENANT.—Any development rights purchased under the program shall remain the property of the State or political subdivision unless the Secretary approves the transfer or disposal of the development rights after making a determination that the transfer or disposal of that right is in the public interest.

''(c) LIMITATION.—The Secretary may not make a grant under the pilot program for the purchase of development rights at more than 10 airports.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 471 is amended by inserting after the item relating to section 47140 the following:

''47141. Pilot program for purchase of airport development rights.''.

On page 127, line 18, strike ''and''

On page 127, line 21, strike ''2006'.'' and insert ''2006'; and''.

On page 127, between lines 21 and 22, insert the following:

(4) by striking ''section.'' and inserting ''section, not more than $275,000 per year of which may be used for administrative costs in fiscal years 2004 through 2006.''.

On page 127, beginning with ''No'' in line 24, strike through line 2 on page 128 and insert the following: ''No community, consortia of communities, nor combination thereof may participate in the program in support of the same project more than once, but any community, consortia of communities, or combination thereof may apply, subsequent to such participation, to participate in the program in support of a different project.'.''.

On page 130, between lines 10 and 11, insert the following:

SEC. 305. AIR CARRIERS REQUIRED TO HONOR TICKETS FOR SUSPENDED AIR SERVICE.

Section 145(c) of the Aviation and Transportation Security Act (49 U.S.C. 40101 note) is amended by striking ''more than'' and all that follows through ''after'' and inserting ''more than 36 months after''.

On page 131, beginning in line 21, strike ''eligible essential air service communities receiving assistance under subchapter II'' and insert ''communities that receive subsidized service by an air carrier under section 41733''.

On page 133, line 23, strike ''essential air service community'' and insert ''point that receives subsidized service by an air carrier under section 41733''.

On page 134, line 8, strike ''41731(a)(1).'' and insert ''41731(a)(1), subject to the provisions of section 332 of the Department of Transportation and Related Agencies Appropriations Act, 2000 (49 U.S.C. 41731 note).

On page 135, line 6, strike ''2007,'' and insert ''2006 to carry out this subchapter,''.

On page 137, line 14, after ''equipment.'' insert ''Any community that participates in a pilot program under this subparagraph is deemed to have waived the minimum service requirements under section 41732(b) for purposes of its participation in that pilot program.''.

On page 138, line 19, after ''airports'' insert ''or small hub airports''.

On page 143, strike lines 1 through 3 and insert the following:

''(d) TRACKING SERVICE.—The Secretary shall require carriers providing subsidy for service under section 41733 to track changes in services, including on-time arrivals and departures, on such subsidized routes, and to report such information to the Secretary on a semi-annual basis in such form as the Secretary may require.

On page 143, line 24, strike ''monthly cost increase of 10 percent or more.'' and insert ''annual total unit cost increase (but not increases in individual unit costs) of 10 percent or more in relation to the unit rates used to construct the subsidy rate, based on the carrier's internal audit of its financial statements.''.

On page 144, between lines 11 and 12, insert the following:

SUBTITLE C—FINANCIAL IMPROVEMENT EFFORT AND EXECUTIVE COMPENSATION REPORT

SEC. 371. GAO REPORT ON AIRLINES ACTIONS TO IMPROVE FINANCES AND ON EXECUTIVE COMPENSATION.

(a) FINDING.—The Congress finds that the United States government has by law provided substantial financial assistance to United States commercial airlines in the form of war risk insurance and reinsurance and other economic benefits and has imposed substantial economic and regulatory burdens on those airlines. In order to determine the

economic viability of the domestic commercial airline industry and to evaluate the need for additional measures or the modification of existing laws, the Congress needs more frequent information and independently verified information about the financial condition of these airlines.

(b) SEMIANNUAL REPORTS.—The Comptroller General shall prepare a semiannual report to the Congress—

(1) analyzing measures being taken by air carriers engaged in air transportation and intrastate air transportation (as such terms are used in subtitle VII of title 49, United States Code) to reduce costs and to improve their earnings and profits and balance sheets; and

(2) stating—

(A) the total compensation (as defined in section 104(b) of the Air Transportation Safety and System Stabilization Act (49 U.S.C. 40101 note)) paid by the air carrier to each officer or employee of that air carrier to whom that section applies for the period to which the report relates; and

(B) the terms and value (determined on the basis of the closing price of the stock on the last business day of the period to which the report relates) of any stock options awarded to such officer during that period.

(c) GAO AUTHORITY.—In order to compile the reports required by subsection (b), the Comptroller General, or any of the Comptroller General's duly authorized representatives, shall have access for the purpose of audit and examination to any books, accounts, documents, papers, and records of such air carriers that relate to the information required to compile the reports. The Comptroller General shall submit with each such report a certification as to whether the Comptroller General has had access to sufficient information to make informed judgments on the matters covered by the report.

(d) REPORTS TO CONGRESS.—The Comptroller General shall transmit the compilation of reports required by subsection (c) to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure.

On page 144, beginning in line 15, strike ''Security'' and insert ''Security, in consultation with representatives of the airport community,''.

On page 145, line 10, strike ''Transportation'' and insert ''Homeland Security''.

On page 146, line 6, strike ''Transportation'' and insert ''Homeland Security''.

On page 146, line 7, strike ''Homeland Security'' and insert ''Transportation''.

On page 146, beginning in line 11, strike ''The program shall be administered in concert with the airport improvement program under chapter 417 of title 49, United States Code.'' and insert ''The requirements that apply to grants and letters of intent issued under chapter 471 of title 49, United States Code, shall apply to grants and letters of intent issued under this section.''.

On page 147, line 9, strike ''Transportation'' and insert ''Homeland Security''.

On page 147, line 23, strike ''417'' and insert ''471''.

On page 148, line 11, strike ''301(a)'' and insert ''308(a)''.

On page 149, strike lines 14 through 21 and insert the following:

Section 44310 is amended by striking ''2004.'' and inserting ''2006.''.

On page 153, beginning in line 22, strike ''sections 121, 123, and 126 and chapter 5 of chapter 5 of title 40.'' and insert ''subchapter III of chapter 5 of title 40, United States Code.''.

On page 158, line 23, strike ''(g)'' and insert ''(h)''.

On page 170, beginning with line 23, strike through line 3 on page 171.

On page 171, line 4, strike **''SEC. 514.''** and insert **''SEC. 513.''**.

On page 172, line 18, strike **''SEC. 515.''** and insert **''SEC. 514.''**.

On page 174, line 1, strike **''SEC. 516.''** and insert **''SEC. 515.''**.

On page 175, strike lines 13 through 16, and insert the following:

(c) CHAIRPERSON.—The Secretary shall designate, from among the individuals appointed under subsection (b)(1), an individual to serve as Chairperson of the Commission.

On page 178, between lines 9 and 10, insert the following:

(l) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Transportation $250,000 to be used to fund the Commission.

On page 178, line 10, strike **''SEC. 517.''** and insert **''SEC. 516.''**.

On page 180, line 7, strike **''SEC. 518.''** and insert **''SEC. 517.''**.

On page 180, beginning in line 13, strike ''American or foreign-flag aircraft,'' and insert ''aircraft by an air carrier,''.

On page 181, line 1, strike ''44304(a)'' and insert ''44303(a)''.

On page 181, line 5, strike ''American or foreign-flag aircraft.'.'' and insert ''aircraft by an air carrier.'.''.

On page 181, line 6, strike **''SEC. 519.''** and insert **''SEC. 518.''**.

On page 181, line 21, strike **''SEC. 520.''** and insert **''SEC. 519.''**.

On page 182, between lines 8 and 9, insert the following:

SEC. 520. CERTAIN INTERIM AND FINAL RULES.

Notwithstanding section 141(d)(1) of the Aviation and Transportation Security Act (49 U.S.C. 44901 note), section 45301(b)(1)(B) of title 49, United States Code, as amended by section 119(d) of that Act, is deemed to apply to, and to have been in effect with respect to, the authority of the Administrator of the Federal Aviation Administration with respect to the Interim Final Rule and Final Rule issued by the Administrator on May 30, 2000, and August 13, 2001, respectively.

SA 890. Mr. DORGAN proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

On page 146, beginning with line 20, strike through line 8 on page 147.

SA 891. Mr. REID (for himself and Mr. ENSIGN) proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

On Page 146, line 17, insert ''origination and destination'' before ''emplanements;''.

On page 146, line 19, insert ''origination and destination'' before ''emplanements''.

SA 892. Mr. MCCAIN proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . AIR FARES FOR MEMBERS OF ARMED FORCES.

It is the sense of the Senate that each United States air carrier should—

(1) make every effort to allow active duty members of the armed forces to purchase tickets, on a space-available basis, for the lowest fares offered for the flights desired, without regard to advance purchase requirements and other restrictions; and

(2) offer flexible terms that allow members of the armed forces on active duty to purchase, modify, or cancel tickets without time restrictions, fees, or penalties.

SA 893. Mr. LAUTENBERG (for himself and Mr. JOHNSON) proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

On page 193, after line 23, insert the following:

SEC. 624. TRANSFER OF CERTAIN AIR TRAFFIC CONTROL FUNCTIONS PROHIBITED.

(a) IN GENERAL.—he Secretary of Transportation may not authorize the transfer to a private entity or to a public entity other than the United States Government of—

(1) the air traffic separation and control functions operated by the Federal Aviation Administration on the date of enactment of this Act; or

(2) the maintenance of certifiable systems and other functions related to certification of national airspace systems and services operated by the Federal Aviation Administration on the date of enactment of this Act or flight service station personnel.

(b) CONTRACT TOWER PROGRAM.—Subsection (a)(1) shall not apply to a Federal Aviation Administration air traffic control tower operated under the contract tower program as of the date of enactment of this Act.

On page 69, after the item relating to section 623, insert the following;

Sec. 624. Transfer of certain air traffic control functions prohibited.

SA 894. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 824, to reauthorize the Federal Aviation Adminstration, and for other purposes; as follows:

At the end of title IV, add the following:

SEC. 405. GENERAL AVIATION AND AIR CHARTERS.

Section 132(a) of the Aviation and Transportation Security Act (49 U.S.C. 44944 note) is amended by striking ''12,500 pounds or more'' and inserting ''more than 12,500 pounds''.

SA 895. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the end of title IV, add the following:

SEC. 405. AIR DEFENSE IDENTIFICATION ZONE.

(a) IN GENERAL.—If the Administrator of the Federal Aviation Administration establishes an Air Defense Identification Zone (in this section referred as an ''ADIZ''), the Administrator shall, not later than 60 days after the date of establishing the ADIZ, transmit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate, a report containing an explanation of the need for the ADIZ. The Administrator shall provide the Committees an updated report every 60 days until the establishment of the ADIZ is rescinded. The reports and updates shall be transmitted in classified form.

(b) EXISTING ADIZ.—If an ADIZ is in effect on the date of enactment of this Act, the Administrator shall transmit an initial report under subsection (a) to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate not later than 30 days after the date of enactment of this Act.

(c) REPORTING REQUIREMENTS.—If a report required under subsection (a) or (b) indicates

that the ADIZ is to be continued, the Administrator shall outline changes in procedures and requirements to improve operational efficiency and minimize the operational impacts of the ADIZ on pilots and air traffic controllers.

(d) DEFINITION.—In this section, the terms ''Air Defense Identification Zone'' and ''ADIZ'' mean a zone established by the Administrator with respect to airspace under 18,000 feet in approximately a 15 to 38 mile radius around Washington, District of Columbia, for which security measures are extended beyond the existing 15-mile-no-fly zone around Washington and in which general aviation aircraft are required to adhere to certain procedures issued by the Administrator.

SA 896. Mr. INHOFE (for himself, Mr. KYL, Mr. THOMAS, Mr. BROWNBACK, Mr. GRASSLEY, Mr. ENZI, and Mr. MCCAIN) submitted an amendment intended to be proposed by him to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the end of title V, add the following new section:

SECTION 521. AGE LIMITATIONS.

(a) GENERAL.—Notwithstanding any other provision of law, beginning on the date that is 30 days after the date of enactment of this Act—

(1) section 121.383(c) of title 14, Code of Federal Regulations, shall not apply;

(2) no certificate holder may use the services of any person as a pilot on an airplane engaged in operations under part 121 of title 14, Code of Federal Regulations, if that person is 65 years of age or older; and

(3) no person may serve as a pilot on an airplane engaged in operations under part 121 of title 14, Code of Federal Regulations, if that person is 65 years of age or older.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the provisions of this section shall take effect on the date that is 30 days after the date of enactment of this Act.

(2) INTERIM LIMITATION.—During the period that begins on the date that is 30 days after the date of enactment of this Act and ending on the date that is one year after such date—

(A) subsection (a)(2) shall be applied by substituting ''64'' for ''65''; and

(B) subsection (a)(3) shall be applied by substituting ''64'' for ''65''.

(c) CERTIFICATE HOLDER.—For purposes of this section, the term ''certificate holder'' means a holder of a certificate to operate as an air carrier or commercial operator issued by the Federal Aviation Administration.

(d) RESERVATION OF SAFETY AUTHORITY.—Nothing in this section is intended to change the authority of the Federal Aviation Administration to take steps to ensure the safety of air transportation operations involving a pilot who is 60 years of age or older.

SA 897. Ms. MURKOWSKI submitted an amendment intended to be proposed by her to the bill S. 14, to enhance the energy security of the United States, and for other purposes; which was ordered to lie on the table; as follows:

Section 133 is amended:

(1) on page 66, line 2 by inserting between ''717(f)(e)'' and the period at the end the following:

''and paragraph (3) of this subsection.''

(2) at subsection (b) by inserting the following new paragraph:

''(3) The Commission may issue a certificate of public convenience and necessity authorizing the construction and operation of an Alaska natural gas transportation project under this section or otherwise to an applicant only if an Alaska group has a meaningful economic stake in such applicant.

(3) by inserting at the end the following new subsection:

''(j) DEFINITIONS.—In this section, the following definitions apply:

(1) The term ''Alaska group'' means an entity in which one or more Regional Corporations (as defined in section 3(g) of the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et. seq.)) has a controlling interest and in which such Regional Corporations own, directly or indirectly, two-thirds of the equity interest. The remaining one-third of the equity interest in the Alaska group shall be held by an entity established by the State of Alaska that facilitates indirect broad-based economic participation by residents of the State of Alaska who elect to participate in such ownership. If the State of Alaska elects not to establish such an entity, or the entity established by the State of Alaska elects to purchase less than all of its allocated one-third equity interest, such remaining interest shall be offered to the Regional Corporations holding the controlling interest.

(2) the term ''meaningful economic stake'' means a direct or indirect equity interest of ten percent or more (or, at an Alaska group's election, less) with adequate protections for a minority interest holder.''

SA 898. Mr. COCHRAN (for himself and Mr. BYRD) proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

On page 145, beginning with line 8, strike all down through and including line 24 on part 147, and insert the following:

SEC. 402. AVIATION SECURITY CAPITAL FUND.

(a) IN GENERAL.—There may be established within the Department of Homeland Security a fund to be known as the Aviation Security Capital Fund. There are authorized to be appropriated to the Fund up to $500,000,000 for each of the fiscal years 2004 through 2007, such amounts to be derived from fees received under section 44940 of title 49, United States Code. Amounts in the fund shall be allocated in such a manner that—

(1) 40 percent shall be made available for hub airports;

(2) 20 percent shall be made available for medium hub airports;

(3) 15 percent shall be made available for small hub airports and non-hub airports; and

(4) 25 percent may be distributed at the Secretary's discretion.

(b) PURPOSE.—Amounts in the Fund shall be available to the Secretary of Homeland Security to provide financial assistance to airport sponsors to defray capital investment in transportation security at airport facilities in accordance with the provisions of this section. The program shall be administered in concert with the airport improvement program under chapter 417 of title 49, United States Code.

(c) APPORTIONMENT.—Amounts made available under subsection (a)(1), (a)(2), or (a)(3) shall be apportioned among the airports in each category in accordance with a formula based on the ratio that passenger enplanements at each airport in the category bears to the total passenger enplanements at all airports in that category.

(d) MATCHING REQUIREMENTS.—

(1) IN GENERAL.—Not less than the following percentage of the costs of any project funded under this section shall be derived from non-Federal sources:

(A) For hub airports and medium hub airports, 25 percent.

(B) For airports other than hub airports and medium hub airports, 10 percent.

(2) USE OF BOND PROCEEDS.—In determining the amount of nonfederal sources of funds, the proceeds of State and local bond issues shall not be considered to be derived, directly or indirectly, from Federal sources without regard to the Federal income tax treatment of interest and principal of such bonds.

(e) LETTERS OF INTENT.—The Secretary of Homeland Security, or his delegate, may execute letters of intent to commit funding to airport sponsors from the Fund.

(f) CONFORMING AMENDMENT.—Section 44940(a)(1) of title 49, United States Code, is amended by adding at the end the following:

''(H) The costs of security-related capital improvements at airports.''.

(g) DEFINITIONS.—Any term used in this section that is defined or used in chapter 417 of title 49 United States Code has the meaning given that term in that chapter.

SA 899. Mr. BURNS submitted an amendment intended to be proposed by him to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. .—RECOMMENDATIONS CONCERNING TRAVEL AGENTS.

(a) REPORT.—Not later than 6 months after the date of enactment of this Act, the Secretary of Transportation shall transmit to Congress a report on any actions that should be taken with respect to recommendations made by the National Commission to Ensure Consumer Information and Choice in the Airline Industry on—

(1) the travel agent arbiter program; and

(2) the special box on tickets for agents to include their service fee charges.

(b) CONSULTATION.—In preparing this report, the Secretary shall consult with representatives from the airline and travel agent industry.

SA 900. Mr. BURNS submitted an amendment intended to be proposed by him to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . REIMBURSEMENT FOR LOSSES INCURRED BY GENERAL AVIATION ENTITIES.

(a) IN GENERAL.— The Secretary of Transportation may make grants to reimburse the following general aviation entities for the security costs incurred and revenue foregone as a result of the restrictions imposed by the Federal Government following the terrorist attacks on the United States that occurred on September 11, 2001, or the military action to free the people of Iraq that commenced in March 2003:

(1) General aviation entities that operate at Ronald Reagan Washington National Airport.

(2) Airports that are located within 15 miles of Ronald Reagan Washington National Airport and were operating under security restrictions on the date of enactment of this Act and general aviation entities operating at those airports.

(3) General aviation entities that were affected by Federal Aviation Administration Notice to Airmen FDC 2/0199 and section 352 of the Department of Transportation and Related Agencies Appropriations Act, 2003 (P.L. 108–7, Division I).

General aviation entities affected by implementation of section 44939 of title 49, United States Code.

(5) Any other general aviation entity that is prevented from doing business or operating by an action of the Federal Government prohibiting access to airspace by that entity.

(b) DOCUMENTATION.—Reimbursement under this section shall be made in accordance with sworn financial statements or other appropriate data submitted by each general aviation entity demonstrating the costs incurred and revenue foregone to the satisfaction of the Secretary.

(c) GENERAL AVIATION ENTITY DEFINED.—In this section, the term ''general aviation entity'' means any person (other than a scheduled air carrier or foreign air carrier, as such terms are defined in section 40102 of title 49, United States Code) that—

(1) operates nonmilitary aircraft under part 91 of title 14, Code of Federal Regulations, for the purpose of conducting its primary business;

(2) manufacture nonmilitary aircraft with a maximum seating capacity of fewer than 20 passengers or aircraft parts to be used in such aircraft;

(3) provides services necessary for nonmilitary operations under such part 91; or

(4) operates an airport, other than a primary airport (as such terms are defined in such section 40102), that

(A) is listed in the national plan of integrated airport systems developed by the Federal Aviation Administration under section 47103 of such title; or

(B) is normally open to the public, is located within the confines of enhanced class B airspace (as defined by the Federal Aviation Administration in Notice to Airmen FDC 1/0618), and was closed as a result of an order issued by the Federal Aviation Administration in the period beginning September 11, 2001, and ending January 1, 2002, and remained closed as a result of that order on January 1, 2002.

Such terms includes fixed based operators, flight schools, manufacturers of general aviation aircraft and products, persons engaged in nonscheduled aviation enterprises, and general aviation independent contractors.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $100,000,000. Such sums shall remain available until expended.

SA 901. Mr. WYDEN submitted an amendment intended to be proposed by him to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . REPORT ON PASSENGER PRESCREENING PROGRAM.

(a) IN GENERAL.—Within 90 days after the date of enactment of this Act, the Secretary of Homeland Security, after consultation with the Attorney General, shall submit a report in writing to the Senate Committee on Commerce, Science, and Transportation and Infrastructure on the potential impact of the Transportation Security Administration's proposed Computer Assisted Passenger Prescreening system, commonly known as CAPPS II, on the privacy and civil liberties of United States Citizens.

(b) SPECIFIC ISSUES TO BE ADDRESSED.—The report shall address the following:

(1) Whether and for what period of time data gathered on individual travelers will be retained, who will have access to such data, and who will make decisions concerning access to such data.

(2) How the Transportation Security Administration will treat the scores assigned to individual travelers to measure the likelihood they may pose a security threat, including how long such scores will be retained and whether and under what circumstances they may be shared with other governmental, non-governmental, or commercial entities.

(3) The role airlines and outside vendors or contractors will have in implementing and operating the system, and to what extent will they have access, or the means to obtain access, to data, scores, or other information generated by the system.

(4) The safeguards that will be implemented to ensure that data, scores, or other information generated by the system will be used only as officially intended.

(5) The procedures that will be implemented to mitigate the effect of any errors, and what procedural recourse will be available to passengers who believe the system has wrongly barred them from taking flights.

(6) The oversight procedures that will be implemented to ensure that, on an ongoing basis, privacy and civil liberties issues will continue to be considered and addressed with high priority as the system is installed, operated and updated.

SA 902. Mrs. LINCOLN submitted an amendment intended to be proposed by her to the concurrent resolution S. Con. Res. 48, supporting the goals and ideals of ''National Epilepsy Awareness Month'' and urging support for epilepsy research and service programs; which was referred to the Committee on the Judiciary; as follows:

On page 3, line 2, strike ''an annual'' and insert ''a''.

On page 3, line 6, after the semicolon insert ''and''.

On page 3, line 7, strike ''an increase in funding'' and insert ''support''.

On page 3, line 10, strike ''; and'' and all that follows and insert a period.

After the eighth clause of the preamble, insert the following:

Whereas a significant number of people with epilepsy may lack access to medical care for the treatment of the disease;

Amend the title by striking ''funding'' and inserting ''support''.

SA 903. Mr. BUNNING (for himself and Mrs. BOXER) submitted an amendment intended to be proposed by him to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the appropriate place, insert the following new section:

SEC. ___. ARMING CARGO PILOTS AGAINST TERRORISM.

(a) SHORT TITLE.—This section may be cited as the ''Arming Cargo Pilots Against Terrorism Act''.

(b) FINDINGS.—Congress makes the following findings:

(1) During the 107th Congress, both the Senate and the House of Representatives overwhelmingly passed measures that would have armed pilots of cargo aircraft.

(2) Cargo aircraft do not have Federal air marshals, trained cabin crew, or determined passengers to subdue terrorists.

(3) Cockpit doors on cargo aircraft, if present at all, largely do not meet the security standards required for commercial passenger aircraft.

(4) Cargo aircraft vary in size and many are larger and carry larger amounts of fuel than the aircraft hijacked on September 11, 2001.

(5) Aircraft cargo frequently contains hazardous material and can contain deadly biological and chemical agents and quantities of agents that cause communicable diseases.

(6) Approximately 12,000 of the nation's 90,000 commercial pilots serve as pilots and flight engineers on cargo aircraft.

(7) There are approximately 2,000 cargo flights per day in the United States, many of which are loaded with fuel for outbound international travel or are inbound from foreign airports not secured by the Transportation Security Administration.

(8) Aircraft transporting cargo pose a serious risk as potential terrorist targets that could be used as weapons of mass destruction.

(9) Pilots of cargo aircraft deserve the same ability to protect themselves and the aircraft they pilot as other commercial airline pilots.

(10) Permitting pilots of cargo aircraft to carry firearms creates an important last line of defense against a terrorist effort to commandeer a cargo aircraft.

(c) SENSE OF CONGRESS.—It is the sense of Congress that members of a flight deck crew of a cargo aircraft should be armed with a firearm and taser to defend the cargo aircraft against an attack by terrorists that could result in the use of the aircraft as a weapon of mass destruction or for other terrorist purposes.

(d) ARMING CARGO PILOTS AGAINST TERRORISM.—Section 44921 of title 49, United States Code, is amended—

(1) in subsection (a), by striking ''passenger'' each place that it appears; and

(2) in subsection (k)—

(A) in paragraph (2)—

(i) by striking ''or,'' and all that follows; and

(ii) by inserting ''or any other flight deck crew member.''; and

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

''(3) ALL-CARGO AIR TRANSPORTATION.—For the purposes of this section, the term air transportation includes all-cargo air transportation.''.

(e) TIME FOR IMPLEMENTATION.—The training of pilots as Federal flight deck officers required in the amendments made by subsection (d) shall begin as soon as practicable and no later than 90 days after the date of enactment of this Act.

(f) EFFECT ON OTHER LAWS.—The requirements of subsection (e) shall have no effect on the deadlines for implementation contained in section 44921 of title 49, United States Code, as in effect on the day before the date of enactment of this Act.

SA 904. Mr. SPECTER (for himself, Mr. SANTORUM, and Mr. DASCHLE) submitted an amendment intended to be proposed by him to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; which was ordered to lie on the table as follows:

On page 174, before line 1, insert the following new section.

SEC. 515A. MEASUREMENT OF HIGHWAY MILEAGE FOR PURPOSES OF DETERMINING ELIGIBILITY FOR ESSENTIAL AIR SERVICE SUBSIDIES.

(a) DETERMINATION OF ELIGIBILITY.—Subchapter II of chapter 417, as amended by section 515 of this Act, is amended by adding at the end the following new section:

''§ 41747. Distance requirement applicable to eligibility for essential air service subsidies

''(a) IN GENERAL.—The Secretary shall not provide assistance under this subchapter with respect to a place in the 48 contiguous States that—

''(1) is less than 70 highway miles from the nearest hub airport; or

''(2) requires a rate of subsidy per passenger in excess of $200, unless such place is greater than 210 highway miles from the nearest hub airport.

''(b) DETERMINATION OF MILEAGE.—For purposes of this section, the highway mileage between a place and the nearest hub airport is the highway mileage of the most commonly used route between the place and the hub airport. In identifying such route, the Secretary shall—

''(1) consult with—

''(A) the metropolitan planning organization designated under section 134 of title 23, United States Code, for the metropolitan planning area within which such place is located; or

''(B) if no such organization exists, the Governor of the State in which such place is located, or the Governor's designee; and

''(2) request, and accept as binding if provided within 60 days, the certification of such organization or person as to the most commonly used route and the corresponding highway mileage.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 417 is amended by inserting after the item relating to section 41746 the following new item:

''41747. Distance requirement applicable to eligibility for essential air service subsidies.''.

(c) REPEAL.—The following provisions of law are repealed:

(1) Section 332 of the Department of Transportation and Related Agencies Appropriations Act, 2000 (49 U.S.C. 41731 note).

(2) Section 205 of the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (49 U.S.C. 41731 note).

(3) Section 334 of the Department of Transportation and Related Agencies Appropriations Act, 1999 (section 101(g) of division A of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999) (Public Law 105–277; 112 Stat. 2681–471).

(d) SECRETARIAL REVIEW.—

(1) REQUEST FOR REVIEW.—Any community with respect to which the Secretary of Transportation has, between September 30, 1993, and the date of the enactment of this Act, eliminated subsidies or terminated subsidy eligibility under section 332 of the Department of Transportation and Related Agencies Appropriations Act, 2000 (49 U.S.C. 41731 note), section 205 of the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (49 U.S.C. 41731 note), or any prior law of similar effect, may request the Secretary to review such action.

(2) ELIGIBILITY DETERMINATION.—Not later than 60 days after receiving a request under paragraph (1), the Secretary shall—

(A) determine whether the community would have been subject to such elimination of subsidies or termination of eligibility under the distance requirement enacted by this Act; and

(B) issue a final order with respect to the eligibility of such community for essential air service subsidies under subchapter II of chapter 417 of title 49, United States Code, as amended by this Act.

SA 905. Mr. SPECTER (for himself, Mrs. BOXER, Mr. DURBIN, and Mr. DAYTON) submitted an amendment intended to be proposed by him to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the end of title IV, add the following:

SEC. 405. FOREIGN REPAIR STATION SAFETY AND SECURITY.

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Federal Aviation Administration.

(2) DOMESTIC REPAIR STATION.—The term ''domestic repair station'' means a repair station or shop that—

(A) is described in section 44707(2) of title 49, United States Code; and

(B) is located in the United States.

(3) FOREIGN REPAIR STATION.—The term ''foreign repair station'' means a repair station or shop that—

(A) is described in section 44707(2) of title 49, United States Code; and

(B) is located outside of the United States.

(4) UNDER SECRETARY.—The term ''Under Secretary'' means the Under Secretary for Border and Transportation Security of the Department of Homeland Security.

(b) APPLICABILITY OF STANDARDS.—Within 180 days after the date of enactment of this Act, the Administrator shall issue regulations to ensure that foreign repair stations meet the same level of safety required of domestic repair stations.

(c) SPECIFIC STANDARDS.—In carrying out subsection (b), the Administrator shall, at a minimum, specifically ensure that foreign repair stations, as a condition of being certified to work on United States registered aircraft—

(1) institute a program of drug and alcohol testing of its employees working on United States registered aircraft and that such a program provides an equivalent level of safety achieved by the drug and alcohol testing requirements that workers are subject to at domestic repair stations;

(2) agree to be subject to the same type and level of inspection by the Federal Aviation Administration as domestic repair stations and that such inspections occur without prior notice to the country in which the station is located; and

(3) follow the security procedures established under subsection (d).

(d) SECURITY AUDITS.—

(1) IN GENERAL.—To ensure the security of maintenance and repair work conducted on United States aircraft and components at foreign repair stations, the Under Secretary, in consultation with the Administrator, shall complete a security review and audit of foreign repair stations certified by the Administrator under part 145 of title 14, Code of Federal Regulations. The review shall be completed not later than 180 days after the date on which the Under Secretary issues regulations under paragraph (6).

(2) ADDRESSING SECURITY CONCERNS.—The Under Secretary shall require a foreign repair station to address the security issues and vulnerabilities identified in a security audit conducted under paragraph (1) within 90 days of providing notice to the repair station of the security issues and vulnerabilities identified.

(3) SUSPENSIONS AND REVOCATIONS OF CERTIFICATES.—

(A) FAILURE TO CARRY OUT EFFECTIVE SECURITY MEASURES.—If the Under Secretary determines as a result of a security audit that a foreign repair station does not maintain and carry out effective security measures or if a foreign repair station does not address the security issues and vulnerabilities as required under subsection (d)(2), the Under Secretary shall notify the Administrator of the determination. Upon receipt of the determination, the Administrator shall suspend the certification of the repair station until such time as the Under Secretary determines that the repair station maintains and carries out effective security measures and has addressed the security issues identified in the audit, and transmits the determination to the Administrator.

(B) IMMEDIATE SECURITY RISK.—If the Under Secretary determines that a foreign repair station poses an immediate security risk, the Under Secretary shall notify the Administrator of the determination. Upon receipt of the determination, the Administrator shall revoke the certification of the repair station.

(4) FAILURE TO MEET AUDIT DEADLINE.—If the security audits required by paragraph (1) are not completed on or before the date that is 180 days after the date on which the Under Secretary issues regulations under paragraph (6), the Administrator may not certify, or renew the certification of, any foreign repair station until such audits are completed.

(5) PRIORITY FOR AUDITS.—In conducting the audits described in paragraph (1), the Under Secretary and the Administrator shall give priority to foreign repair stations located in countries identified by the United States Government as posing the most significant security risks.

(6) REGULATIONS.—Not later than 180 days after the date of enactment of this section, the Under Secretary, in consultation with the Administrator, shall issue final regulations to ensure the security of foreign and domestic repair stations. If final regulations are not issued within 180 days of the date of enactment of this Act, the Administrator may not certify, or renew the certification of, any foreign repair station until such regulations have been issued.

SA 906. Mr. BINGAMAN (for himself, Mr. INHOFE, Ms. SNOWE, Mr. JEFFORDS, Ms. COLLINS, Mr. SPECTER, Mr. HARKIN, Mrs. CLINTON, Mr. SCHUMER, Mr. PRYOR, Mr. NELSON of Nebraska, Mrs. LINCOLN, Mr. GRASSLEY, Mr. HAGEL, and Mr. BROWNBACK) proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

Beginning on page 138, line 15, strike all through page 142, line 11.

SA 907. Ms. MURKOWSKI submitted an amendment intended to be proposed by her to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the end of title II, add the following:

SEC. 217. ANCHORAGE AIR TRAFFIC CONTROL.

(a) IN GENERAL.—Not later than September 30, 2004, the Administrator of the Federal Aviation Administration shall complete a study and transmit a report to the appropriate committees regarding the feasibility of consolidating the Anchorage Terminal Radar Approach Control and the Anchorage Air Route Traffic Control Center at the existing Anchorage Air Route Traffic Control Center facility.

(b) APPROPRIATE COMMITTEES.—In this section, the term ''appropriate committees'' means the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

SA 908. Mr. HOLLINGS (for Mr. WYDEN) proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . REPORT ON PASSENGER PRESCREENING PROGRAM.

(a) IN GENERAL.—Within 90 days after the date of enactment of this Act, the Secretary

of Homeland Security, after consultation with the Attorney General, shall submit a report in writing to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the potential impact of the Transportation Security Administration's proposed Computer Assisted Passenger Prescreening system, commonly known as CAPPS II, on the privacy and civil liberties of United States Citizens.

(b) SPECIFIC ISSUES TO BE ADDRESSED.—The report shall address the following:

(1) Whether and for what period of time data gathered on individual travelers will be retained, who will have access to such data, and who will make decisions concerning access to such data.

(2) How the Transportation Security Administration will treat the scores assigned to individual travelers to measure the likelihood they may pose a security threat, including how long such scores will be retained and whether and under what circumstances they may be shared with other governmental, non-governmental, or commercial entities.

(3) The role airlines and outside vendors or contractors will have in implementing and operating the system, and to what extent will they have access, or the means to obtain access, to data, scores, or other information generated by the system.

(4) The safeguards that will be implemented to ensure that data, scores, or other information generated by the system will be used only as officially intended.

(5) The procedures that will be implemented to mitigate the effect of any errors, and what procedural recourse will be available to passengers who believe the system has wrongly barred them from taking flights.

(6) The oversight procedures that will be implemented to ensure that, on an ongoing basis, privacy and civil liberties issues will continue to be considered and addressed with high priority as the system is installed, operated and updated.

SA 909. Mr. HOLLINGS (for Mr. NELSON of Florida) proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . MODIFICATION OF REQUIREMENTS REGARDING TRAINING TO OPERATE AIRCRAFT.

(a) IN GENERAL.—Section 44939 of title 49, United States Code, is amended to read as follows:

"§ 44939. Training to operate certain aircraft

''(a) IN GENERAL.—

''(1) WAITING PERIOD.—A person subject to regulation under this part may provide training in the United States in the operation of an aircraft to an individual who is an alien (as defined in section 101(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(3))) or to any other individual specified by the Under Secretary of Homeland Security for Border and Transportation Security only if—

''(A) that person has notified the Under Secretary that the individual has requested such training and furnished the Under Secretary with that individual's identification in such form as the Under Secretary may require; and

''(B) the Under Secretary has not directed, within 30 days after being notified under subparagraph (A), that person not to provide the requested training because the Under Secretary has determined that the individual presents a risk to aviation security or national security.

''(2) NOTIFICATION-ONLY INDIVIDUALS.—

''(A) IN GENERAL.—The requirements of paragraph (1) shall not apply to an alien individual who holds a visa issued under title I of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) and who—

''(i) has earned a Federal Aviation Administration type rating in an aircraft or has undergone type-specific training, or

''(ii) holds a current pilot's license or foreign equivalent commercial pilot's license that permits the person to fly an aircraft with a maximum certificated takeoff weight of more than 12,500 pounds as defined by the International Civil Aviation Organization in Annex 1 to the Convention on International Civil Aviation,

if the person providing the training has notified the Under Secretary that the individual has requested such training and furnished the Under Secretary with that individual's visa information.

''(B) Exception.—Subparagraph (A) does not apply to an alien individual whose airman's certificate has been suspended or revoked under procedures established by the Under Secretary.

''(3) EXPEDITED PROCESSING.—The waiting period under paragraph (1) shall be expedited for an individual who—

''(A) has previously undergone a background records check by the Foreign Terrorist Tracking Task Force;

''(B) is employed by a foreign air carrier certified under part 129 of title 49, Code of Federal Regulations, that has a TSA 1546 approved security program and who is undergoing recurrent flight training;

''(C) is a foreign military pilot endorsed by the United States Department of Defense for flight training; or

''(D) who has unescorted access to a secured area of an airport designated under section 44936(a)(1)(A)(ii).

''(4) INVESTIGATION AUTHORITY.—In order to determine whether an individual requesting training described in paragraph (1) presents a risk to aviation security or national security the Under Secretary is authorized to use the employment investigation authority provided by section 44936(a)(1)(A) for individuals applying for a position in which the individual has unescorted access to a secured area of an airport designated under section 44936(a)(1)(A)(ii).

''(5) FEE.—

''(A) IN GENERAL.—The Under Secretary may assess a fee for an investigation under this section, which may not exceed $100 per individual (exclusive of the cost of transmitting fingerprints collected at overseas facilities) during fiscal years 2003 and 2004. For fiscal year 2005 and thereafter, the Under Secretary may adjust the maximum amount of the fee to reflect the cost of such an investigation.

''(B) OFFSET.—Notwithstanding section 3302 of title 31, United States Code, any fee collected under this section—

''(i) shall be credited to the account in the Treasury from which the expenses were incurred and shall be available to the Under Secretary for those expenses; and

''(ii) shall remain available until expended.

''(b) INTERRUPTION OF TRAINING.—If the Under Secretary, more than 30 days after receiving notification under subsection (a)(1)(A) from a person providing training described in subsection (a)(1) or at any time after receiving notice from such a person under subsection (a)(2)(A), determines that an individual receiving such training presents a risk to aviation or national security, the Under Secretary shall immediately notify the person providing the training of the determination and that person shall immediately terminate the training.

''(c) COVERED TRAINING.—For purposes of subsection (a), the term 'training'—

''(1) includes in-flight training, training in a simulator, and any other form or aspect of training; but

''(2) does not include classroom instruction (also known as ground school training), which may be provided during the 30-day period described in subsection (a)(1)(B).

''(d) INTERAGENCY COOPERATION.—The Attorney General, the Director of Central Intelligence, and the Administrator of the Federal Aviation Administration shall cooperate with the Under Secretary in implementing this section.

''(e) SECURITY AWARENESS TRAINING FOR EMPLOYMENT.—The Under Secretary shall require flight schools to conduct a security awareness program for flight school employees, and for certified instructors who provide instruction for the flight school but who are not employees thereof, to increase their awareness of suspicious circumstances and activities of individuals enrolling in or attending flight school.''.

(b) PROCEDURES.—

(1) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Under Secretary of Homeland Security for Border and Transportation Security shall promulgate an interim final rule to implement section 44939 of title 49, United States Code, as amended by subsection (a).

(2) USE OF OVERSEAS FACILITIES.—In order to implement section 44939 of title 49, United States Code, as amended by subsection (a), United States Embassies and Consulates that posses appropriate fingerprint collection equipment and personnel certified to capture fingerprints shall fingerprint services to aliens covered by that section if the Under Secretary requires fingerprints in the administration of that section, and shall transmit the fingerprints to the Under Secretary or other agency designated by the Under Secretary. The Attorney General and the Secretary of State shall cooperate with the Under Secretary in carrying out this paragraph.

(3) USE OF UNITED STATES FACILITIES.—If the Under Secretary requires fingerprinting in the administration of section 44939 of title 49, United States Code, the Under Secretary may designate locations within the United States that will provide fingerprinting services to individuals covered by that section.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on the effective date of the interim final rule required by subsection (b)(1).

(d) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary of Homeland Security shall submit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure a report on the effectiveness of the activities carried out under section 44939 of title 49, United States Code, in reducing risks to aviation security and national security.

SA 910. Mr. HOLLINGS (for Mr. JEFFORDS (for himself and Mr. LEAHY)) proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . 1-YEAR EXTENSION OF EAS ELIGIBILITY FOR COMMUNITIES TERMINATED IN 2003 DUE TO DECREASED AIR TRAVEL.

Notwithstanding the rare of subsidy limitation in section 332 of the Department of Transportation and Related Agencies Appropriations Act, 2000, the Secretary of Transportation may not terminate an essential air

service subsidy provided under chapter 417 of title 49, United States Code, before the end of calendar year 2004 for air service to a community—

(1) whose calendar year ridership for 2000 was sufficient to keep the per passenger subsidy below that limitation; and

(2) that has received notice that its subsidy will be terminated during calendar year 2003 because decreased ridership has caused the subsidy to exceed that limitation.

SA 911. Mr. HOLLINGS (for Mr. BAYH (for himself and Mr. LUGAR) proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the end of title II, add the following:

SEC. 217. GARY/CHICAGO AIRPORT FUNDING.

The Administrator of the Federal Aviation Administration shall, for purposes of chapter 471 of title 49, United States Code, give priority consideration to a letter of intent application for funding submitted by the City of Gary, Indiana, or the State of Indiana, for the extension of the main runway at the Gary/Chicago Airport. The letter of intent application shall be considered upon completion of the environmental impact statement and benefit cost analysis in accordance with Federal Aviation Administration requirements. The Administrator shall consider the letter of intent application not later than 90 days after receiving it from the applicant.

SA 912. Mr. HOLLINGS (for Mr. DODD) proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the appropriate place insert the following:

SEC. . LOCATION OF SHUTTLE SERVICE AT RONALD REAGAN WASHINGTON NATIONAL AIRPORT.

The Airports Authority (as defined in section 49103(1) of title 49, United States Code) shall in conjunction with the Department of Transportation conduct a study on the feasibility of housing the gates used by all air carrier providing shuttle service from Ronald Reagan Washington National Airport in the same terminal.

SA 913. Mr. THOMAS proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes as follows:

At the end of title V, add the following new section:

SEC. 521. EXEMPTION FOR JACKSON HOLE AIRPORT.

(a) IN GENERAL.—Notwithstanding chapter 475 of title 49, United States Code, or any other provision of law, if the Board of the Jackson Hole Airport in Wyoming and the Secretary of the Interior agree that Stage 3 aircraft technology represents a prudent and feasible technological advance which, if implemented at the Jackson Hole Airport, will result in a reduction in noise at Grand Teton National Park—

(1) the Jackson Hole Airport may impose restrictions on, or prohibit, the operation of Stage 2 aircraft weighing less than 75,000 pounds, with reasonable exemptions for public health and safety;

(2) the notice, study, and comment provisions of subchapter II of chapter 475 of title 49, United States Code, and part 161 of title 14, Code of Federal Regulations, shall not apply to the imposition of the restrictions;

(3) the imposition of the restrictions shall not affect the Airport's eligibility to receive a grant under title 49, United States Code; and

(4) the restrictions shall not be deemed to be unreasonable, discriminatory, a violation of the assurances required by section 47107(a) of title 49, United States Code, or an undue burden on interstate commerce.

(b) DEFINITIONS.—In this section, the terms ''Stage 2 aircraft'' and ''Stage 3 aircraft'' have the same meaning as those terms have in chapter 475 of title 49, United States Code.

SA 914. Mr. LOTT proposed an amendment to amendment SA 905 submitted by Mr. SPECTER (for himself, Mrs. BOXER, Mr. DURBIN, and Mr. DAYTON) to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the end of the amendment add the following:

( ) STUDY.—Notwithstanding the preceding provisions of this section—

( ) the Administrator shall conduct a study of the need to establish a program to ensure that foreign repair stations meet the conditions and standards described in subsection (c);

(2) report the results of that study, together with the Administrator's recommendations and conclusions to the Congress within 180 days after the date of enactment of this Act; and

(3) the Administrator shall not issue regulations under subsection (h).

SA 915. Mr. SPECTER (for himself and Mr. SANTORUM) proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the end of Title V, add the following new section:

(g) MEASUREMENT OF HIGHWAY MILEAGE FOR PURPOSES OF DETERMINING ELIGIBILITY FOR ESSENTIAL AIR SERVICE SUBSIDIES.—

(1) DETERMINATION OF ELIGIBILITY.—Subchapter II of Chapter 417 of title 49, United States Code, (as amended by subsection (f) of this bill) is further amended by adding at the end the following new section:

''§ 41746. Distance requirement applicable to eligibility for essential air service subsidies

''(a) IN GENERAL.—The Secretary shall not provide assistance under this subchapter with respect to a place in the 48 contiguous States that—

''(1) is less than 70 highway miles from the nearest hub airport; or

''(2) requires a rate of subsidy per passenger in excess of $200, unless such place is greater than 210 highway miles from the nearest hub airport.

''(b) DETERMINATION OF MILEAGE.—For purposes of Lancaster, Pennsylvania, the highway mileage between a place and the nearest hub airport is the highway mileage of the most commonly used route between the place and the hub airport. In identifying such route, the Secretary shall—

''(1) promulgate by regulation a standard for calculating the mileage between Lancaster, Pennsylvania and a hub airport; and

''(2) identify the most commonly used route for a community by—

''(A) consulting with the Governor of a State or the Governor's designee; and

''(B) considering the certification of the Governor of a State or the Governor's designee as to the most commonly used route.''.

(b) CONFORMING AMENDMENT.—The analysis for subchapter II of chapter 417 of title 49, United States Code, (as amended by subsection (f) of this bill) is further amended by inserting after the item relating to section 41745 the following new item:

''41746. Distance requirement applicable to eligibility for essential air service subsidies.''.

(h) REPEAL.—The following provisions of law are repealed:

(1) Section 332 of the Department of Transportation and Related Agencies Appropriations Act, 2000 (49 U.S.C. 41731 note).

(2) Section 205 of the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (49 U.S.C. 41731 note).

(3) Section 334 of the Department of Transportation and Related Agencies Appropriations Act, 1999 (section 101(g) of division A of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999) (Public Law 105–277; 112 Stat. 2681–471).

(i) SECRETARIAL REVIEW.—

(1) REQUEST FOR REVIEW.—Any community with respect to which the Secretary has, between September 30, 1993, and the date of the enactment of this Act, eliminated subsidies or terminated subsidy eligibility under section 332 of the Department of Transportation and Related Agencies Appropriations Act, 2000 (49 U.S.C. 41731 note), Section 205 of the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (49 U.S.C. 41731 note), or any prior law of similar effect, may request the Secretary to review such action.

(2) ELIGIBILITY DETERMINATION.—Not later than 60 days after receiving a request under subsection (i), the Secretary shall—

(A) determine whether the community would have been subject to such elimination of subsidies or termination of eligibility under the distance requirement enacted by the amendment made by subsection (g) of this bill to subchapter II of chapter 417 of title 49, United States Code; and

(B) issue a final order with respect to the eligibility of such community for essential air service subsidies under subchapter II of chapter 417 of title 49, United States Code, as amended by this Act.

SA 916. Mr. HOLLINGS proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . REMOVAL OF CAP ON TSA STAFFING LEVEL.

The matter appearing under the heading ''AVIATION SECURITY'' in the appropriations for the Transportation Security Administration in the Transportation and Related Agencies Appropriation Act, 2003 (Public Law 108–7; 117 Stat. 386) is amended by striking the fifth proviso.

SA 917. Mr. HOLLINGS (for Mrs. FEINSTEIN) proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

Strike section 664 and insert the following:

SEC. 664. AIR QUALITY IN AIRCRAFT CABINS.

(a) IN GENERAL.—The Administrator of the Federal Aviation Administration shall undertake the studies and analysis called for in the report of the National Research Council entitled ''The Airliner Cabin Environment and the Health of Passengers and Crew''.

(b) REQUIRED ACTIVITIES.—In carrying out this section, the Administrator, at a minimum, shall—

(1) conduct surveillance to monitor ozone in the cabin on a representative number of flights and aircraft to determine compliance

with existing Federal Aviation Regulations for ozone;

(2) collect pesticide exposure data to determine exposures of passengers and crew;

(3) analyze samples of residue from aircraft ventilation ducts and filters after air quality incidents to identify the contaminants to which passengers and crew were exposed;

(4) analyze and study cabin air pressure and altitude; and

(5) establish an air quality incident reporting system.

(c) REPORT.—Not later than 30 months after the date of enactment of this Act, the Administrator shall transmit to Congress a report on the findings of the Administrator under this section.

SA 918. Mr. HOLLINGS (for Mr. ROCKEFELLER) proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . PASS-THROUGH OF REFUNDED PASSENGER SECURITY FEES TO CODE-SHARE PARTNERS.

(a) IN GENERAL.—Within 30 days after the date of enactment of this Act, each United States flag air carrier that received a payment made under the second proviso of first appropriation in title IV of the Emergency Wartime Supplemental Appropriations Act, 2003 (Pub. L. 108–011; 117 Stat. 604) shall transfer to each air carrier with which it had a code-share arrangement during the period covered by the passenger security fees remitted under that proviso an amount equal to that portion of the remittance under the proviso that was attributable to passenger security fees paid or collected by that code-share air carrier and taken into account in determining the amount of the payment to the United States flag air carrier.

(b) DOT INSPECTOR GENERAL OVERSIGHT.—The Inspector General of the Department of Transportation shall review the compliance of United States flag air carriers with subsection (a), including determinations of amounts, determinations of eligibility of code-share air carriers, and transfers of funds to such air carriers under subsection (a).

(c) CERTIFICATION.—The chief executive officer of each United States flag air carrier to which subsection (a) applies shall certify to the Under Secretary of Homeland Security for Border and Transportation Security, under penalty of perjury, the air carrier's compliance with subsection (a).

SA 919. Mr. HOLLINGS (for Mr. INOUYE) proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the end of subtitle A of title III, insert the following:

SEC. 305. AIR CARRIERS REQUIRED TO HONOR TICKETS FOR SUSPENDED SERVICE.

(a) IN GENERAL.—Section 145(a) of the Aviation and Transportation Security Act of 2001 (49 U.S.C. 40101 note) is amended by adding at the end the following: ''The Secretary of Transportation shall give favorable consideration to waiving the terms and conditions established by this section, including those set forth in the guidance provided by the Department in notices, dated August 8, 2002, November 14, 2002, and January 23, 2003, in cases where remaining carriers operate additional flights to accommodate passengers whose service was suspended, interrupted, or discontinued under circumstances described in the preceding sentence over routes located in isolated areas that are unusually dependent on air transportation.''.

(b) EXTENSION.—Section 145(c) of such Act (49 U.S.C. 40101 note) is amended by striking ''more than'' and all that follows through ''after'' and inserting ''more than 36 months after''.

SA 920. Mr. STEVENS proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the end of title V, insert the following:

SEC. 521. AIR CARRIER CITIZENSHIP.

Section 40102(a)(15)(C) of title 49, United States Code, is amended by inserting ''which is under the actual control of citizens of the United States,'' before ''and in which''.

SA 921. Mr. HOLLINGS (for Mr. HARKIN (for himself, Mr. INHOFE, and Mr. GRASSLEY)) proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the end of title II, insert the following:

SEC. 217. CIVIL PENALTY FOR CLOSURE OF AN AIRPORT WITHOUT PROVIDING SUFFICIENT NOTICE.

(a) IN GENERAL.—Chapter 463 is amended by adding at the end the following:

''SEC. 46319. CLOSURE OF AN AIRPORT WITHOUT PROVIDING SUFFICIENT NOTICE.

''(a) PROHIBITION.—A public agency (as defined in section 47102) may not close an airport listed in the national plan of integrated airport systems under section 47103 without providing written notice to the Administrator of the Federal Aviation Administration at least 30 days before the date of the closure.

''(b) PUBLICATION OF NOTICE.—The Administrator shall publish each notice received under subsection (a) in the Federal Register.

''(c) CIVIL PENALTY.—A public agency violating subsection (a) shall be liable for a civil penalty of $10,000 for each day that the airport remains closed without having given the notice required by this section.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 463 is amended by adding at the end the following:

''46319. Closure of an airport without providing sufficient notice.''.

SA 922. Mr. MCCAIN (for Mr. GRASSLEY (for himself and Mr. BAUCUS)) proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

On page 209, after line 13, add the following:

TITLE VII—EXTENSION OF AIRPORT AND AIRWAY TRUST FUND EXPENDITURE AUTHORITY

SEC. 701. EXTENSION OF EXPENDITURE AUTHORITY.

(a) IN GENERAL.—Paragraph (1) of section 9502(d) of the Internal Revenue Code of 1986 (relating to expenditures from Airport and Airway Trust Fund) is amended—

(1) by striking ''October 1, 2003'' and inserting ''October 1, 2006'', and

(2) by inserting before the semicolon at the end of subparagraph (A) the following: ''or the Aviation Investment and Revitalization Vision Act''.

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 9502(f) of the Internal Revenue Code of 1986 is amended by striking ''October 1, 2003'' and inserting ''October 1, 2006''.

SA 923. Mr. STEVENS proposed an amendment to the bill S. 824, to reauthorize the Federal Aviation Administration, and for other purposes; as follows:

At the end of title V, add the following new section:

SEC. 521. UNITED STATES PRESENCE IN GLOBAL AIR CARGO INDUSTRY.

Section 41703 is amended by adding at the end the following new subsection:

''(e) CARGO IN ALASKA.—

''(1) IN GENERAL.—For the purposes of subsection (c), eligible cargo taken on or off any aircraft at a place in Alaska in the course of transportation of that cargo by any combination of 2 or more air carriers or foreign air carriers in either direction between a place in the United States and a place outside the United States shall not be deemed to have broken its international journey in, be taken on in, or be destined for Alaska.

''(2) ELIGIBLE CARGO.—For purposes of paragraph (1), the term 'eligible cargo' means cargo transported between Alaska and any other place in the United States on a foreign air carrier (having been transported from, or thereafter being transported to, a place outside the United States on a different air carrier or foreign air carrier) that is carried—

''(A) under the code of a U.S. air carrier providing air transportation to Alaska;

''(B) on an air carrier way bill of an air carrier providing air transportation to Alaska;

''(C) under a term arrangement or block space agreement with an air carrier; or

''(D) under the code of a U.S. air carrier for purposes of transportation within the U.S.''.

SA 924. Mr. MCCONNELL (for Mrs. LINCOLN) proposed an amendment to the concurrent resolution S. Con. Res. 48, supporting the goals and ideals of ''National Epilepsy Awareness Month'' and urging support for epilepsy research and service programs; as follows:

On page 3, line 2, strike ''an annual'' and insert ''a''.

On page 3, line 6, after the semicolon insert ''and''.

On page 3, line 7, strike ''an increase in funding'' and insert ''support''.

On page 3, line 10, strike ''; and'' and all that follows and insert a period.

SA 925. Mr. MCCONNELL (for Mrs. LINCOLN) proposed an amendment to the concurrent resolution S. Con. Res. 48, supporting the goals and ideals of ''National Epilepsy Awareness Month'' and urging support for epilepsy research and service programs; as follows:

After the eighth clause of the preamble, insert the following:

Whereas a significant number of people with epilepsy may lack access to medical care for the treatment of the disease;

SA 926. Mr. MCCONNELL (for Mrs. LINCOLN) proposed an amendment to the concurrent resolution S. Con. Res. 48, supporting the goals and ideals of ''National Epilepsy Awareness Month'' and urging support for epilepsy research and service programs; as follows:

Amend the title as to read a concurrent resolution supporting the goals and ideals of ''National Epilepsy Awareness Month'' and urging support for epilepsy research and service programs.

NOTICES OF HEARINGS/MEETINGS

COMMITTEE ON RULES AND ADMINISTRATION

Mr. LOTT. Mr. President, I wish to announce that the Committee on Rules and Administration will meet at 9:30 a.m., Tuesday, June 17, 2003, in Room 301 Russell Senate Office Building, to conduct a hearing on Senate Resolution 151, requiring public disclosure of notices of objections (''holds'') to proceedings to motions or measures in the Senate.

For further information concerning this meeting, please contact Susan Wells at 202-224-6352.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. McCAIN. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to conduct a hearing during the session of the Senate on Thursday, June 12, 2003. The purpose of this hearing is to discuss the United States Department of Agriculture's implementation of the Agricultural Risk Protection Act of 2000 and related crop insurance issues.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. McCAIN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on June 12, 2003, at 10:00 a.m. to conduct a hearing on ''expanding homeownership opportunities.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. McCAIN. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, June 12, 2003, at 9:30 a.m. on Global Overfishing.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. McCAIN. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet in open Executive Session during the session on Thursday, June 12, 2003, at 9:00 a.m., to consider an original bill entitled, The Prescription Drug and Medicare Improvement Act of 2003; to consider S. 312, ''Availability of SCHIP Allotments for Fiscal Years 1998 through 2001''.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. McCAIN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, June 12, 2003, at 9:30 a.m., to hold a Hearing on Beyond Iraq: Repercussions of Iraq Stabilization and Reconstruction Policies.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH EDUCATION, LABOR, AND PENSIONS

Mr. McCAIN. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on TWA/American Airline Workforce Integration during the session of the Senate on Thursday, June 12, 2003 at 2:00 p.m. in SD–430.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. McCAIN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a markup on Thursday, June 12, 2003, at 9:30 a.m. in Dirksen Room 226.

AGENDA

I. Nominations: David G. Campbell to be U.S. District Judge for the District of Arizona; Thomas M. Hardiman to be U.S. District Judge for the Western District of Pennsylvania; Eduardo Aguirre, Jr., to be Director, Bureau of Citizenship and Immigration Services, U.S. Department of Homeland Security; Richard James O'Connell to be U.S. Marshal for the Western District of Arkansas.

II. Bills: S. 724, A bill to amend Title 18, United States Code, to exempt certain rocket propellants from prohibitions under that title on explosive materials. [Enzi, Craig, Durbin, Sessions]; S. 1125, Fairness in Asbestos Injury Resolution Act of 2003 (''The FAIR Act'') [Hatch, DeWine, Chambliss]; S. Res. 141, A resolution recognizing ''Inventing Flight: The Centennial Celebration,'' a celebration in Dayton, Ohio of the centennial of Wilbur and Orville Wright's first flight [Voinovich, DeWine]; H.R. 1954, Armed Forces Naturalization Act of 2003.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON THE CONSTITUTION, CIVIL RIGHTS AND PROPERTY RIGHTS

Mr. McCAIN. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on the Constitution, Civil Rights and Property Rights be authorized to meet to conduct a markup on Thursday, June 12, 2003, immediately following the Full Committee markup scheduled to begin at 9:30 a.m. in Dirksen Room 226.

AGENDA

Executive Business Meeting; Senate Judiciary Committee Subcommittee on the Constitution, Civil Rights & Property Rights; Thursday, June 12, 2003 9:30 a.m. (or, if a Full Committee markup is scheduled that morning, immediately following the Full Committee markup) Dirksen Senate Office Room 226.

I. Bill: S. J. Res. 1, A joint resolution proposing an amendment to the Constitution of the United States to protect the rights of crime victims. Note: As agreed by Senators CORNYN and FEINGOLD, only amendments circulated to all other members of the subcommittee by 12:00 noon on Wednesday, June 11, 2003 shall be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PUBLIC LANDS AND FORESTS

Mr. McCAIN. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands and Forests of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, June 12, at 2:30 p.m. in Room SD–366 to receive testimony on S. 434—a bill to authorize the Secretary of Agriculture to sell or exchange all or part of certain parcels of National Forest System land in the State of Idaho and use the proceeds derived from the sale or exchange for National Forest System resources; S. 435—a bill to provide for the conveyance by the Secretary of Agriculture of the Sandpoint Federal Building and adjacent land in Sandpoint, Idaho, and for other purposes; S. 490—a bill to direct the Secretary of Agriculture to convey certain land in the Lake Tahoe Basin Management Unit Nevada, to the Secretary of the Interior, in trust for the Washoe Indian Tribe of Nevada and California; H.R. 762—to amend the Federal Land Policy and Management Act of 1976 and the Mineral Leasing Act and for other purposes; S. 1111—a bill to provide suitable grazing arrangements on National Forest System land to persons that hold a grazing permit adversely affected by the standards and guidelines contained in the record of decision of the Sierra Nevada Forest Plan Amendment and pertaining to the Willow Flycatcher and the Yosemite Toad; and H.R. 622—to provide for the exchange of certain lands in the Coconino and Tonto National Forests in Arizona, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY, AND SPACE

Mr. McCAIN. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology, and Space be authorized to meet on Thursday, June 12, 2003, at 2:30 p.m. on Cloning.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. REID. Mr. President, I ask unanimous consent that Peter Winokur, a fellow on my staff, be granted the privilege of the floor during the debate on the FAA reauthorization legislation.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LOTT. I ask unanimous consent that staff member William Hunt in my office be granted the privilege of the floor during the consideration of S. 824.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT REQUEST—NOMINATION OF MICHAEL GARCIA

Mr. MCCONNELL. As in executive session, I ask unanimous consent that when the Governmental Affairs Committee reports the nomination of Michael Garcia (PN 451), to be Assistant Secretary of Homeland Security, the nomination then be sequentially referred to the Judiciary Committee for a period not to exceed 15 days of session; provided further that if the nomination is not reported by that time, the nomination be automatically discharged and placed on the calendar.

Mr. President, I withdraw that request.

The PRESIDING OFFICER. The request is vitiated.

WOMEN'S BUSINESS CENTERS PRESERVATION ACT OF 2003

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 1247.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (S. 1247) to increase the amount to be reserved during FY2003 for sustainability grants under section 29(l) of the Small Business Act.

There being no objection, the Senate proceeded to consider the bill.

Ms. SNOWE. Mr. President, I rise in support of the ''Women's Business Centers Preservation Act of 2003'' in recognition of the critical need to preserve the operations of existing Women's Business Centers currently serving women entrepreneurs in almost every state and territory. I am pleased to be joined in offering this bill by Senator KERRY, Ranking Member, Committee on Small Business and Entrepreneurship, and Senators BOND, CANTWELL, BURNS, LEVIN, ENZI, GRASSLEY, BAUCUS, DOMENICI, and BINGAMAN.

While I am totally supportive of the Administration's efforts to add new centers to serve a broader constituency, I am very concerned that we may lose valuable resources established in rural and urban areas. The value of the Women's Business Center Program is stated best by the text taken from the Small Business Administration's (SBA) promotional materials on the Women's Business Center Program:

Each women's business center is uniquely designed to serve the needs of its individual community and to place special emphasis on helping those who are economically disadvantaged.

The Women's Business Center Program has become a strong and effective part of the SBA's entrepreneurial-development efforts.

And—

In tough economic times, when both employment and funding resources are harder to come by, support for the WBC Program is more important than ever.

As Chair of the Small Business Committee, I totally agree with the SBA's assessment. In fact, Congress has agreed six times since the program was introduced through the Small Business Ownership Act of 1988, and made permanent in 1997, that this program is critical for women-business owners. The program's appropriations has grown from $2 million in 1989 to $12 million in 2003, and the results have been impressive. In Fiscal Year 2002, for every dollar invested in the program, centers reported a return of $161 in gross receipts of clients.

Even more remarkable is the fact that since 1997, the Women's Business Centers have served more than 240,000 women entrepreneurs. In Fiscal Year 2002, almost 86,000 customers were served through the centers. As reported in the SBA Performance and Accountability Report of 2002, ''the WBC Program has more than doubled its goal of a 3 percent annual increase in the number of clients served in the past two years. This is due in large part to the success of the sustainability grants, which enable established centers to continue SBA funding. SBA expects this trend to continue as more centers become firmly established and as their reputations for excellence spread.''

If we look at the centers that are achieving the greatest impact, it is the established centers. The results of their outreach and one-on-one assistance has made it possible for the Small Business Administration to achieve its goals as it measures the success of the products and programs offered by these centers.

It is true that this month only five Women's Business Centers face the possibility of closing their doors without the dollar-to-dollar matching funds that are provided through sustainability funding. The sustainability grant provisions reserve 30.2 percent of the $12 million program funding for sustainability grants for existing centers with the balance of available funds designated for the creation and operation of new centers. Based on information provided by the SBA, there are not sufficient sustainability reserve funds to offer continuation contracts to five centers in Iowa, Illinois, North Carolina, Texas and Washington. Therefore, SBA has proposed a reduction in grants for all centers currently funded by sustainability grants. By increasing the reserve amount to 36 percent, only during Fiscal Year 2003, adequate funds will be available for eligible existing centers operating with sustainability grants.

Next year, there will be more than 20 States and the U.S. Virgin Islands affected by the lack of funding to continue operations. Last month, I introduced the ''Women's Small Business Programs Improvement Act of 2003'', S. 1154, to correct deficiencies in the program and provide a fair, competitive process to operate and grow the Women's Business Center Program. I expect that bill will be taken up as part of the SBA reauthorization legislation my Committee will consider in July.

While we can fix the funding problem in the long-run, we still face a crisis today. That is the reason for the bill I am introducing. By increasing the formula for sustainability grants from 30.2 percent to 36 percent, existing centers would be able to operate without disruption in funding and the programs and services currently offered in our communities. This provision will not require an additional appropriation, just a reallocation of current funds.

I believe this approach offers the best path available to sustain the centers approaching the end of their grant cycles without creating undue hardship for all existing centers. At the same time, it should not hinder the Administration's efforts to create new centers.

These centers have been extraordinarily successful in providing assistance to women in all walks of life—from those who once received public assistance but now operate businesses and create jobs, to women transitioning from employee to small business employer, to established women-business owners who create and manufacture products for sale at home and abroad. The Centers nurture women entrepreneurs through business and financial planning and help with critical issues like securing funding for startup and expansion. Yet—despite these successes—funding questions have long plagued the program.

I am committed to resolving the temporary funding crisis through the bill I introduce today and will work with my colleagues to ensure the long-term viability of the Women's Business Center program for today's women entrepreneurs and those of tomorrow.

Mr. KERRY. Mr. President, I rise today as Ranking Member of the Committee on Small Business and Entrepreneurship with my esteemed colleague and Chair of the Committee, Senator SNOWE, to offer legislation to fix a funding gap that exists for meritorious Women's Business Centers that are graduating from the first stage of the program and entering the sustainability portion.

I would first like to thank Senator SNOWE for working very closely with me on this issue. Her leadership and support has been invaluable. I would also like to thank our House counterparts on the Small Business Committee, Chairman MANZULLO and Ranking Member VELÁZQUEZ, who have also been working diligently on the issue of sustainability grants as we take on the process of reauthorizing the majority of the SBA's programs. In addition, I want to thank all of the cosponsors of this legislation, all of which have shown resounding support for women entrepreneurs and recognize the positive impact all small businesses have on our national economy.

As I have said on more than one occasion, women business owners do not get the recognition they deserve for their contribution to our economy: Eighteen million Americans would be without jobs today if it weren't for

these entrepreneurs who had the courage and the vision to strike out on their own. For 18 years, as a member of the Senate Committee on Small Business and Entrepreneurship, I have worked to increase the opportunities for these enterprising women in a variety of ways, leading to greater earning power, financial independence and asset accumulation. These are more than words. For these women, it means having a bank account, buying a home, sending their children to college, calling the shots.

And helping them at every step are the Women's Business Centers. In 2002 alone, these centers helped 85,000 women with the business counseling and assistance they likely could not find anywhere else. Cutting funding for any centers would be harmful to the centers, to the women they serve, to the States, and to the national economy.

The funding gap for Women's Business Centers in the sustainability portion of the program exists because the Small Business Administration has chosen to adopt a funding policy that short-changes existing, proven centers in order to open new, unproven ones. By incorrectly interpreting the funding formula set up in statute for the Women's Business Center program, the SBA intends to make way for new centers at the expense of those that are already established, operational and successful. This is both bad policy and contrary to congressional intent.

As the author of the Women's Business Centers Sustainability Act of 1999, I can tell that when the Women's Business Centers Sustainability Act of 1999 was signed into law, it was Congress's intent to protect the established and successful infrastructure of worthy, performing centers. The law was designed to allow all graduating Women's Business Centers that meet certain SBA standards to receive continued funding under sustainability grants, while still allowing for new centers—but not by penalizing those that have already demonstrated their effectiveness.

Currently there are 81 Women's Business Centers in 48 states. Forty-six of these are in the initial program, 29 are already in sustainability, and six more are graduating or have graduated from the initial program and are now applying for sustainability grants. Because the SBA is incorrectly interpreting the funding formula for sustainability grants in order to open new centers, and in order to accommodate funding for potentially six new sustainability centers, those from Georgia, Iowa, Illinois, North Carolina, Texas, and Washington State, the amount of funds reserved for Women's Business Centers in sustainability must be increased from 30.2 percent to 36 percent.

This legislation does just that. It directs the SBA to reserve 36 percent of the appropriated funds for the sustainability portion of Women's Business Centers program—even though the SBA already has the authority on its own to increase the reserve—thereby protecting the established Women's Business Centers from almost certain grant funding cuts and still providing enough funds to open six or more new centers across the country.

I want to again express my sincere and steadfast support for the growing community of women entrepreneurs across the Nation and for the invaluable programs through which the SBA provides women business owners with the tools they need to succeed. As a long-time advocate for women entrepreneurs and SBA's programs, my record in support of the SBA's women's programs and for women business owners speaks for itself. I have continually fought for increased funding for the women's programs at the SBA, for sustaining and expanding the women's business centers, and for giving women entrepreneurs their deserved representation within the Federal procurement process, to name a few. With respect to laws assisting women-owned businesses, I have been proud to either introduce the underlying legislation or strongly advocate to ensure their passage and adequate funding.

This bill is necessary to continue the good work of SBA's Women's Business Center network, and I urge all of my colleagues to support it.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements regarding this matter be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1247) was read the third time and passed, as follows:

S. 1247

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 ''Women's Business Centers Preservation Act of 2003''.

SEC. 2. SUSTAINABILITY GRANTS FOR WOMEN'S BUSINESS CENTERS.

Section 29(k)(4)(A)(iv) of the Small Business Act (15 U.S.C. 656(k)(4)(A)(iv)) is amended by striking ''30.2 percent'' and inserting ''36 percent''.

SUPPORTING THE GOALS AND IDEALS OF NATIONAL EPILEPSY AWARENESS MONTH

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. Con. Res. 48 and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 48) supporting the goals and ideals of ''National Epilepsy Awareness Month'' and urging funding for epilepsy research and service programs.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the amendment to the concurrent resolution be agreed to; that the resolution, as amended, be agreed to; that the amendment to the preamble be agreed to; that the preamble, as amended, be agreed to; that the amendment to the title be agreed to; that the title, as amended, be agreed to; that the motion to reconsider be laid upon the table, all without intervening action or debate; and that any statements relating to the concurrent resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 924) was agreed to, as follows:

On page 3, line 2, strike ''an annual'' and insert ''a''.

On page 3, line 6, after the semicolon insert ''and''.

On page 3, line 7, strike ''an increase in funding'' and insert ''support''.

On page 3, line 10, strike ''; and'' and all that follows and insert a period.

The concurrent resolution (S. Con. Res. 48), as amended, was agreed to.

The amendment (No. 925) was agreed to, as follows:

After the eighth clause of the preamble, insert the following:

Whereas a significant number of people with epilepsy may lack access to medical care for the treatment of the disease;

The preamble, as amended, was agreed to.

The resolution, as amended, with its preamble, as amended, reads as follows:

S. CON. RES. 48

Whereas epilepsy is a neurological condition that causes seizures and affects 2,300,000 people in the United States;

Whereas a seizure is a disturbance in the electrical activity of the brain, and 1 in every 12 Americans will suffer at least 1 seizure;

Whereas 180,000 new cases of seizures and epilepsy are diagnosed each year, and 3 percent of Americans will develop epilepsy by the time they are 75;

Whereas 41 percent of people who currently have epilepsy experience persistent seizures despite the treatment they are receiving;

Whereas a survey conducted by the Centers for Disease Control and Prevention demonstrated that the hardships imposed by epilepsy are comparable to those imposed by cancer, diabetes, and arthritis;

Whereas epilepsy in older children and adults remains a formidable barrier to leading a normal life by affecting education, employment, marriage, childbearing, and personal fulfillment;

Whereas uncontrollable seizures in a child can create multiple problems affecting the child's development, education, socialization, and daily life activities;

Whereas the social stigma surrounding epilepsy continues to fuel discrimination, and isolates people who suffer from seizure disorders from mainstream life;

Whereas a significant number of people with epilepsy may lack access to medical care for the treatment of the disease;

Whereas in spite of these formidable obstacles, people with epilepsy can live healthy and productive lives and make significant contributions to society;

Whereas November is an appropriate month to designate as ''National Epilepsy Awareness Month''; and

Whereas the designation of a ''National Epilepsy Awareness Month'' would help to focus attention on, and increase understanding of, epilepsy and those people who suffer from it: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) supports the goals and ideals of a ''National Epilepsy Awareness Month'';

(2) requests the President to issue a proclamation declaring a ''National Epilepsy Awareness Month'';

(3) calls upon the American people to observe ''National Epilepsy Awareness Month'' with appropriate programs and activities; and

(4) urges support for epilepsy research programs at the National Institutes of Health and at the Centers for Disease Control and Prevention.

The amendment (No. 926) was agreed to, as follows:

Amend the title as to read: A concurrent resolution supporting the goals and ideals of ''National Epilepsy Awareness Month'' and urging support for epilepsy research and service programs.

The title, as amended, was agreed to.

THE CALENDAR

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Nos. 135 and 136 en bloc.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the measures en bloc.

Mr. MCCONNELL. I ask unanimous consent that the resolutions be agreed to en bloc; that the preambles be agreed to en bloc; that the motions to reconsider be laid upon the table en bloc; and that any statements relating to the resolutions be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

CENTENNIAL OF WILBUR AND ORVILLE WRIGHT'S FIRST FLIGHT

The resolution (S. Res. 141) recognizing ''Inventing Flight: The Centennial Celebration,'' a celebration in Dayton, Ohio, of the centennial of Wilbur and Orville Wright's first flight, was considered and agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 141

Whereas 2003 marks the centennial of Wilbur and Orville Wright's achievement of the first controlled, powered flight in history;

Whereas Wilbur and Orville Wright grew up and worked at a bicycle shop in Dayton, Ohio, where they developed, built, and refined the first successful, heavier-than-air, manned, powered aircraft;

Whereas the Wright brothers developed the world's first flying field, the world's first flying school, and the world's first airplane manufacturing company in the Dayton area;

Whereas many legacies of the Wrights' inventiveness and creativity still exists in the region, including Wright-Patterson Air Force Base, the Dayton Aviation Heritage National Historical Park, the United States Air Force Museum, the National Aviation Hall of Fame, the Wright ''B'' Flyers, and the Engineers Club of Dayton;

Whereas the city of Dayton, area communities, a number of civic groups, private businesses, government agencies, and military partners, are joining together to honor the Nation's aerospace achievements;

Whereas Dayton is considered the ''Birthplace of Aviation'' and from July 3 through July 20, 2003, the Dayton region will host ''Inventing Flight: The Centennial Celebration'', the largest public centennial event in Ohio celebrating the first flight and one of only 4 events nationwide endorsed as a full partner by the United States Centennial of Flight Commission; and

Whereas the celebration will feature pavilions with aviation displays, blimp and hot-air balloon races, dance and cultural performances, river shows, historical reenactments, an international air and space symposium, National Aviation Hall of Fame ceremonies, and a military and general aviation show at the Dayton International Airport: Now, therefore, be it

Resolved, That the Senate recognizes ''Inventing Flight: The Centennial Celebration'', a celebration in Dayton, Ohio of the centennial of Wilbur and Orville Wright's first flight.

COMMENDING THE FRANCIS MARION UNIVERSITY PATRIOTS MEN'S GOLF TEAM

The resolution (S. Res. 163) commending the Francis Marion University Patriots men's golf team for winning the 2003 National Collegiate Athletic Association Division II Men's Golf Championship was considered and agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 163

Whereas on Friday, May 27, 2003, the Francis Marion University Patriots men's golf team won the 2003 NCAA Division II Men's Golf Championship, the first National Championship for Francis Marion University since it left the Peach Belt Conference in 1992 and moved to Division II;

Whereas the Patriots finished the Championship with a four-round total of 1,149 strokes, for 3 shots under par, beating the second place Rollins College Tars by 14 strokes;

Whereas the Patriots won the National Championship on the course of Crosswater Golf Club in Sunriver, Oregon;

Whereas the Patriots finished the season with a 112–43–2 record against opponents ranked in the top 25 teams in the country;

Whereas the Patriots led at the end of every round and became the second straight team to win the National Championship as an at-large selection;

Whereas players Fredrik Ohlsson, Matt Dura, and Dylan Keylock were honored as All-Americans, and Juan Pablo Bossi and Per Hallberg earned honorable mention recognition for the 2002–03 season;

Whereas Francis Marion University men's golf team has displayed outstanding dedication, teamwork, and sportsmanship throughout the season in achieving Division II collegiate golf's highest honor; and

Whereas the Patriots have brought pride and honor to the State of South Carolina: Now, therefore, be it

Resolved, That the Senate—

(1) commends the Francis Marion University Patriots for winning the 2003 National Collegiate Athletic Association Division II Men's Golf Championship;

(2) recognizes the achievements of all the team's players, coaches, and staff and invites them to the United States Capitol Building to be honored in an appropriate manner; and

(3) directs the Secretary of the Senate to make available enrolled copies of this resolution to Francis Marion University for appropriate display and to transmit an enrolled copy of this resolution to each coach and member of the 2003 NCAA Division II Men's Golf Championship team from Francis Marion University.

ORDERS FOR FRIDAY, JUNE 13, 2003

Mr. MCCONNELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9:30 a.m., Friday, June 13. 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 the hour of 10 a.m., with the first 15 minutes under the control of Senator HUTCHISON and the remaining 15 minutes under the control of the minority leader or his designee; provided that at 10 a.m., the Senate proceed to executive session to consider Calendar No. 218, the nomination of R. Hewitt Pate, to be an assistant attorney general, as provided under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MCCONNELL. Mr. President, for the information of all Senators, tomorrow morning the Senate will be in a period for morning business until 10 a.m. Under a previous order, at 10 a.m. the Senate will proceed to executive session and immediately vote on the nomination of R. Hewitt Pate to be an assistant attorney general. This will be the first and last vote of tomorrow's session.

As a reminder, there will be no votes during Monday's session. We will be in session on Monday for Senators to make their opening remarks on the Medicare/prescription drug bill.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. MCCONNELL. 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 6:59 p.m., adjourned until Friday, June 13, 2003, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 12, 2003:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

MARK C. BRICKELL, OF NEW YORK, TO BE DIRECTOR OF THE OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR A TERM OF FIVE YEARS, VICE ARMANDO FALCON, JR., RESIGNED.

FEDERAL DEPOSIT INSURANCE CORPORATION

THOMAS J. CURRY, OF MASSACHUSETTS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE FEDERAL DEPOSIT INSURANCE CORPORATION FOR A TERM OF SIX YEARS, VICE JOSEPH H. NEELY, RESIGNED.

NATIONAL INSTITUTE OF BUILDING SCIENCES

ANN C. ROSENTHAL, OF IOWA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE NATIONAL INSTITUTE OF BUILDING SCIENCES FOR A TERM EXPIRING SEPTEMBER 7, 2003, VICE STEVE M. HAYS, TERM EXPIRED.

ANN C. ROSENTHAL, OF IOWA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE NATIONAL INSTITUTE OF BUILDING SCIENCES FOR A TERM EXPIRING SEPTEMBER 7, 2006. (REAPPOINTMENT)

FEDERAL TRADE COMMISSION

PAMELA HARBOUR, OF NEW YORK, TO BE A FEDERAL TRADE COMMISSIONER FOR THE TERM OF SEVEN YEARS FROM SEPTEMBER 26, 2002, VICE SHEILA FOSTER ANTHONY, TERM EXPIRED.

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

MICHAEL YOUNG, OF PENNSYLVANIA, TO BE A MEMBER OF THE FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION FOR A TERM OF SIX YEARS EXPIRING AUGUST 30, 2008, VICE THEODORE FRANCIS VERHEGGEN, RESIGNED.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. WILLIAM T. HOBBINS, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. RANDALL M. SCHMIDT, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. WALTER E. L. BUCHANAN III, 0000

IN THE ARMY

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADES INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To Be Major General

BRIGADIER GENERAL GEORGE A. ALEXANDER, 0000
BRIGADIER GENERAL EDMUND T. BECKETTE, 0000
BRIGADIER GENERAL WESLEY E. CRAIG JR., 0000
BRIGADIER GENERAL JAMES R. MASON, 0000
BRIGADIER GENERAL GERALD P. MINETTI, 0000
BRIGADIER GENERAL RICHARD C. NASH, 0000
BRIGADIER GENERAL GARY A. PAPPAS, 0000
BRIGADIER GENERAL CLYDE A. VAUGHN, 0000
BRIGADIER GENERAL DEAN A. YOUNGMAN, 0000

To be brigadier general

COLONEL WILLIAM E. ALDRIDGE, 0000
COLONEL LOUIS J. ANTONETTI, 0000
COLONEL MICHAEL W. BEAMAN, 0000
COLONEL ROBERT T. BRAY, 0000
COLONEL NELSON J. CANNON, 0000
COLONEL JAMES G. CHAMPION, 0000
COLONEL ROBERT P. DANIELS, 0000
COLONEL DAVID M. DAVISON, 0000
COLONEL DAVID M. DEARMOND, 0000
COLONEL MYLES M. DEERING, 0000
COLONEL JAMES B. GASTON JR., 0000
COLONEL ALAN C. GAYHART SR., 0000
COLONEL DAVID K. GERMAIN, 0000
COLONEL FRANK J. GRASS, 0000
COLONEL GARY L. JONES, 0000
COLONEL JAMES E. KELLY, 0000
COLONEL KEVIN R. MCBRIDE, 0000
COLONEL JAMES I. PYLANT, 0000
COLONEL STEVEN R. SEITER, 0000
COLONEL THOMAS L. SINCLAIR, 0000
COLONEL FRANK T. SPEED JR., 0000
COLONEL DEBORAH C. WHEELING, 0000
COLONEL MATTHEW J. WHITTINGTON, 0000

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR A REGULAR APPOINTMENT IN THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 531:

To be colonel

JEAN B. DORVAL, 0000
RICHARD L. NEEL, 0000
GARY M. WALKER, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE AND FOR REGULAR APPOINTMENT (IDENTIFIED BY AN ASTERISK(*)) UNDER TITLE 10, U.S.C., SECTIONS 624 AND 531:

To be colonel

RICHARD J. DELORENZO JR., 0000

THE FOLLOWING NAMED AIR NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12212:

To be colonel

GERALD M. SCHNEIDER, 0000

THE FOLLOWING NAMED AIR NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12212:

To be colonel

JANE B. TAYLOR, 0000

THE FOLLOWING NAMED AIR NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12212:

To be colonel

DARRELL A. JESSE, 0000
PETER R. MASCIOLA, 0000
DONALD L. SCHENSE, 0000
LAURA B. STEVENS, 0000
NORBERT S. WALKER, 0000

THE FOLLOWING NAMED AIR NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12212:

To be colonel

THOMAS C. BARNETT, 0000
ROBERT J. KELLER, 0000
ALPHONSE J. STEPHENSON, 0000
JEAN A. VARGO, 0000

THE FOLLOWING NAMED OFFICER FOR A REGULAR APPOINTMENT IN THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 531:

To be lieutenant colonel

EDWARD C. CALLAWAY, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant colonel

H. MICHAEL TENNERMAN, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE AND FOR REGULAR APPOINTMENT (IDENTIFIED BY AN ASTERISK(*)) UNDER TITLE 10, U.S.C., SECTIONS 624 AND 531:

To be lieutenant colonel

STEVEN E. RITTER, 0000

THE FOLLOWING NAMED OFFICER FOR A REGULAR APPOINTMENT IN THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 531:

To be major

BRYAN A. KEELING, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 624:

To be major

ROBERT L. ZABEL JR., 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 624:

To be major

DARRYL G. ELROD JR., 0000
CRAIG A. HARTMAN, 0000
KEVIN R. VANVALKENBURG, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 624:

To be major

DREW Y. JOHNSTON JR., 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 624:

To be major

RACHEL L. BECK, 0000

IN THE ARMY

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12211:

To be colonel

JANE M. ANDERHOLT, 0000
THOMAS H. KATKUS, 0000
DUANE M. TUSHOSKI, 0000
JOE M. WELLS, 0000
JAY A. WHITAKER, 0000

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12211:

To be colonel

RODNEY A. ARMON, 0000
BENNETT G. BOWLIN, 0000
BRETT A. CALL, 0000
JOHN S. CARTER III, 0000
PAUL R. LEVEILLEE, 0000
CHRISTINE A. STARK, 0000
MARK W. THACKSTON, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY MEDICAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 624 AND 3064:

To be major

ANTHONY SULLIVAN, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY MEDICAL CORPS AND FOR APPOINTMENT IN THE REGULAR ARMY UNDER TITLE 10, U.S.C., SECTIONS 624 AND 3064:

To be major

BRYAN C. SLEIGH, 0000

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 531:

To be lieutenant

SHERRY L. BRELAND, 0000
SHANE D. COOPER, 0000
FRANKIE D. HUTCHISON, 0000
JESSICA M. PYBURN, 0000
KRISTINA B. REEVES, 0000
RYAN C. TORGRIMSON, 0000
JULIA D. WORCESTER, 0000

CONFIRMATIONS

Executive nominations confirmed by the Senate June 12, 2003:

THE JUDICIARY

JOHN A. WOODCOCK, JR., OF MAINE, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF MAINE.

AIR FORCE NOMINATIONS BEGINNING ELISE A. * AHLSWEDE AND ENDING PAUL K. * YENTER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JANUARY 13, 2003.

AIR FORCE NOMINATIONS BEGINNING EUGENE L. CAPONE AND ENDING ALLEN L. WOMACK, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 24, 2003.

WITHDRAWALS

Executive message transmitted by the President to the Senate on June 12, 2003, withdrawing from further Senate consideration the following nominations:

PAUL PATE, OF IOWA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE NATIONAL INSTITUTE OF BUILDING SCIENCES FOR A TERM EXPIRING SEPTEMBER 7, 2003, WHICH WAS SENT TO THE SENATE ON APRIL 7, 2003.

PAUL PATE, OF IOWA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE NATIONAL INSTITUTE OF BUILDING SCIENCES FOR A TERM EXPIRING SEPTEMBER 7, 2006, WHICH WAS SENT TO THE SENATE ON APRIL 7, 2003.

Daily Digest

HIGHLIGHTS

Senate passed H.R. 2115, FAA Authorization Act.

House passed H.R. 1115, Class Action Fairness Act.

House insisted on its amendment to the Senate amendment to H.R. 1308, All-American Tax Relief Act of 2003 and requested a conference with the Senate thereon.

Senate

Chamber Action

Routine Proceedings, pages S7741–S7863

Measures Introduced: Fourteen bills and five resolutions were introduced, as follows: S. 1245–1258, S. Res. 167–170, and S. Con. Res. 55. **Pages S7831–32**

Measures Reported:

S. 1015, to authorize grants through the Centers for Disease Control and Prevention for mosquito control programs to prevent mosquito-borne diseases. (S. Rept. No. 108–69) **Page S7831**

S. Res. 141, recognizing ''Inventing Flight: The Centennial Celebration'', a celebration in Dayton, Ohio of the centennial of Wilbur and Orville Wright's first flight. **Page S7831**

S. Res. 163, commending the Francis Marion University Patriots men's golf team for winning the 2003 National Collegiate Athletic Association Division II Men's Golf Championship. **Page S7831**

Measures Passed:

Federal Aviation Administration Act: By yeas to nays (Vote No. 225), Senate passed H.R. 2115, to amend title 49, United States Code, to reauthorize programs for the Federal Aviation Administration, after striking all after the enacting clause and inserting in lieu thereof, the text S. 824, Senate companion measure, after agreeing to the Committee amendment in the nature of a substitute, and taking action on the following amendments proposed thereto: **Pages S7757–S7820**

Adopted:

McCain Amendment No. 889, to make conforming, minor, and technical changes in the bill as reported. **Pages S7782–83**

Subsequently, the amendment was modified. **Page S7792**

McCain Amendment No. 892, to express the sense of the Senate with respect to air fares provided to members of the Armed Forces. **Pages S7785–86**

Cochran/Byrd Amendment No. 898, to provide authorization for an Aviation Security Capital Fund. **Pages S7790–92**

By 56 yeas to 41 nays (Vote No. 222), Lautenberg Amendment No. 893, to prohibit the Secretary of Transportation from transferring certain air traffic control functions to non-governmental entities. **Pages S7786–90**

Bingaman Amendment No. 906, to preserve the essential air service program. **Pages S7796–99**

Bunning/Boxer Amendment No. 903, to amend title 49, United States Code, to allow the arming of pilots of cargo aircraft. **Pages S7799–S7800**

Dorgan Amendment No. 890, to delete the matching requirement for airport security-related capital investment grants. **Pages S7783, S7785, S7800–01**

Inhofe Amendment No. 894, to amend the provisions dealing with security measures for general aviation and air charters. **Pages S7801–02**

Inhofe Amendment No. 895, to establish reporting requirements with respect to the Air Defense Identification Zone. **Pages S7801–02**

Hollings (for Wyden) Amendment No. 908, to require the Secretary of Homeland Security to report to the Congress in writing on the impact of the Computer Assisted Passenger Prescreening System, proposed to be implemented by the Transportation Security Administration, on the privacy and civil liberties of United States citizens. **Page S7802**

Hollings (for Nelson (FL)) Amendment No. 909, to modify requirements regarding training to operate aircraft. **Pages S7802–04**

Hollings (for Jeffords) Amendment No. 910, to provide a 1 year extension of essential air service to an airport whose eligibility was terminated due to the impact of decreased air travel. **Page S7804**

Hollings (for Bayh/Lugar) Amendment No. 911, to expand aviation capacity and alleviate congestion in the greater Chicago metropolitan area. **Page S7804**

Hollings (for Dodd) Amendment No. 912, to require a study on the housing of the gates used by shuttle services within the same terminal at Ronald Reagan Washington National Airport.

Pages S7804–05

Thomas Amendment No. 913, to permit Jackson Hole Airport to adopt certain noise reduction measures. **Page S7805**

Specter Amendment No. 915, relative to the measurement of highway mileage for purposes of determining eligibility for essential air service subsidies. **Pages S7805–06**

Burns Amendment No. 900, to provide grants to reimburse general aviation entities for the security costs incurred and revenue foregone as a result of terrorism and the military action against Iraq.

Pages S7810–11

Burns Amendment No. 899, to require the Secretary of Transportation to transmit to Congress a report on any actions that should be taken with respect to recommendations made by the National Commission to Ensure Consumer Information and Choice in the Airline Industry on travel agents.

Page S7811

Hollings Amendment No. 916, to remove the staffing level limitation imposed on the Transportation Security Administration. **Page S7811**

Hollings (for Feinstein) Amendment No. 917, to provide for air quality in aircraft cabins.

Pages S7811–12

Hollings (for Rockefeller) Amendment No. 918, to require air carriers that received a refund of passenger security fees under title IV of the Emergency Wartime Supplemental Appropriations Act, 2003, to pass-through to their code-share partners that portion of the refund atrributable to such fees collected and paid by those partners. **Page S7812**

Hollings (for Inouye) Amendment No. 919, to clarify the criteria for air carriers to honor tickets for suspended service. **Pages S7812–13**

Stevens Amendment No. 920, to codify the requirement that United States air carriers be effectively controlled by United States citizens.

Page S7813

Murkowski Amendment No. 907, to require the Federal Aviation Administration to complete a study and report regarding the feasibility of consolidating the Anchorage Terminal Radar Approach Control and the Anchorage Air Route Traffic Control Center.

Pages S7813–14

Hollings (for Harkin) Amendment No. 921, to impose a civil penalty for the closure of an airport without sufficient notice. **Page S7814**

McCain (for Grassley/Baucus) Amendment No. 922, to extend the Airport and Airway Trust Fund expenditure authority. **Page S7814**

Stevens Amendment No. 923, to amend section 41703 of title 49, United States Code, to support the United States presence in the global air cargo industry. **Page S7819**

Specter Amendment No. 905, to provide safety and security with respect to aviation repair stations.

Pages S7806–07

Rejected:

By 44 yeas to 52 nays (Vote No. 223), Inhofe Amendment No. 986, to establish age limitations for airmen. **Pages S7793–96**

By 42 yeas to 52 nays (Vote No. 224), Lott Amendment No. 914 (to Amendment No. 905), to require the Administrator of the Federal Aviation Administration to conduct a study of safety standards at foreign repair stations. **Pages S7819–20**

Withdrawn:

Reid Amendment No. 891, to clarify the apportionment of funds from the Aviation Security Capital Fund. **Page S7792**

Senate insisted on its amendment, requested a conference with the House thereon, and the Chair was authorized to appoint the following conferees on the part of the Senate: Senators McCain, Stevens, Burns, Lott, Hutchison, Hollings, Inouye, Rockefeller, and Breaux. **Page S7820**

Subsequently, S. 824 was returned to the Senate calendar. **Page S7813**

Women's Business Centers Preservation Act: Senate passed S. 1247, to increase the amount to be reserved during fiscal year 2003 for sustainability grants under section 29(1) of the Small Business Act.

Pages S7860–61

National Epilepsy Awareness Month: Committee on the Judiciary was discharged from further consideration of S. Con. Res. 48, supporting the goals and ideals of "National Epilepsy Awareness Month" and urging support for epilepsy research and service programs, and the resolution was then agreed to, after agreeing to the following amendments proposed thereto: **Pages S7861–62**

McConnell (for Lincoln) Amendment No. 924, of a technical nature. **Page S7861**

McConnell (for Lincoln) Amendment No. 925, to amend the preamble. **Page S7861**

McConnell (for Lincoln) Amendment No. 926, to amend the title. **Page S7862**

Inventing Flight: The Centennial Celebration: Senate agreed to S. Res. 141, recognizing "Inventing Flight: The Centennial Celebration", a celebration in Dayton, Ohio of the centennial of Wilbur and Orville Wright's first flight. **Page S7862**

Commending the Francis Marion University Patriots Men's Golf Team: Senate agreed to S. Res. 163, commending the Francis Marion University Patriots men's golf team for winning the 2003 National Collegiate Athletic Association Division II Men's Golf Championship. **Page S7862**

Energy Policy Act: Senate continued consideration of S. 14, to enhance the energy security of the United States, taking action on the following amendments proposed thereto: **Pages S7741–57**

Rejected:

By 44 yeas to 54 nays (Vote No. 221), Graham (FL) Amendment No. 884, to strike the provision requiring the Secretary of the Interior to conduct an inventory and analysis of oil and natural gas resources beneath all of the waters of the Outer Continental Shelf. **Pages S7742–50**

Pending:

Campbell Amendment No. 886, to replace "tribal consortia" with "tribal energy resource development organizations". **Pages S7751–57**

A unanimous-consent agreement was reached providing for certain amendments to be proposed to the bill; provided further that following the disposition of the amendments which may be offered, the bill be read a third time; further, that the Senate then proceed to the consideration of calendar No. 85, H.R. 6, House companion measure, and that all after the enacting clause be stricken and the text of S. 14, as amended, be inserted in lieu thereof; and that H.R. 6 then be read a third time, and the Senate vote on its passage. **Page S7750**

Nomination—Agreement: A unanimous-consent agreement was reached providing for consideration of the nomination of R. Hewitt Pate, of Virginia, to be an Assistant Attorney General, Department of Justice, at 10 a.m., on Friday, June 13, 2003, and immediately vote on confirmation of the nomination. **Page S7862**

Messages From the President: Senate received the following messages from the President of the United States:

Transmitting, pursuant to law, the report on all Federal drug and substance abuse treatment, prevention, education, and research programs; to the Committee on the Judiciary. (PM–39) **Page S7828**

Transmitting, pursuant to law, the report on the administration of the Coastal Zone Management Act (CZMA) for fiscal years 2000 and 2001; to the Committee on Commerce, Science, and Transportation. (PM–40) **Page S7828**

Nominations Confirmed: Senate confirmed the following nominations:

John A. Woodcock, Jr., of Maine, to be United States District Judge for the District of Maine.

Routine lists in the Air Force. **Page S7863**

Nominations Received: Senate received the following nominations:

Mark C. Brickell, of New York, to be Director of the Office of Federal Housing Enterprise Oversight, Department of Housing and Urban Development for a term of five years.

Thomas J. Curry, of Massachusetts, to be a Member of the Board of Directors of the Federal Deposit Insurance Corporation for a term of six years.

Ann C. Rosenthal, of Iowa, to be a Member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 2003.

Ann C. Rosenthal, of Iowa, to be a Member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 2006. (Reappointment).

Pamela Harbour, of New York, to be a Federal Trade Commissioner for the term of seven years from September 26, 2002.

Michael Young, of Pennsylvania, to be a Member of the Federal Mine Safety and Health Review Commission for a term of six years expiring August 30, 2008.

3 Air Force nominations in the rank of general.

32 Army nominations in the rank of general.

Routine lists in the Air Force, Army, Navy. **Pages S7862–63**

Nominations Withdrawn: Senate received notification of withdrawal of the following nominations:

Paul Pate, of Iowa, to be a Member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 2003, which was sent to the Senate on April 7, 2003.

Paul Pate, of Iowa, to be a Member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 2006. (Reappointment), which was sent to the Senate on April 7, 2003. **Page S7863**

Messages From the House: **Pages S7828–29**

Measures Referred: **Page S7829**

Measures Placed on Calendar: **Page S7829**

Executive Communications: **Pages S7829–31**

Executive Reports of Committees: Page S7831

Additional Cosponsors: Pages S7832–33

Statements on Introduced Bills/Resolutions: Pages S7834–46

Additional Statements: Pages S7827–28

Amendments Submitted: Pages S7846–47

Notices of Hearings/Meetings: Page S7859

Privilege of the Floor: Page S7859

Record Votes: Five record votes were taken today. (Total—225) Pages S7750, S7793, S7796, S7820

Adjournment: Senate met at 9:30 a.m., and adjourned at 6:59 p.m., until 9:30 a.m., on Friday, June 13, 2003. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S7862.)

Committee Meetings

(Committees not listed did not meet)

AGRICULTURAL CROP INSURANCE

Committee on Agriculture, Nutrition, and Forestry: Committee concluded oversight hearings to examine the Department of Agriculture's implementation of the Agricultural Risk Protection Act of 2000 and related crop insurance issues, after receiving testimony from J.B. Penn, Under Secretary for Farm and Foreign Agricultural Services, Keith Collins, Chief Economist, and Ross J. Davidson, Jr., Administrator, Risk Management Agency, all of the Department of Agriculture.

HOMEOWNERSHIP

Committee on Banking, Housing, and Urban Affairs: Committee concluded hearings to examine issues relating to expanding homeownership opportunities, focusing on the American Dream Downpayment Initiative, HOME Investment Partnerships Program, Community Development Block Grant programs, Federal Housing Administration mortgage insurance product, Single-Family Affordable Housing Tax Credit, and HUD's Section 8 Housing Choice Voucher Program, after receiving testimony from Representative Harris; Mel Martinez, Secretary of Housing and Urban Development; Terri Y. Montague, Enterprise Foundation, Columbia, Maryland; Cathy Whatley, National Association of Realtors, Jacksonville, Florida; Thomas L. Jones, Habitat for Humanity International, Washington, D.C.; James R. Rayburn, Rayburn Associates, Jackson, Mississippi, on behalf of the National Association of Home Builders.

FISHERIES MANAGEMENT

Committee on Commerce, Science, and Transportation: Committee concluded hearings to examine global overfishing and international fishery conservation and management, including the role of the United States, the International Commission for the Conservation of Atlantic Tunas, and the Convention of the Conservation of Antarctic Marine Living Resources, after receiving testimony from Admiral Thomas H. Collins, Commandant, U.S. Coast Guard, Department of Homeland Security; Rebecca Lent, Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service National Oceanic and Atmospheric Administration, Department of Commerce; John F. Turner, Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs; Ransom A. Myers, Dalhousie University, Nova Scotia Halifax, Canada; Richard P. Ruais, East Coast Tuna Association, Salem, New Hampshire; Lisa Speer, Natural Resources Defense Council, New York, New York; and Patrick J. Sullivan, Cornell University Department of Natural Resources, Ithaca, New York.

STEM CELL RESEARCH

Committee on Commerce, Science, and Transportation: Subcommittee on Science, Technology, and Space concluded hearings to examine advances in adult and non-embryonic stem cell research, focusing on the use of bone marrow and cord blood stem cells, after receiving testimony from David C. Hess, Medical College of Georgia, Augusta; Joanne Kurtzberg, Duke University Medical Center, Durham, North Carolina; John W. McDonald, Washington University School of Medicine, St. Louis, Missouri, on behalf of the Coalition for the Advancement of Medical Research; Jean D. Peduzzi-Nelson, University of Alabama at Birmingham; Pablo Rubinstein, New York Blood Center, New York, New York; Steven L. Barsh, Merion Station, Pennsylvania; Keone Penn, Snellville, Georgia; and Stephen R. Sprague, Staten Island, New York.

PUBLIC LANDS

Committee on Energy and Natural Resources: Subcommittee on Public Lands and Forests concluded hearings to examine S. 434, to authorize the Secretary of Agriculture to sell or exchange all or part of certain parcels of National Forest System land in the State of Idaho and use the proceeds derived from the sale or exchange for National Forest System purposes, S. 435, to provide for the conveyance by the Secretary of Agriculture of the Sandpoint Federal Building and adjacent land in Sandpoint, Idaho, S. 490, to direct the Secretary of Agriculture to convey certain land in the Lake Tahoe Basin Management

Unit, Nevada, to the Secretary of the Interior, in trust for the Washoe Indian Tribe of Nevada and California, H.R. 762, 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, and H.R. 622, to provide for the exchange of certain lands in the Coconino and Tonto National Forests in Arizona, after receiving testimony Tom Thompson, Deputy Chief, National Forest System, Forest Service, Department of Agriculture.

IRAQ RECONSTRUCTION

Committee on Foreign Relations: Committee concluded hearings to examine repercussions of Iraq stabilization and reconstruction policies, focusing on the consequences of looting, political confusion, regional consequences, and Europe and the Northern Atlantic Treaty Organization (NATO), after receiving testimony from Peter W. Galbraith, National Defense University, and Geoffrey Kemp, Nixon Center, both of Washington, D.C.; Frank G. Wisner, American International Group, New York, New York.

TWA/AMERICAN INTEGRATION

Committee on Health, Education, Labor, and Pensions: Committee concluded hearings to examine certain issues relative to TWA/American Airline workforce integration, after receiving testimony Jeff Brundage, American Airlines, and Captain Edwin C. White, Jr., Allied Pilots Association, both of Fort Worth, Texas; Karen Schooling, American Airlines, Independence, Missouri; Theodore A. Case, Snellville, Georgia; Sherry Cooper, Jupiter, Florida.

BUSINESS MEETING

Committee on the Judiciary: Committee ordered favorably reported the following business items:

H.R. 1954, to revise the provisions of the Immigration and Nationality Act relating to naturalization through service in the Armed Forces, with an amendment in the nature of a substitute;

S. Res. 141, recognizing ''Inventing Flight: The Centennial Celebration'', a celebration in Dayton, Ohio of the centennial of Wilbur and Orville Wright's first flight;

S. Res. 163, commending the Francis Marion University Patriots men's golf team for winning the 2003 National Collegiate Athletic Association Division II Men's Golf Championship; and

The nominations of David G. Campbell, to be United States District Judge for the District of Arizona, Eduardo Aguirre, Jr., of Texas, to be Director of the Bureau of Citizenship and Immigration Services, Department of Homeland Security, and Richard James O'Connell, of Arkansas, to be United States Marshal for the Western District of Arkansas, Department of Justice.

BUSINESS MEETING

Committee on the Judiciary: Subcommittee on the Constitution approved for full committee consideration, S.J. Res. 1, proposing an amendment to the Constitution of the United States to protect the rights of crime victims.

House of Representatives

Chamber Action

Measures Introduced: 31 public bills, H.R. 8, 2441–2470; and; 10 resolutions, H. Con. Res. 216–220, and H. Res. 271–275 were introduced.

Pages H5364–66

Additional Cosponsors: Pages H5366–67

Reports Filed: Reports were filed today as follows:

Supplemental report on H.R. 1950, to authorize appropriations for the Department of State for the fiscal years 2004 and 2005, to authorize appropriations under the Arms Export Control Act and the Foreign Assistance Act of 1961 for security assistance for fiscal years 2004 (H. Rept. 108–105, Pt. 2);

H.R. 2122, to enhance research, development, procurement, and use of biomedical countermeasures to respond to public health threats affecting national security, and for other purposes, amended (H. Rept. 108–147. Pt. 2);

Conference report on S. 342, to amend the Child Abuse Prevention and Treatment Act to make improvements to and reauthorize programs under that Act (H. Rept. 108–150);

H.R. 23, to amend the Housing and Community Development Act of 1974 to authorize communities to use community development block grant funds for construction of tornado-safe shelters in manufactured home parks, amended (H. Rept. 108–151); and

H.R. 1375, to provide regulatory relief and improve productivity for insured depository institutions, amended, and referred sequentially to the Committee on the Judiciary for a period ending not later than July 14, 2003 for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(k), rule X. (H. Rept. 108–152, Pt. 1). **Page H5364**

Guest Chaplain: The prayer was offered by the Rev. Michael Dolan, Pastor, Immaculate Heart of Mary Parish of Lexington Park, Maryland. **Page H5269**

Journal: Agreed to the Speaker's approval of the Journal of Wednesday, June 11 by recorded vote of 347 ayes to 74 noes, Roll No. 267. **Pages H5280–81**

Order and Decorum in the Proceedings of the House: The Speaker announced that under clause 2 of rule 1, it is the responsibility of the Speaker to preserve order and decorum in the proceedings of the House. As stated on page 330 of the House Rules and Manual, this responsibility requires that the Chair disallow the use of an exhibit that tends to degrade decorum. Thus, Speakers previously have disallowed the introduction of a person on the floor as a guest of the House as an "exhibit." Pursuant to clause 2 of rule 1, the Chair reiterated the ruling of June 11, 2003, that it is inappropriate to use Pages of the House as part of a visual exhibit during debate. Although Members may enlist the assistance of Pages to manage the placement of exhibits on easels, it is not appropriate to use Pages as though part of an exhibit or otherwise include them in an exhibition. The Chair also will continue to scrutinize the number of charts and other visual exhibits used simultaneously during debate for any tendency to impair decorum. **Page H5269**

Board of Trustees of the Harry S Truman Scholarship Foundation: The Chair announced the Speaker's appointment of Representative Akin to the Board of Trustees of the Harry S Truman Scholarship Foundation. **Page H5271**

Supplemental Report: The Committee on International Relations received permission to file a supplemental report on H.R. 1950, the Foreign Relations Authorizations Act, fiscal years 2004 and 2005. **Page H5271**

Class Action Fairness Act: The House passed H.R. 1115, to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, to outlaw certain practices that provide inadequate settlements for class members, to assure that attorneys do not receive a disproportionate amount of settlements at the expense of class members, to provide for clearer and simpler information in class action settlement notices, to assure prompt consideration of interstate class actions, to amend title 28, United States Code, to allow the application of the principles of Federal diversity jurisdiction to interstate class actions by yea-and-nay vote of 253 yeas to 170 nays, Roll No. 272. **Pages H5271–H5307**

Rejected the Weiner motion that sought to recommit the bill to the Committee on the Judiciary with instructions to report it back forthwith with amendments that change the effective date to any civil action commenced upon enactment and strikes the section providing for appeals of class action certification orders by recorded vote of 185 ayes to 240 noes, Roll No. 271. **Pages H5305–06**

The Committee on the Judiciary amendment in the nature of a substitute now printed in the bill (H. Rept. 108–144) was considered as an original bill for the purpose of amendment. **Page H5305**

Agreed To:

Sensenbrenner amendment No. 1 printed in H. Rept. 108–148 that broadens the category of class action cases that would stay in a state court by increasing the aggregate jurisdictional amount in controversy from $2 million to $5 million and allows Federal courts the discretion to return cases to state courts after evaluating five factors to determine if the case is of a local character; **Pages H5294–96**

Jackson-Lee amendment No. 2 printed in H. Rept. 108–148 that sought to remove Federal court jurisdiction in class action suits filed against certain domestic corporations acquired by foreign corporations (rejected by recorded vote of 185 ayes to 238 noes, Roll No. 268); **Pages H5296–97, H5303**

Lofgren amendment No. 3 printed in H. Rept. 108–148 that sought to permit the use of private attorney actions to enforce state laws in state courts (rejected by recorded vote of 186 ayes to 234 noes, Roll No. 269; and **Pages H5297–99, H5303–04**

Sandlin amendment in the nature of a substitute No. 3 printed in H. Rept. 108–148 that sought to establish the Class Action Improvement Act (rejected by 170 ayes to 255 noes, Roll No. 270). **Pages H5299–H5303, H5304–05**

H. Res. 269, the rule that provided for consideration of the bill was agreed to by recorded vote of 235 ayes to 188 noes, Roll No. 266. Earlier agreed to order the previous question by yea-and-nay vote of 229 yeas to 193 nays, Roll No. 265. **Pages H5279–80**

All-American Tax Relief Act of 2003: The House insisted on its amendment to the Senate amendment to H.R. 1308, to amend the Internal Revenue Code of 1986 to end certain abusive tax practices and to provide tax relief and simplification and requested a conference with the Senate thereon. **Pages H5316–42**

Appointed as conferees: Chairman Thomas and Representatives DeLay and Rangel. **Page H5335**

Agreed to the Rangel motion to instruct conferees to include provisions of the Senate amendment that provide immediate payments to taxpayers receiving an additional credit in the same manner as other taxpayers under the Jobs and Growth Tax Relief Reconciliation Act; provide families of military personnel serving in combat zones a child credit based on the military member's earnings; include all other provisions of the Senate amendment and not report back a conference report with additional tax benefits not offset by other provisions; and to the maximum extent possible to include in the conference report other tax benefits for military personnel and the families of the astronauts who died in the Columbia shuttle disaster by yea-and-nay vote of 205 yeas to 201 nays, Roll No. 275. **Pages H5335–42**

Earlier, upon adoption of the rule and pursuant to its provisions, the Chair announced that the House concurred in the Senate amendment to the title and amendment to the text of the bill with the amendment printed in the H. Rept. 108–149. Pursuant to this amendment, in lieu of the matter inserted by the Senate to the long title of the bill, the following was inserted: ''An Act to amend the Internal Revenue Code of 1986 to enhance fairness in the internal revenue laws, and for other purposes.''. **Pages H5330–35**

H. Res. 270, the rule that provided for consideration of the Senate amendments was agreed to by yea-and-nay vote of 224 yeas to 201 nays, Roll No. 274. Agreed to order the previous question by yea-and-nay vote of 225 yeas to 201 nays, Roll No. 273. **Pages H5316–30**

ORBIT Technical Corrections Act: The House passed H.R. 2312, to amend the Communications Satellite of 1962 to provide for the orderly dilution of the ownership interest in Inmarsat by former signatories to the Inmarsat Operating Agreement by unanimous consent. **Pages H5342–43**

Legislative Program: The Majority Whip announced the legislative program for the week of June 16. **Pages H5343–44**

Meeting Hour—Monday, June 16: Agreed that when the House adjourns today, it adjourn to meet at 12:30 p.m. on Monday, June 16 for morning-hour debate. **Page H5344**

Calendar Wednesday: Agreed to dispense with the Calendar Wednesday business of Wednesday, June 18. **Page H5345**

Advisory Committee on the Records of Congress: Read a letter from the Minority Leader wherein she announced her appointment of Mr. Joseph Cooper of Baltimore, Maryland to the Advisory Committee on the Records of Congress. **Page H5345**

Presidential Messages: Read the following messages from the President:

Coastal Zone Management Act Report: Message wherein he transmitted the Biennial Report to Congress on the Administration of the Coastal Zone Management Act—referred to the Committee on Resources; and **Page H5345**

Comprehensive Review of All Federal Drug and Substance Abuse Treatment, Prevention, Education, and Research Programs: Message wherein he transmitted a report detailing the findings of a comprehensive review of all Federal drug and substance abuse treatment, prevention, education, and research programs—referred to the Committees on Armed Services, Education and the Workforce, Energy and Commerce, Government Reform, Judiciary, Small Business, and Veterans' Affairs. **Pages H5345–46**

Senate Message: Message received from the Senate today appear on page H5342.

Referral: S. Con. Res. 54 was held at the desk. **Page H5342**

Discharge Petition: Representative Marshall moved to discharge the Committee on Rules from the consideration of H. Res. 251, Providing for consideration of H.R. 303, to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive both military retired pay by reason of their years of military service and disability compensation from the Department of Veterans Affairs for their disability (Discharge Petition No. 2). **Page H5367**

Quorum Calls—Votes: Five yea-and-nay votes and six recorded votes developed during the proceedings of the House today and appear on pages H5279, H5279–80, H5280–81, H5303, H5303–04, H5304–05, H5306, H5307, H5329, H5330, and H5341–42. There were no quorum calls.

Adjournment: The House met at 10 a.m. and adjourned at 8:48 p.m.

Committee Meetings

HOMELAND SECURITY APPROPRIATIONS

Committee on Appropriations: Subcommittee on Homeland Security met in executive session and approved for full Committee action the Homeland Security appropriations for fiscal year 2004.

BRIEFING—IRAQ STATUS OF RECONSTRUCTION AND STABILIZATION

Committee on Armed Services: Held a briefing on the state of reconstruction and stabilization operations in

Iraq. The Committee was briefed by L. Paul Bremer, Administrator, Coalition Provisional Authority, (via teleconference); and Lawrence DiRita, Special Assistant to the Secretary, Department of Defense.

SMALL BUSINESS HEALTH FAIRNESS ACT

Committee on Education and the Workforce: Ordered reported, as amended, H.R. 660, Small Business Health Fairness Act of 2003.

SCHOOL READINESS ACT

Committee on Education and the Workforce: Subcommittee on Education Reform approved for full Committee action, as amended, H.R. 2210, School Readiness Act of 2203.

ISSUANCE OF SUBPOENAS

Committee on Energy and Commerce: Subcommittee on Oversight and Investigations adopted motions authorizing the issuance of subpoenas for certain records and testimony in connection with the Committee's investigations into (1) the financial collapse of HealthSouth Corporation, and (2) the safety of dietary supplements that are manufactured or marketed for use by children.

FAIR CREDIT REPORTING ACT—CREDIT GRANTNG PROCESS ROLE

Committee on Financial Services: Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled ''The Role of FCRA in the Credit Granting Process.'' Testimony was heard from public witnesses.

CANADIAN PRESCRIPTION DRUG IMPORTATION

Committee on Government Reform: Subcommittee on Human Rights and Wellness held a hearing entitled ''Canadian Prescription Drug Importation: Is There A Safety Issue?'' Testimony was heard from William K. Hubbard, Senior Associate Commissioner, FDA, Department of Health and Human Services; and public witnesses.

MISCELLANEOUS MEASURES

Committee on International Relations: Ordered reported, as amended, the following bills: H.R. 2441, Millennium Challenge Account Authorization and Peace Corps Expansion Act of 2003; and H.R. 2330, Burmese Freedom and Democracy Act of 2003.

The Committee also favorably considered and adopted a motion urging the chairman to request that the following measures be considered on the Suspension Calendar: H.R. 1462, International Disabilty and Victims of Warfare and Civil Strife Assistance Act of 2003; H. Res. 58, recognizing the accomplishments of Ignacy Jan Paderewski as a musician, composer, statesman, and philanthropist and recognizing the 11th Anniversary of the return of his remains to Poland; H.R. 177, amended, commending the people of the Republic of Kenya for conducting free and fair elections, for the peaceful and orderly transfer of power in their government, and for the continued success of democracy in their nation since that transition; H. Res. 194, amended, regarding the importance of international efforts to abolish slavery and other human rights abuses in the Sudan; H. Res. 199, amended, calling on the Government of the People's Republic of China immediately and unconditionally to release Dr. Yang Jianli, calling on the President of the United States to continue working on behalf of Dr. Yang Jianli for his release; H. Res. 237, honoring the life and work of Walter Sisulu, a critical leader in the movement to free South Africa of apartheid, on the occasion of his death; H. Res. 242, expressing the condolences of the House of Representatives to the families of the victims of the terrorist suicide bombing attacks that occurred on May 16, 2003, in Casablanca, Morocco; H. Res. 264, expressing sympathy for the victims of the devastating earthquake that struck Algeria on May 21, 2003; H. Con. Res. 49, expressing the sense of the Congress that the sharp escalation of anti-Semitic violence within many participating States of the Organization for Security and Cooperation in Europe (OSCE) is of profound concern and efforts should be undertaken to prevent future occurrences; H. Con. Res. 80, expressing the sense of Congress relating to efforts of the Peace Parks Foundation in the Republic of South Africa to facilitate the establishment and development of transfrontier conservation efforts in southern Africa; H. Con. Res. 134, acknowledging the deepening relationship between the United States and the Republic of Djibouti and recognizing Djibouti's role in combating terrorism; .H. Con. Res. 154, concerning the transition to democracy in the Republic of Burundi; H. Con. Res. 169, expressing the sense of Congress that the United States Government should support the human rights and dignity of all persons with disabilities by pledging support for the drafting and working toward the adoption of a thematic convention on the human rights and dignity of persons with disabilities by the United Nations General Assembly to augment the existing United Nations human rights system; and H. Con. Res. 209, commending the signing of the United States-Adriatic Charter, a charter of partnership among the United States, Albania, Croatia, and Macedonia.

PRISON RAPE REDUCTION ACT

Committee on the Judiciary: Subcommittee on Crime, Terrorism, and Homeland Security approved for full

Committee action, as amended, H.R. 1707, Prison Rape Reduction Act of 2003.

CAPTIVE WILDLIFE SAFETY ACT; DON'T FEED THE BEARS ACT

Committee on Resources: Subcommittee on Fisheries Conservation, Wildlife and Oceans held a hearing on the following bills: H.R. 1006, Captive Wildlife Safety Act; and H.R. 1472, Don't Feed the Bears Act of 2003. Testimony was heard from Representatives Peterson of Minnesota. McKeon and Moran of Virginia; Matt Hogan, Deputy Director, U.S. Fish and Wildlife Service, Department of the Interior; Elizabeth Estill, Deputy Chief, Programs, Legislation and Communications, U.S. Forest Service, USDA; and public witnesses.

PLANT BIOTECHNOLOGY RESEARCH AND DEVELOPMENT IN AFRICA

Committee on Science: Subcommittee on Research held a hearing on Plant Biotechnology Research and Development in Africa: Challenges and Opportunities. Testimony was heard from Speaker Hastert; Rita R. Colwell, Director, NSF; Andrew Natsios, Administrator, AID, Department of State; and public witnesses.

CHILEAN FREE TRADE AGREEMENT

Committee on Small Business: Subcommittee on Tax, Finance, and Exports held a hearing on the Chilean Free Trade Agreement. Testimony was heard from Manuel Rosales, Assistant Administrator, Office of International Trade, SBA; Christopher Padilla, Assistant U.S. Trade Representative for Intergovernmental Affairs and Public Liaison; and public witnesses.

COAST GUARD AND MARITIME TRANSPORTATION ACT

Committee on Transportation and Infrastructure: Subcommittee on Coast Guard and Maritime Transportation approved for full Committee action the Coast Guard and Maritime Transportation Act of 2003.

INTELLIGENCE AUTHORIZATION ACT; SPECIAL PROGRAMS

Permanent Select Committee on Intelligence: Met in executive session and ordered reported the Intelligence Authorization Act for Fiscal Year 2004.

The Committee also met in executive session to hold a hearing on Special Programs. Testimony was heard from departmental witnesses.

COMMITTEE MEETINGS FOR FRIDAY, JUNE 13, 2003

(Committee meetings are open unless otherwise indicated)

Senate

No meetings/hearings scheduled.

House

Committee on Government Reform, hearing entitled "Budget Autonomy for the District of Columbia: Restoring Trust in Our Nation's Capital," 10 a.m., 2154 Rayburn.

Next Meeting of the **SENATE**

9:30 a.m., Friday, June 13

Senate Chamber

Program for Friday: After the transaction of any morning business (not to extend beyond 10 a.m.), Senate will consider and immediately vote on the nomination of R. Hewitt Pate, of Virginia, to be an Assistant Attorney General, Department of Justice.

Next Meeting of the **HOUSE OF REPRESENTATIVES**

12:30 p.m., Monday, June 16

House Chamber

Program for Monday: To be announced.

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